CITY OF REDONDO BEACH
CITY COUNCIL AGENDA
Tuesday, June 9, 2026

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://redondo.zoomgov.com/webinar/register/WN_t8jPPUm6RbCHd-6sH6nE3A
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
Luke Smude, Assistant to the City Manager
Jon Goetz, Redwood Public Law

PROPERTY:
Portions of the Redondo Beach Marina Parking Lot and Seaside Lagoon
(portions of APN #s: 7503-029-900 and 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, BeachLife Festival

UNDER NEGOTIATION:
Price and Terms

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

E. APPROVE ORDER OF AGENDA

F. AGENCY RECESS

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 JUNE 9, 2026

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: NONE

CONTACT: ELEANOR MANZANO, CITY CLERK

H.4. APPROVE CONTRACTS UNDER $35,000:

1. APPROVE AN AGREEMENT WITH GLICKSMAN CONSULTING LLC FOR ANNUAL ACTUARIAL STUDIES OF THE CITY'S WORKERS' COMPENSATION AND LIABILITY SELF-INSURANCE PROGRAMS FOR A TOTAL AMOUNT OF $30,000 AND THE TERM JUNE 10, 2026 TO JULY 31, 2029

CONTACT: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

H.5. ADOPT THE 2025 INTERIM SEWER SYSTEM MANAGEMENT PLAN (SSMP) UPDATE TO MAINTAIN COMPLIANCE WITH STATE WATER RESOURCES CONTROL BOARD ORDER NO. WQ 2022-0103-DWQ AND APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH DUDEK FOR A COMPREHENSIVE SSMP UPDATE, SYSTEM CONDITION ASSESSMENT, AND CAPITAL IMPROVEMENT PROGRAM, FOR AN AMOUNT NOT TO EXCEED $1.8 MILLION THROUGH JUNE 1, 2029

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.6. ADOPT BY 4/5THS VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2606-037, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A 2025-2026 FISCAL YEAR BUDGET MODIFICATION TO APPROPRIATE $9,643 IN DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY (CALRECYCLE) GRANT FUNDS TO THE INTERGOVERNMENTAL GRANTS FUND

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.7. ACCEPT AS COMPLETE THE NORTH PIER PARKING STRUCTURE REPAIRS PROJECT, JOB NO. 70610, AND AUTHORIZE THE CITY ENGINEER TO FILE A NOTICE OF COMPLETION FOR THE PROJECT WITH THE LOS ANGELES COUNTY REGISTRAR-RECORDER, AND AUTHORIZE RELEASE OF THE RETENTION UPON EXPIRATION OF THE 35-DAY LIEN PERIOD AFTER SAID RECORDATION AND NO CLAIMS BEING FILED UPON THE PROJECT

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.8. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2606-038, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL (SB) 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.9. APPROVE AN AGREEMENT WITH REVENUE & COST SPECIALISTS, LLC TO PREPARE A COMPREHENSIVE DEVELOPMENT IMPACT FEE STUDY AND NEXUS REPORT FOR AN AMOUNT NOT TO EXCEED $52,500

CONTACT: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

H.10. APPROVE THE PURCHASE OF ONE 2026 FORD EXPLORER FROM OLATHE FORD SALES, INC. FOR USE BY THE ADMINISTRATION DIVISION OF THE POLICE DEPARTMENT FOR A TOTAL COST OF $58,561

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.11. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2606-039 OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DECLARING THE REPLACEMENT OF EQUIPMENT AT THE CITY FUEL ISLAND PROJECT AND ONGOING MAINTENANCE SERVICES AS “MAINTENANCE” AND EXEMPTING IT FROM BIDDING REQUIRMENTS PURSUANT TO SECTIONS 19 AND 19.1(a) OF

THE CITY CHARTER OF REDONDO BEACH

APPROVE AN AGREEMENT WITH SUNWEST ENGINEERING CONSTRUCTORS, INC. TO REHABILITATE THE EXISTING FUEL DISPENSING SYSTEM AT THE CITY YARD AND PROVIDE THREE YEARS OF ONGOING MAINTENANCE FOR A NOT TO EXCEED AMOUNT OF $253,405

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.12. APPROVE THE BUSINESS LICENSE TAX WAIVER APPLICATION REQUESTING AN EXEMPTION FROM COMPLIANCE WITH THE BUSINESS LICENSE TAX RATES ESTABLISHED IN REDONDO BEACH MUNICIPAL CODE SECTION 6-1.22, AS PER SECTION 6-1.08 OF THE CODE, SUBMITTED FOR THE CITY'S SUMMER READING KICKOFF AND JUNETEENTH CELEBRATION TO TAKE PLACE ON JUNE 13, 2026 AT CITY HALL

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

H.13. APPROVE THE PURCHASE OF ONE 2026 VERMEER BC1000XL WOOD CHIPPER FROM RDO EQUIPMENT CO. FOR USE BY THE PUBLIC WORKS DEPARTMENT USING CALRECYCLE SENATE BILL (SB) 1383 LOCAL ASSISTANCE GRANT FUNDS FOR A TOTAL OF $58,533

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.14. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2606-040, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASS SPECIFICATIONS FOR THE POSITION OF PUBLIC WORKS ADMINISTRATIVE MANAGER

CONTACT: ANDREW WINJE, PUBLIC WORKS DIRECTOR

H.15. APPROVE THE LEGAL SERVICES AGREEMENT WITH MEYERS NAVE

CONTACT: JOY A. FORD, CITY ATTORNEY

H.16. AUTHORIZE THE MAYOR TO SIGN A LETTER OF OPPOSITION TO THE CALIFORNIA TWO-THIRDS VOTE REQUIREMENT FOR SPECIAL TAXES AND CHARTER CITY REAL ESTATE TRANSFER TAX PROHIBITION INITIATIVE (INITIATIVE 25-0006A1), WHICH, IF APPROVED, WOULD AMEND THE CALIFORNIA CONSTITUATION TO INCREASE THE VOTE REQURIEMENT TO APPROVE LOCAL SPECIAL TAXES AND INVALIDATE ANY PROPERTY RELATED LOCAL SPECIAL TAXES APPROVED BY LESS THAN TWO-THIRDS VOTE

AUTHORIZE THE MAYOR TO SIGN A LETTER OF SUPPORT TO SENATE BILL 922, WHICH, IF APPROVED BY THE STATE, WOULD ALLOW FOR CITIES TO RECOVER STREET MAINTENANCE AND REPAIR COSTS CAUSED BY HEAVY ESSENTIAL PUBLIC SERVICE VEHICLES

CONTACT: JANE CHUNG, ASSISTANT TO THE CITY MANAGER

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. CONTINUED PUBLIC HEARING TO CONSIDER THE FISCAL YEAR 2026-27 PROPOSED BUDGET AND 2027-31 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

PROCEDURES:
a. Reconvene the Public Hearing;
b. Take testimony;
c. Receive and file Budget Response Reports; and,
d. Continue the Public Hearing to June 16, 2026.

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

M. ITEMS CONTINUED FROM PREVIOUS AGENDAS

N. ITEMS FOR DISCUSSION PRIOR TO ACTION

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
Luke Smude, Assistant to the City Manager
Jon Goetz, Redwood Public Law

PROPERTY:
Portions of the Redondo Beach Marina Parking Lot and Seaside Lagoon
(portions of APN #s: 7503-029-900 and 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, BeachLife Festival

UNDER NEGOTIATION:
Price and Terms

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, June 16, 2026, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.

Administrative Report

F.1., **File #** 26-0711 **Meeting Date:** 6/9/2026

TITLE

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

AGENCY NEGOTIATOR:
Mike Witzansky, City Manager
Luke Smude, Assistant to the City Manager
Jon Goetz, Redwood Public Law

PROPERTY:
Portions of the Redondo Beach Marina Parking Lot and Seaside Lagoon
(portions of APN #s: 7503-029-900 and 7503-029-903)

NEGOTIATING PARTIES:
Allen Sanford, BeachLife Festival

UNDER NEGOTIATION:
Price and Terms

Administrative Report

G.1., **File #** 26-0697 **Meeting Date:** 6/9/2026

TITLE

For Blue Folder Documents Approved at the City Council Meeting

Administrative Report

H.1., **File #** 26-0698 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED AND REGULAR MEETING OF JUNE 9, 2026

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	June 9, 2026	4:30 p.m. 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: June 5, 2026

Administrative Report

H.2., **File #** 26-0699 **Meeting Date:** 6/9/2026

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 #** 26-0700 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE THE FOLLOWING CITY COUNCIL MINUTES: NONE

EXECUTIVE SUMMARY

Approval of Council Minutes

APPROVED BY:

Eleanor Manzano, City Clerk

Administrative Report

H.4., **File #** 26-0708 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

APPROVE CONTRACTS UNDER $35,000:

1. APPROVE AN AGREEMENT WITH GLICKSMAN CONSULTING LLC FOR ANNUAL ACTUARIAL STUDIES OF THE CITY'S WORKERS' COMPENSATION AND LIABILITY SELF-INSURANCE PROGRAMS FOR A TOTAL AMOUNT OF $30,000 AND THE TERM JUNE 10, 2026 TO JULY 31, 2029

   CONTACT: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

EXECUTIVE SUMMARY

Approve Contracts Under $35,000

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt, Signature & Insurance - Glicksman Consulting LLC

AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND GLICKSMAN CONSULTING LLC

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Glicksman Consulting LLC, a Florida 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 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".

4. 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 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. 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 Consultant.

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. 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.

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 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.

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 Consultant.

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 Consultant, 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; Correction of Work. Consultant warrants that all products and work provided under this Agreement shall:

a. be delivered with good title, free of liens and encumbrances;
b. conform to the requirements of this Agreement;
c. be free from defects in materials and workmanship; and
d. be fit for their intended purpose.

Unless otherwise specified, this warranty shall remain in effect for one (1) year from the date of delivery or acceptance by the City, whichever is later, except that consumable items shall be warranted for thirty (30) days.

If, within the applicable warranty period, any product or work is determined by the City to be defective or nonconforming, Consultant shall, upon City's written notice and at its sole cost and expense, promptly repair, correct, or replace such product or work, including all labor, supervision, materials, removal, reinstallation, and related costs. If Consultant fails to do so, the City may perform the work and Consultant shall reimburse the City for its reasonable costs. All corrected or replaced work shall be subject to the same warranty.

Nothing in this Section 33 shall limit Consultant's obligation to correct or replace defective work or Consultant's indemnity obligations under Section 14. The warranty set forth in this Agreement shall survive the termination or expiration of this Agreement and shall remain in full force and effect for the applicable warranty periods stated herein and under any assigned or passed through third-party manufacturer warranties.

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 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.

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 9th day of June, 2026.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

GLICKSMAN CONSULTING LLC,
a Florida limited liability company

Signed by:
Steven Glicksman
13CFFEB0D496444...

By: _____
Name: Steven Glicksman
Title: Actuary
6/5/2026 | 7:36 AM PDT

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

A. **PROJECT OVERVIEW.** The City maintains self-insurance programs for workers' compensation and liability exposures, including automobile liability, general liability, and other common municipal liability exposures. The City funds claims through designated self-insurance funds and maintains financial reporting in accordance with applicable Governmental Accounting Standards Board ("GASB") Statement No. 10 requirements.

Consultant shall provide annual actuarial consulting services for the City's workers' compensation and liability programs.

B. **SCOPE OF WORK.** Consultant shall perform actuarial studies and analyses for the City's workers' compensation and liability programs, including estimation of outstanding losses, projection of ultimate limited losses, preparation of actuarial reports, and related consulting services necessary to support the City's financial reporting and risk management functions.

C. **TASKS AND ACTIVITIES**

1. **Task 1 – Estimate Outstanding Losses**
   Consultant shall estimate outstanding losses, including allocated loss adjustment expenses ("ALAE"), for the City's workers' compensation and liability programs as of June 30 of each year.
   The estimated outstanding losses are the cost of unpaid claims and shall include:

   a. Case reserves
   b. Development of known claims
   c. Incurred but not reported ("IBNR") claims
   d. Allocated loss adjustment expenses ("ALAE")
      i. ALAE shall include direct expenses associated with specific claims, primarily legal expenses.

   The estimates shall be presented at full value and present value (discounted), and at various confidence levels.

2. **Task 2 – Project Ultimate Limited Losses**
   a. Consultant shall project ultimate limited losses, including ALAE, for fiscal years 2024/2025, 2025/2026 and 2026/2027.
   b. Projected ultimate limited losses shall represent the accrual value of losses and ALAE associated with accident dates occurring during the applicable fiscal years, regardless of report or payment date, and shall be limited to the applicable self-insured retention, if any.

c. The projections shall be presented at full value and present value (discounted), and at various confidence levels.

3. **Task 3 – Data Review and Analysis**
   The actuarial analyses described herein shall be based upon loss data as of the end of each applicable fiscal year provided by the City.

4. **Task 4 – Draft and Final Reports**
   a. Consultant shall prepare a written report of the conclusions and a thorough actuarial analysis to support the conclusions.
   b. Consultant shall provide separate reports for the workers' compensation and liability programs.
   c. Consultant shall submit draft written reports for the workers' compensation and liability programs before June 1st of each year. For the June 2026 report, the draft report shall be submitted by July 15 2026. Submit final reports upon the City's approval of the draft reports.

D. **PERFORMANCE REQUIREMENTS**

1. Consultant shall perform all services in accordance with generally accepted actuarial principles and practices applicable to public agency self-insurance programs.

2. All reports and analyses shall be sufficiently detailed to support the City's financial reporting obligations and internal risk management functions.

E. **ROLES AND RESPONSIBILITIES**

1. **Consultant Responsibilities**
   Consultant shall:

   a. Perform the actuarial analyses described in this Exhibit "A".
   b. Prepare draft and final actuarial reports.
   c. Coordinate with City staff regarding data collection and analysis.
   d. Provide supporting actuarial information reasonably requested by the City.

2. City Responsibilities
   City shall:

   a. Provide available loss data and supporting information reasonably necessary for Consultant to perform the services.
   b. Review draft reports and provide comments within a reasonable timeframe

EXHIBIT "B"

TERM AND TIME OF COMPLETION

TERM. This Agreement shall commence on June 10, 2026 and shall continue until July 31, 2029, unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

A. **AMOUNT.** Consultant shall be paid $3,750 for each annual workers compensation study and liability actuarial study, for a total of $7,500 annually for two studies.

B. **REIMBURSABLE EXPENSES.** Expenses for copying, postage and telephone, and teleconferences are included. The compensation set forth in Section A of this Exhibit "C" is all-inclusive.

C. **METHOD OF PAYMENT.** Consultant shall submit an invoice after completion of the study. Each invoice shall indicate the dates of service, type of study, corresponding fee, and total amount. Invoices must be itemized, adequately detailed, based on accurate records, and, if applicable, attach subcontractor invoices, reimbursable expense approvals, and expense receipts. Invoices must be in a form reasonably satisfactory to the City. Consultant may be required to provide backup material upon request.

D. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty (30) days of receipt of Consultant's invoice; provided, however, that services are completed to the City's full satisfaction.

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

Consultant: Glicksman Consulting LLC - Actuarial Services
3124 NW 59 Street, Suite 100
Boca Raton, Florida 33496
Attention: Steven Glicksman, FCAS, MAAA
Email: sglicksman@glicksmanconsulting.com

City: City of Redondo Beach
Human Resources Department
415 Diamond Street
Redondo Beach, CA 90277
Attention: Diane Strickfaden
Email: diane.strickfaden@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 "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: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit of $4,000,000 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 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.

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.

GLICCON-01 NBUTLER

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/12/2026

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: Nita Butler
Hub International Florida 10739 Deerwood Park Blvd Suite 200 Jacksonville, FL 32256	PHONE (A/C, No, Ext): (904) 446-3151 FAX (A/C, No): (904) 396-7432 E-MAIL ADDRESS: Nita.Butler@HUBinternational.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Continental Casualty Company	20443
INSURER B : Nautilus Insurance Company	17370
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED

Glicksman Consulting LLC
599 West Royal Palm Rd. Ste A
Boca Raton, FL 33486

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						EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR			5094105736	6/4/2025	6/4/2026	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	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)	$
								$
A	UMBRELLA LIAB X OCCUR						EACH OCCURRENCE	$ 4,000,000
	X EXCESS LIAB CLAIMS-MADE			5094107969	6/4/2025	6/4/2026	AGGREGATE	$ 4,000,000
	DED X RETENTION $ 10,000							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
B	Professional Liabili			KYSMPLN018703	11/1/2025	11/1/2026	$2M agg/$25,000 ded	2,000,000

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

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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Administrative Report

H.5., **File #** 26-0236 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ADOPT THE 2025 INTERIM SEWER SYSTEM MANAGEMENT PLAN (SSMP) UPDATE TO MAINTAIN COMPLIANCE WITH STATE WATER RESOURCES CONTROL BOARD ORDER NO. WQ 2022-0103-DWQ AND APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH DUDEK FOR A COMPREHENSIVE SSMP UPDATE, SYSTEM CONDITION ASSESSMENT, AND CAPITAL IMPROVEMENT PROGRAM, FOR AN AMOUNT NOT TO EXCEED $1.8 MILLION THROUGH JUNE 1, 2029

EXECUTIVE SUMMARY

The State Water Resources Control Board (SWRCB) adopted revised statewide Sanitary Sewer System Waste Discharge Requirements under Order No. WQ 2022-0103-DWQ (Order), which became effective on June 5, 2023. To expeditiously maintain compliance with the revised Order, the City retained Fischer Compliance, LLC on May 2, 2023 to prepare the Interim 2025 Sewer System Management Plan (SSMP) Update. The Interim 2025 SSMP Update was submitted to the SWRCB on August 4, 2025 to meet applicable regulatory deadlines. City Council's adoption of the Interim 2025 SSMP is required to continue to meet regulatory requirements and guide staff on recommended updates to the SSMP components.

Additionally, staff solicited a request for proposals for professional services needed to prepare a comprehensive SSMP update, which includes broad infrastructure inspections and the development of a capital plan and estimate of future maintenance and capital improvement costs for the City's wastewater system. The RFP was issued on February 24, 2026 and was advertised on the City's procurement platform and directly sent to multiple known vendors. Only two firms responded to the RFP with both of the firms being highly qualified. Following a review of the submitted proposals and consultant interviews, Dudek was selected as the most qualified consultant team.

The proposed Agreement with Dudek for preparation of the updated SSMP requires a number of services including hydraulic modeling, closed-circuit television (CCTV) inspections and planning, condition assessment, flow monitoring, Operations and Maintenance program evaluation, pump station assessment, remote Supervisory Control and Data Acquisition (SCADA) review, and the development of a multi-year prioritized Capital Improvement Program (CIP) with estimated costs.

Approval of the Agreement would initiate the process to update the City's SSMP, which is required by State Law. The cost of the multi-year agreement is not no exceed $1,800,000. The majority of the cost of the contract ($1,000,000) is driven by the CCTV inspection and system condition assessment

work, which is critical to the prioritization of all future system repairs. The proposed Agreement is funded entirely by the City's Wastewater Enterprise Fund and is included in the approved CIP as part of Sanitary Sewer Management Plan Project #50330.

BACKGROUND

In 2006, the SWRCB adopted Water Quality Order No. 2006-0003, requiring public agencies operating sanitary sewer systems greater than one mile in length to prepare and maintain a SSMP. In response, the City adopted its original SSMP in 2009 and has continued to update and implement the program, including updates to the Spill Emergency Response Plan, improvements to the Fats, Oils, and Grease program, and ongoing system rehabilitation. The City Council most recently recertified the SSMP on August 2, 2022.

On December 6, 2022, the SWRCB adopted Order No. WQ 2022-0103-DWQ, which became effective on June 5, 2023 and superseded the 2006 Order. The revised Order expanded SSMP requirements with additional emphasis on system evaluation, condition assessment, capacity assurance, performance metrics, climate resilience, and CIP development.

To meet the revised Order's requirements, the City retained Fischer Compliance, LLC to provide regulatory and technical assistance. Fischer Compliance prepared the Interim 2025 SSMP Update using available City information and incorporated the revised regulatory requirements, updated organizational responsibilities, revised operational procedures, and updated implementation schedules necessary to maintain the City's regulatory standing.

The Interim 2025 SSMP Update was submitted to the State authority (CIWQS) on August 4, 2025 as an interim update pending City Council adoption. Formal City Council adoption of the update would complete the compliance process. Following adoption, the City would upload the Council-approved version to CIWQS and make it available for public review in accordance with the Order.

The Interim 2025 SSMP was a compliance-focused document based on currently available information. It was not intended to replace the comprehensive technical evaluation needed to address the City's long-term wastewater infrastructure needs.

The City's wastewater collection system consists of approximately 112 miles of gravity sewer mains, approximately two miles of force mains, 16 pump stations, and associated appurtenances serving the City. Portions of the wastewater system are aging and subject to operational, structural, hydraulic, and coastal resiliency challenges, including infiltration and inflow, restricted access areas, tidal influence, and capacity limitations. Staff determined that a comprehensive assessment engineering and capital planning effort is necessary to support long-term implementation of the SSMP and the development of future capital improvement priorities.

To develop and update this technical foundation, staff issued a Request for Proposals for professional engineering and technical services for a comprehensive SSMP update and sewer system evaluation. Only two firms responded, despite efforts to reach a wide audience through the City's OpenGov procurement portal and distribution to known vendors. Following proposal review and consultant interviews, the evaluation panel selected Dudek as the most qualified team based on technical approach, relevant experience, project understanding, staffing, and interview performance.

Under the proposed agreement, Dudek would provide professional engineering, planning, and technical services necessary to prepare a comprehensive update to the City's SSMP and supporting wastewater system evaluation. The scope of work includes project management, risk-based CCTV inspection, PACP-based condition coding, flow monitoring, hydraulic model development and calibration, capacity assessment, pump station evaluation, SCADA integration review, Operations and Maintenance Program evaluation, and the development of a prioritized rehabilitation and replacement program, with estimated costs, for the next 5-, 10-, and 20-years.

The SSMP update will also include updates to all eleven SSMP elements in accordance with the Order, including:

- Goals and System Introduction
- Organization
- Legal Authority
- Operations and Maintenance Program
- Design and Performance Provisions
- Spill Emergency Response Plan
- Sewer Pipe Blockage Control Program
- System Evaluation, Capacity Assurance, and Capital Improvements
- Monitoring, Measurement, and Program Modifications
- Internal Audits
- Communication Program

This work can not be avoided and is necessary to move the City from interim compliance documentation to a comprehensive, data-driven SSMP program. The updated SSMP would be presented to City Council for consideration of adoption when it is complete. Dudek's work is critical to identify any existing system deficiencies, prioritize infrastructure repairs/improvements, outline long term maintenance and capital costs, and provide a defensible basis for future wastewater system decisions and any needed fee/rate adjustments.

COORDINATION

The Public Works Department coordinated the RFP with the Financial Services Department. The City Attorney's Office reviewed and approved the Agreement with Dudek as to form.

FISCAL IMPACT

Funding for the contract is included in the approved CIP as part of the Sanitary Sewer Management Plan Project #50330 account and is paid for through Wastewater Enterprise Funds.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Dudek
- Interim 2025 Sewer System Management Plan Update
- Insurance - Dudek

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AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND DUDEK

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Dudek, 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. 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".

4. Insurance. Consultant shall adhere to the insurance requirements outlined in Exhibit “D”, unless otherwise waived by the City’s Risk Manager.

5. Agreement to Comply with California Labor Law Requirements. Consultant agrees to comply with all applicable California Labor Law Requirements as set forth in Exhibit "E".

* * * * *

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.

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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.

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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.

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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

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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, and employment 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

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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. Labor Law Requirements. In the event this project, or any portion thereof is deemed a "public work", 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. 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. 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,

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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.

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 Consultant.

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.

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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 Consultant, 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; Correction of Work. Consultant warrants that all products and work provided under this Agreement shall:

    a. be delivered with good title, free of liens and encumbrances;
    b. conform to the requirements of this Agreement;
    c. be free from defects in materials and workmanship; and
    d. be fit for their intended purpose.

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Unless otherwise specified, this warranty shall remain in effect for one (1) year from the date of delivery or acceptance by the City, whichever is later, except that consumable items shall be warranted for thirty (30) days.

If, within the applicable warranty period, any product or work is determined by the City to be defective or nonconforming, Consultant shall, upon City's written notice and at its sole cost and expense, promptly repair, correct, or replace such product or work, including all labor, supervision, materials, removal, reinstallation, and related costs. If Consultant fails to do so, the City may perform the work and Consultant shall reimburse the City for its reasonable costs. All corrected or replaced work shall be subject to the same warranty.

Nothing in this Section 33 shall limit Consultant's obligation to correct or replace defective work or Consultant's indemnity obligations under Section 14. The warranty set forth in this Agreement shall survive the termination or expiration of this Agreement and shall remain in full force and effect for the applicable warranty periods stated herein and under any assigned or passed through third-party manufacturer warranties.

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 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.

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

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IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 9th day of June, 2026.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

DUDEK,
a California corporation

Signed by:
Joseph Monaco
01A12CB5F28F42F...

By: _____
Name: Joseph Monaco
Title: President and CEO

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

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EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

A. PROJECT OVERVIEW

As requested by the City, Consultant shall provide professional engineering, planning, analysis, condition assessment, hydraulic modeling, capital planning, and technical services necessary to update the City of Redondo Beach Sewer System Management Plan (SSMP) in full compliance with State Water Resources Control Board Order No. WQ 2022-0103-DWQ and all applicable federal, state, and local regulations. The service shall integrate SSMP compliance with a comprehensive and focused sewer system evaluation, establishing a robust and defensible technical foundation for operations, maintenance, condition assessment, capacity assurance, SCADA review, pump station assessment, and prioritized 5-, 10-, and 20-year Capital Improvement Program (CIP) planning.

The SSMP update shall incorporate applicable industry guidance, including the Bay Area Clean Water Agencies (BACWA) Guide for Developing and Updating Sewer System Management Plans, or agreed upon equivalent system, and shall document how the City evaluates, prioritizes, operates, maintains, and invests in its wastewater collection system. The work shall be performed as a consultant-led technical and planning effort. No construction services or survey is included, except for field inspection, CCTV inspection coordination, flow monitoring, field verification, and related field support expressly described in this contract exhibits.

Consultant shall provide all labor, supervision, subconsultant coordination, technical analysis, quality control, and deliverables required to complete the services described herein. Consultant shall not perform optional services, extra work, or services outside the authorized scope without prior written authorization from the City in accordance with the Agreement.

B. SCOPE OF WORK

Consultant shall perform the full scope of services necessary to complete the SSMP update and related sewer system evaluation. The scope of work shall include, without limitation, the following tasks:

Task 1 - Project Kickoff and Work Plan: Project initiation, one in-person kickoff meeting, confirmation of project objectives, public engagement strategy, communication protocols, schedule coordination, data management workflows, review milestones, and detailed Work Plan development.

Task 2 - Data Collection, CCTV Inspection, Flow Monitoring, and Field Verification: Collection and review of available City data, including existing SSMP materials, audits, GIS data, CCTV records, maintenance records, SSO records, pump station information, SCADA data, SmartCover data, and other available documents; development of a risk-

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based targeted CCTV inspection program; CCTV coordination; PACP-based condition coding; condition summary reporting; integration of inspection findings into GIS and asset management data; flow monitoring planning and field verification to support hydraulic modeling and capacity analysis. For fee purposes, flow monitoring is based on six locations for six weeks with one rain gauge.

Task 3 - SSMP Update: Update of all eleven SSMP elements in accordance with the Order and applicable BACWA guidance, including measurable key performance indicators (KPIs), implementation recommendations, draft documents, comment responses or redline revisions, and final SSMP documents suitable for City review, City Council consideration, adoption, and future compliance documentation.

Task 4 - Operations and Maintenance Program Evaluation and Update: Evaluation and update of the City Operations and Maintenance (O&M) Program, including staffing, training, equipment, standard operating procedures, preventive maintenance, documentation, performance monitoring, gap identification, and O&M KPI development.

Task 5 - System Evaluation, Capacity Assurance, and Capital Improvements: System evaluation and capacity assurance planning, including data analysis, hydraulic model development, model calibration, existing and buildout capacity assessment, wet-weather and dry-weather scenarios, climate resilience considerations, pump station capacity and condition evaluation, SCADA system integration review, GIS asset review, and conveyance rehabilitation and replacement program development.

Task 6 - 5-, 10-, and 20-Year Capital Improvement Program: Development of a prioritized 5-, 10-, and 20-year CIP, including planning-level cost estimates, project phasing, budget integration, and sewer fee impact considerations for planning purposes.

Task 7 - Project Management, Meetings, Training, and Deliverables Management: Project management, schedule and budget tracking, coordination, quality assurance and quality control, up to 30 biweekly status and milestone meetings, City Council and Public Works Commission meeting support, staff training, implementation support, and deliverables management

C. PROJECT PHASES

The project shall be performed in the five general phases identified below. Phases may overlap as necessary for efficient project delivery; however, the sequencing of phases shall not limit Consultant’s obligation to complete all tasks, services, and deliverables required by this Exhibit and the Agreement.

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Phase	Contract Tasks	Main Work and Milestone
Phase 1 - Initiation	Tasks 1 and 7	Kickoff, data request, communication protocols, public engagement approach, and Work Plan. Milestone: City-approved Work Plan.
Phase 2 - Condition Assessment	Tasks 2, 5.1, and 5.6	Risk-based CCTV planning, PACP coding, condition/risk summaries, and GIS or asset updates. Milestone: City review of CCTV and condition summary.
Phase 3 - Flow Monitoring and Modeling	Tasks 2 and 5.2	Flow monitoring, field verification, model calibration, and existing/buildout capacity analysis. Milestone: capacity workshop and modeling memorandum.
Phase 4 – Condition Assessment and generate the CIP plan	Tasks 5.3 through 5.7 and Task 6	Pump station, SCADA, climate resilience, rehabilitation, replacement, and capacity recommendations. Milestone: draft 5-, 10-, and 20-year CIP.
Phase 5 - SSMP and Implementation	Tasks 3, 4, 6, and 7	Final SSMP, O&M updates, KPIs, training, public meeting support, final CIP, and closeout files. Milestone: City acceptance of final deliverables.

D. TASKS AND ACTIVITIES

Consultant shall complete the following tasks and activities within the project phases described above. Consultant shall coordinate all subconsultant work, field work, technical analyses, quality control, and deliverable preparation necessary to complete the services. Consultant shall not perform optional or out-of-scope services without prior written authorization from the City.

TASK 1: PROJECT KICKOFF AND WORK PLAN

a. Conduct minimum one in-person project kickoff meeting with City staff to establish project goals, confirm scope, identify available data, and define deliverables.
b. Prepare a detailed Work Plan, including project schedule, staffing assignments, communication protocols, data management procedures, public engagement strategy, and deliverable review milestones.

TASK 2: SYSTEM DATA COLLECTION, CCTV INSPECTION, AND EXISTING CONDITIONS ASSESSMENT

Consultant shall perform a comprehensive data collection and baseline system assessment to support SSMP updates, hydraulic modeling, condition assessment, and

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CIP development. This task includes a targeted and prioritized CCTV inspection program.

2.1 Existing Data and Document Review

Perform a comprehensive review of the City's current SSMP and all supporting documentation to establish a baseline understanding of system operations and compliance status. Documents to be reviewed shall include, but are not limited to:

a. Review all relevant system data including SSMP documents, audits, GIS data, CCTV records, SCADA data, and maintenance records.
b. Obtain the City's available GIS data and notify the City of any missing, incomplete, or conflicting information requiring City direction.
c. Conduct staff interviews to document system knowledge.
d. Identify data gaps and compliance deficiencies.
e. Evaluate existing programs, staffing, and maintenance practices.

2.2 Targeted CCTV Inspection Program

Consultant shall develop and implement a risk-based, targeted CCTV inspection program to support system condition assessment, hydraulic modeling calibration, and CIP development.

a. Development of a defensible prioritization methodology to identify pipeline segments for CCTV inspection based on the following criteria:
    i. Age, material, and diameter
    ii. SSO history and maintenance records
    iii. Known hot spots
    iv. Tributary criticality
    v. Hydraulic model sensitivity
    vi. Risk of failure considerations
b. Coding and rating of inspected pipelines in accordance with NASSCO PACP standards.
c. Identification of structural defects, O&M deficiencies, root intrusion, infiltration/inflow indicators, and capacity-related observations.
d. Integration of CCTV findings into the City's GIS database and asset management system.
e. Preparation of a CCTV Summary Report documenting segments inspected, PACP ratings, defect types and severity, recommended follow-up actions, and risk categorization

Consultant may use Aquanuity's AquaTwin Asset platform, or another City-approved platform, to support conveyance risk modeling and project prioritization. Consultant shall provide usable outputs, supporting datasets, and documentation sufficient for City review and future use.

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For fee purposes, the CCTV inspection allowance is based on an estimated unit cost of $2.72 per linear foot and a maximum allowance of $1,000,000. Final inspection coverage, segment selection, and phasing shall be based on City-approved risk-based prioritization, available inspection data, field accessibility, traffic control requirements, and the authorized budget. The City may direct priorities within the authorized budget, and unused allowance amounts shall not be billed.

2.3 Flow Monitoring and Field Verification

a. Perform flow monitoring at key locations to support hydraulic model calibration. For fee purposes, flow monitoring is based on six locations for six weeks with one rain gauge
b. Evaluate available SmartCover and SCADA information to support model calibration, flow allocation, and capacity analysis. SmartCover flow measurements shall not be used as the sole basis for model calibration if inadequate for that purpose.
c. Conduct field verification of system connectivity and infrastructure.
d. Notify the City of missing, incomplete, inconsistent, or unreliable data and document assumptions used in the analysis.

Task 2 establishes the technical foundation for SSMP Element 8, hydraulic modeling, and CIP development.

TASK 3: SSMP UPDATE

Consultant shall update all eleven (11) SSMP elements in compliance with SWRCB Order No. WQ 2022-0103-DWQ and BACWA guidance.

The updated SSMP shall include the following elements:

1. Goals & System Introduction: Reflect current system conditions, regulatory requirements, and program objectives.
2. Organization: Update staffing structure, roles, responsibilities, and authority for SSMP implementation
3. Legal Authority: Review ordinances, enforcement mechanisms, and regulatory compliance requirements, make recommendations for necessary updates.
4. Operations & Maintenance Program: Update maintenance practices, staffing resources, equipment inventory, preventive maintenance schedules, and cost efficiency strategies as defined in Task 4.
5. Design & Performance Provisions: Update design standards, performance criteria, and infrastructure reliability requirements.
6. Spill Emergency Response Plan (recently updated): Review spill response procedures, reporting requirements, and regulatory notification protocols, make recommendations for necessary updates.
7. Sewer Pipe Blockage Control Program (former FOG Program): Update FOG management, cleaning programs, and hotspot mitigation strategies.

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8. System Evaluation, Capacity Assurance, Capital Improvements: Incorporate condition assessment results, hydraulic modeling findings, climate resilience evaluation and Capital Improvement planning as defined in the Task 5.
9. Monitoring, Measurement, Program Modifications: Update performance monitoring procedures, KPIs, and adaptive management strategies.
10. Internal Audits: Review audit procedures, compliance verification methods, and corrective action tracking, make recommendations for necessary updates.
11. Communication: Update public outreach, stakeholder coordination, and regulatory reporting procedures.

Consultant shall develop and maintain a project schedule and provide monthly progress reports to the City's Project Manager. Consultant shall submit editable draft documents for City review, address City comments to the City's reasonable satisfaction, and prepare final documents suitable for City Council consideration and adoption. For fee purposes, all staff interviews and meetings performed as part of this task are assumed to be conducted virtually, unless otherwise directed and approved by the City.

TASK 4. OPERATIONS AND MAINTENANCE (O&M) PROGRAM EVALUATION AND UPDATE

Consultant shall valuate, update, and enhance the City's O&M Program in accordance with State Water Resources Control Board Order No. WQ 2022-0103-DWQ, including:

1. Evaluate and update the City's O&M Program, including preventive maintenance, inspection and cleaning programs, pump station and force main maintenance procedures, equipment inventory, staff training programs, emergency response procedures, maintenance documentation, and interdepartmental coordination.
2. Identify gaps between current City practices, regulatory requirements, and industry recommended practices.
3. Update and standardize O&M procedures, including preventive maintenance schedules, inspection frequencies, Standard Operating Procedures (SOPs), maintenance documentation, blockage prevention programs, and risk-based maintenance prioritization.
4. Evaluate staffing levels, training requirements, equipment resources, and operational capabilities necessary to support SSMP implementation and long-term system maintenance; provide recommendations for improvements.
5. Develop O&M KPIs to evaluate program effectiveness, including maintenance completion rates, cleaning cycle performance, equipment reliability, emergency response performance, maintenance-related SSO trends, hotspot mitigation effectiveness, and staff training performance.
6. Enhance O&M implementation and monitoring procedures, including program update procedures, compliance tracking tools, and staff training support.

For Fee purposes, all staff interviews and meetings performed as part of this task are assumed to be conducted virtually, unless otherwise directed and approved by the City.

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TASK 5. SYSTEM EVALUATION, CAPACITY ASSURANCE (SCAP), AND CAPITAL IMPROVEMENTS

Consultant shall perform a comprehensive assessment of the City's wastewater conveyance, pumping, and SCADA systems to evaluate current condition and capacity and identify areas of concern and/or defects. This includes reviewing and analyzing CCTV, SCADA, SSO, and GIS data, and conducting pump station field inspections as needed. The assessment will support the development of prioritized system improvements and ensure the SSMP meets the requirements of SWRCB Order No. WQ 2022-0103-DWQ.

The updated SCAP follow a format consistent with the existing SCAP, including the following sections: Executive Summary; Study Area; Criteria; Wastewater Collection System; Pump Stations; Hydraulic Models and Capacity Analysis; and Condition Assessment or approved format by the City.

5.1 Data Collection and Analysis

Consultant shall collect, review, and evaluate available system data to establish baseline system condition and performance, including:

1. Review and evaluate the City's wastewater conveyance, pumping, and SCADA systems.
2. Develop a tiered condition assessment approach using CCTV inspection records, manhole inspection data, SCADA performance data for pumps and flow rates, GIS-based asset inventory, staff interviews, and known hot spot locations.
3. Recommend standardized condition rating criteria and a prioritization framework for repairs and replacement of conveyance, pumping, and control systems.
4. Update the City's existing GIS system with new or corrected findings for sanitary sewer infrastructure elements, including pipes, manholes, lift stations, and easements; assess conditions of sanitary sewer infrastructure; determine capacities of existing facilities; identify high-risk SSO locations and capacity deficiencies; and develop a new hydraulic model.
5. Conduct necessary site visits and provide the data collection needed to support SSMP updates.

5.2 Capacity Assessment and Design Criteria

Consultant shall evaluate the hydraulic capacity of the City’s wastewater collection system and develop a calibrated hydraulic model to support capacity assessment, future planning, and CIP recommendations. This work shall include the following:

1. Develop a calibrated hydraulic model by using AquaTwin Sewer modeling software or alternative platforms approved by the city .
2. Evaluate dry and wet-weather flow conditions using available flow monitoring data and SCADA records. Where data gaps exist, assess the feasibility of supplemental flow monitoring, including potential use of smart manholes or modified monitoring installations.

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3. Include up to four extended period simulation (EPS) hydraulic modeling scenarios: Existing Dry Weather, Existing Wet Weather, Buildout Dry Weather, and Buildout Wet Weather
4. Identify capacity-constrained segments based on peak flow, infiltration/inflow trends, and future growth projections.
5. Incorporate General Plan land use projections and climate resilience scenarios into hydraulic modeling.
6. Provide recommendations for capacity upgrades, including timelines and estimated costs.

Task 5.3 – Pump Station Capacity and Condition Evaluation

Consultant shall evaluate pump stations for hydraulic capacity, serviceability, and operational reliability. The Consultant shall:

1. Perform field inspections of all pump stations and review serviceability conditions (note: five pump stations have been rebuilt within the past five years and will require limited review).
2. Evaluate mechanical, electrical, and structural conditions and analyze station capacity under existing dry weather, wet weather, peak flow, and projected build-out conditions to identify capacity constraints, reliability, and redundancy deficiencies.
3. Recommend rehabilitation, replacement, or relief improvements for identified capacity or serviceability deficiencies.
4. Prepare a comprehensive Capital Improvement Program (CIP) project summary addressing existing and future system needs.
5. Develop planning-level capital cost estimates for recommended improvements.

Prioritize improvement projects based on hydraulic analyses, serviceability condition, current planning, and growth projections.

For fee purposes, pump station field inspections assume approximately 10 pump stations requiring full inspection, 5 requiring limited inspection, and 3 requiring confined space entry. Lift station assessments shall be visual/sensory only unless otherwise authorized in writing. No flow testing, destructive testing, electrical testing, pump removal, facility shutdowns, wet well pump-down, or bypass operation is included unless separately authorized in writing by the City.

Sewer bypass operations, bypass pumping, temporary pumping systems, bypass design, bypass installation, bypass monitoring, and related bypass support services are not included in this scope of work. If bypass-related services are determined to be necessary, Consultant shall notify the City in writing and obtain prior written authorization before performing such services. Any authorized bypass-related services shall be addressed in accordance with the Agreement.

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Task 5.4: Update Wastewater System Assets in GIS database

Consultant shall review inventory of the City's wastewater system assets and update the existing database, as needed.

Task 5.5 – SCADA System Integration Review

1. Provide a high-level desk evaluation of thecurrent SCADA system capabilities r at each sewer pump stations/ lift stations, including flow metering , based on review of all available SCADA system data, records, System information and access information provided or made available by the City.
2. Coordinate with the City's SCADA consultant, Morrow Meadows, to review current system functionality, data availability, and future SCADA considerations related to SSMP compliance. Identify SCADA data gaps, limitations, operational risks, and system constraints that may affect monitoring, alarm response, SSO prevention, regulatory compliance, or future capital planning.
3. Recommend enhancements to SCADA system architecture or telemetry to support real-time system monitoring, data logging, and early warning capabilities for SSO prevention and to ensure consistency between lift station sites in support of these items related to SSMP compliance.
4. Provide a prioritized roadmap for SCADA upgrades with estimated implementation costs.
5. Promptly notify the City of any missing, incomplete, inconsistent, or unusable SCADA information that may affect the work. Any additional investigation, field verification, programming, integration, or system testing not expressly included in this scope shall require prior written authorization from the City

Any additional investigation, field verification, programming, integration, or system testing not expressly included in this scope shall require prior written authorization from the City.

Task 5.6 – Conveyance Rehabilitation and Replacement Program

Consultant shall develop a prioritized Conveyance Rehabilitation and Replacement Program based on condition assessment findings, hydraulic performance evaluation, and risk-based asset management principles. The program shall identify recommended corrective actions to improve system reliability, reduce the potential for sanitary sewer overflows (SSOs), and extend the service life of wastewater conveyance infrastructure, including but not limited to:

1. Develop and document a defensible prioritization methodology for defective pipeline segments, incorporating condition ratings, hydraulic capacity, pipe material and age, structural defects, location criticality, tributary service area, historical maintenance and SSO records, and overall risk of failure considerations.

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2. Evaluate and recommend appropriate rehabilitation or replacement alternatives for defective pipeline segments, including spot repairs, trenchless rehabilitation methods, full pipeline replacement, or other feasible corrective measures.
3. Prepare segment-level (manhole to manhole) repair and replacement recommendation reports and drawings identifying pipeline characteristics, defect locations, proposed repair method, and supporting technical justification
4. For each recommended rehabilitation or replacement project, provide:
    a. Description and justification of the recommended corrective action
    b. Planning-level construction cost estimate, including appropriate escalation factors
    c. Recommended implementation year or phasing schedule
    d. Risk ranking based on likelihood and consequence of failure
5. Incorporate public health protection, environmental compliance, regulatory requirements, and SSO risk reduction considerations into prioritization and recommended improvements.
6. Coordinate rehabilitation and replacement recommendations with hydraulic capacity improvement projects and CIP planning efforts.
7. Provide all repair and replacement recommendation drawings and supporting documentation in compatible electronic file formats.

Task 5.7 – Prepare climate resilience plan

Consultant shall identify system vulnerabilities and integrate mitigation strategies into the SSMP and CIP.

TASK 6. CAPITAL IMPROVEMENT PROGRAM (CIP)

Consultant shall update the existing CIP to prioritize improvement projects. The Consultant shall evaluate system resiliency and recommend improvements for critical wastewater infrastructure and shall recommend estimated timing of needed improvements and phasing.

Consultant shall:

1. Develop 5-, 10-, and 20-year CIP.
2. Provide cost estimates and implementation schedules.
3. Prioritize projects based on system risk and performance.
4. Support financial planning and rate considerations.

The updated SSMP shall identify and prioritize recommended improvements, including present-worth cost summaries and implementation schedules to address identified deficiencies. Subject to City direction, Consultant shall provide sewer fee impact considerations, including user fees and capital facility fees, for planning purposes.

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TASK 7. PROJECT MANAGEMENT, TRAINING, AND DELIVERABLES

7.1 Project Management and Coordination

Consultant shall provide overall project management, coordination, reporting, and deliverable preparation necessary to support completion of Tasks 1 through 6 and successful SSMP adoption. Services include:

1. Conduct a project kickoff meeting with City staff.
2. Conduct up to 30 virtual biweekly status and milestone meetings, unless otherwise directed by the City. Meetings shall review progress, schedule, data needs, deliverables, issues requiring City direction, budget status, and upcoming work.
3. Attend and present at one (1) City Council meeting and one (1) Public Works Commission meeting, as requested by the City.

7.2 Training and Implementation Support

Consultant shall Provide training and implementation support to assist City staff with long-term program sustainability and regulatory compliance. Training shall be conducted at City Hall with field visits as needed. For budgeting purposes, assume two (2) four-hour training sessions provided as lunch-and-learn sessions for up to eight (8) staff members each. Training shall include:

1. SSMP compliance and implementation procedures.
2. O&M program updates and performance monitoring.
3. Hydraulic modeling interpretation and capacity planning.
4. CIP prioritization and implementation planning.

Training sessions shall be provided in-person and shall include supporting training materials and reference documentation.

E. DELIVERABLES

The Consultant shall prepare and submit deliverables supporting completion of all project tasks, including:

1. CCTV inspection plan, CCTV summary reports, PACP-coded CCTV data, condition assessment outputs, risk ranking datasets, and GIS-compatible asset updates.
2. Flow metering plan, flow monitoring data summary, hydraulic model files, model calibration documentation, and capacity analysis technical memorandum.
3. Draft SSMP, draft SSMP with redlines or response to comments, and final SSMP in editable Word and PDF formats.
4. O&M Program Evaluation, updated O&M procedures/manual materials, staffing evaluation, and KPI framework.

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5. Pump station capacity and condition assessment technical memorandum, pump station rehabilitation recommendations, and prioritized pump station CIP summaries.
6. SCADA Evaluation technical memorandum and prioritized SCADA upgrades recommendations.
7. Conveyance Rehabilitation and Replacement technical memorandum, segment-level recommendation reports, supporting drawings, and planning-level cost estimates.
8. Climate resilience plan and mitigation recommendations integrated into the SSMP and CIP.
9. 5-, 10-, and 20-year CIP Report, including prioritization tables, mapping exhibits, planning-level cost estimates, phasing, and financial planning support.
10. Training materials and implementation guidance documentation.

All deliverables shall be provided in editable formats and GIS-compatible file types, as applicable. Final SSMP, technical reports, and manuals shall include three (3) hard copies and electronic Word and PDF versions. Hydraulic models, CCTV data, and supporting digital files shall be provided on three (3) external hard drives or equivalent digital media, unless otherwise approved by the City.

F. PERFORMANCE SCHEDULE

Consultant shall perform the work in accordance with the schedule in Exhibit B and the City-approved Work Plan. Consultant shall update the project schedule as part of monthly progress reporting and shall notify the City in writing of any issue that may affect schedule, scope, budget, field work, deliverables, or regulatory milestones.

G. PERFORMANCE REQUIREMENTS

Consultant shall perform all services in accordance with generally accepted professional engineering and planning practices and standards applicable to wastewater collection system planning and SSMP compliance.

Consultant shall comply with applicable federal, state, and local requirements, including SWRCB Order No. WQ 2022-0103-DWQ, applicable City standards, applicable safety requirements, and applicable data and records requirements.

Consultant shall perform quality assurance and quality control before submitting deliverables to the City.

CCTV inspection data shall be coded and rated in accordance with NASSCO PACP standards, unless otherwise approved by the City.

Consultant shall coordinate with City departments, operations staff, Morrow Meadows, subconsultants, and other parties identified by the City as necessary to complete the work.

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Consultant shall obtain City approval before performing field work that requires City coordination, public notification, access to City facilities, or use of City data beyond the approved scope.

Consultant shall protect City records and data and shall provide editable native files and GIS-compatible deliverables as required by this Exhibit.

H. REPORTING REQUIREMENTS

Consultant shall provide monthly progress reports with each invoice identifying work completed, work planned for the next period, schedule status, budget status, issues requiring City direction, and deliverables submitted or pending.

Consultant shall conduct up to 30 virtual biweekly status and milestone meetings, assumed virtual unless otherwise directed by the City.

Consultant shall maintain action item logs, comment response tracking, and deliverable review records as reasonably requested by the City.

Consultant shall promptly notify the City of data gaps, field conditions, schedule concerns, cost concerns, or technical findings that may affect SSMP compliance, hydraulic modeling, condition assessment, or CIP recommendations.

I**. ROLES AND RESPONSIBILITIES**

Consultant responsibilities:

Provide qualified personnel and approved subconsultants to perform the services described in this Exhibit.

Manage subconsultants, field inspection coordination, quality control, schedule, budget, deliverable preparation, and final document production.

Prepare all required deliverables and incorporate City comments before final submission.

Coordinate with City staff, Morrow Meadows, subconsultants, and other approved parties as needed to complete the work.

Maintain project records, supporting calculations, data files, and technical documentation.

City responsibilities:

The City will provide available data, records, GIS files, existing SSMP materials, maintenance information, and staff knowledge reasonably necessary for Consultant to perform the services.

The City will provide timely review comments, meeting availability, access coordination, and direction regarding priorities and policy decisions.

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The City will coordinate access to City facilities and field locations, as needed and available.

The City will provide the most current and accurate sewer system maps and data as available.

The City will provide written authorization before Consultant performs extra work, optional work, or work that exceeds the authorized scope or budget.

J. ACCEPTANCE CRITERIA

The City will determine that deliverables meet the requirements of this Agreement when, in the City's reasonable judgment, the deliverables are complete, technically supportable, responsive to the approved scope, consistent with applicable regulatory requirements, and revised to address City comments. Acceptance shall be based on the following criteria:

1. Deliverables are complete, organized, editable, and provided in the required electronic and hard-copy formats.
2. Deliverables address the applicable task requirements, performance requirements, and City review comments.
3. Technical memoranda, modeling outputs, GIS deliverables, CCTV summaries, and CIP recommendations include supporting data, assumptions, cost estimates, prioritization criteria, and documentation sufficient for City review and future use.
4. The final SSMP is suitable for City Council consideration and adoption and supports compliance with Order No. WQ 2022-0103-DWQ.

Final acceptance of any deliverable does not waive the City's rights under the Agreement or relieve Consultant of responsibility for corrections required under the Agreement.

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EXHIBIT "B"

TERM AND TIME OF COMPLETION

TERM. This Agreement shall commence on June 02, 2026 and shall continue through June 01, 2029, unless otherwise terminated as herein provided. Thereafter, this Agreement shall automatically renew for two subsequent one-year term(s) subject to the same terms and conditions contained herein, at the sole discretion of the City, provided the City Engineer submits written notice of renewal to the Consultant at least fifteen (15) days prior to the expiration of the then-current term. In no event shall the duration of this Agreement continue beyond three years from the commencement date unless both parties execute a written amendment.

PERFORMANCE SCHEDULE

Consultant shall complete the tasks, activities, and deliverables identified in Exhibit A in accordance with the City-approved Work Plan and the performance schedule below. The schedule may be refined by mutual written approval of the City Project Manager and Consultant, provided that any such refinement shall not increase the total compensation or extend the Agreement term without a written amendment.

Milestone / Phase	Target Schedule	Required Activities / Deliverables
Notice to Proceed / Agreement Commencement	June 2, 2026	Agreement effective date.
Phase 1 - Project Initiation and Strategic Work Planning	July 2026	Kickoff meeting, data request, data review, public engagement strategy, and Work Plan.
Phase 2 - Risk-Based Condition Assessment	June 2027	CCTV inspection plan, risk model, targeted CCTV coordination, condition assessment workshops, and GIS data integration.
Phase 3 - Flow Monitoring and Modeling	June 2027	Flow monitoring, model build, calibration, capacity analysis, and capacity review workshop.
Phase 4 - Integrated Evaluation and Risk-Based CIP	Dec 2027	Pump station assessment, SCADA evaluation, conveyance rehabilitation program, climate resilience plan, CIP workshops, and draft CIP recommendations.
Phase 5 - SSMP Update and Program Implementation	Jan 2028	Draft SSMP, draft redline/revisions, O&M updates, KPI framework, training, City Council and Public Works Commission support, and final deliverables.
Project Closeout	Feb 2028	Final submittals, electronic files, hard copies, models, GIS-compatible files, and closeout documentation.

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EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT.** Consultant shall be compensated on a time-and-materials basis in accordance with the hourly rates, task budgets, subconsultant allowances, and other direct cost allowances set forth below. In no event shall the total compensation paid to Consultant under this Agreement exceed One Million Seven Hundred Ninety-Nine Thousand Two Hundred Eighty Dollars ($1,799,280) without prior written authorization by the City.

   Task budgets are established for project management and invoice tracking purposes. Consultant shall not exceed the total not-to-exceed amount, and shall not materially modify the scope, add optional services, or perform extra work unless authorized in writing by the City in accordance with the Agreement.

Task	Description	Total Fee
Task 1	Project Kickoff and Work Plan	$18,790
Task 2	Data Collection, CCTV Inspection, and Flow Metering	$1,114,870
Task 3	SSMP Update	$17,350
Task 4	O&M Program Evaluation and Update	$19,320
Task 5	System Evaluation, Capacity Assurance, Capital Improvements	$501,450
Task 6	5-, 10-, and 20-Year CIP Plans	$28,840
Task 7	Project Management, Meetings, Training, and Deliverables	$98,660
Total		$1,799,280

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2. **REIMBURSABLE EXPENSE**. Reimbursable expenses are included in the total not-to-exceed amount stated above and are limited to the other direct cost allowances identified in the Consultant fee estimate, unless otherwise approved in writing by the City. Consultant shall obtain prior written approval from the City for any out-of-pocket expense that is not included in the approved task budget or other direct cost allowance. Consultant shall submit receipts and documentation for all reimbursable expenses as part of the invoice. Reimbursable expenses shall not increase the total not-to-exceed amount.

3. **REIMBURSABLE EXPENSE**. In the event unforeseen conditions or circumstances arise in connection with the services described in Exhibit A, including but not limited to additional CCTV inspection needs, additional flow monitoring, added field verification, additional meetings, expanded modeling scenarios, expanded GIS updates, or additional technical analysis, Consultant shall notify the City and submit a written estimate for any proposed additional work. Any such work shall be authorized only by written change order or written amendment pursuant to General Provisions Section 7 of the Agreement. Any use of task budgets, subconsultant allowances, or reimbursable expense allowances shall not increase the total compensation payable to Consultant beyond $1,799,280 during the term of this Agreement unless approved by written amendment.

4. **METHOD OF PAYMENT**. Consultant shall submit a monthly invoice for services performed in the prior month. Each invoice shall indicate the dates of service, description of services performed, staff title, hourly rate, number of hours worked, task number, location of the service if applicable, subconsultant cost, reimbursable expense, corresponding amount, and total amount. Invoices must be itemized, adequately detailed, based on accurate records, and, if applicable, shall attach subconsultant invoices, reimbursable expense approvals, and expense receipts. Invoices must be in a form reasonably satisfactory to the City. Consultant may be required to provide backup material upon request.

   ☒ For Task-Based Services: For services that are only partially completed within a month or billing period, the City will make prorated payments based on the percentage of completion, as reasonably determined by the City in consultation with Consultant. The percentage of completion shall be calculated as the value of satisfactorily completed work measured by deliverables, progress reports, or other agreed-upon metrics divided by the total value of the task. Consultant shall provide supporting documentation, which may include time logs, progress updates, or partial deliverables. Any remaining balance is payable upon full completion of the task and approval by the City in accordance with Section 5 below.

5. **SCHEDULE FOR PAYMENT**. City will pay within 45 days of receiving Consultant's monthly invoice, provided the work is proceeding to the City's reasonable satisfaction and the invoice is complete and adequately documented. Payments

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shall not exceed the authorized task budgets and total not-to-exceed amount. The City may withhold amounts in good-faith dispute to the maximum extent permitted by law until the dispute is resolved.

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

Consultant: Dudek
687 S. Coast Highway 101, Suite 110
Encinitas, CA 92024
Attention: Joseph Monaco
Email: Jmonaco@dudek.com

City: City of Redondo Beach
Public Works Department
Engineering Services Division
415 Diamond Street
Redondo Beach, CA 90277
Attention: 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.

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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 shall 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 of $4,000,000 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.

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

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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 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.

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.

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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.

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EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Consultant acknowledges that the project as defined in this Agreement 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. Consultant shall perform all work on the project as a public work. Consultant 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, Consultant 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. Consultant acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Consultant shall post such rates at each job site covered by this Agreement.

5. Consultant 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 Consultant 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 Consultant or by any subcontractor.

6. Consultant shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Consultant 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. Consultant 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. Consultant shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Consultant 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, Consultant and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

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8. 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. The 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 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 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 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, Consultant 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, Consultant shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Consultant 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. 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 to pay his or her workers the specified prevailing rate of wages. Consultant shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Consultant shall indemnify, hold harmless, and defend (at Consultant'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 Consultant, 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.

Certificate Of Completion

Envelope Id: F2477FF5-9457-875D-8108-686A2B33EDE6
Status: Completed
Subject: Sewer System Management Plan Upcate
Source Envelope:
Document Pages: 33
Signatures: 1
Certificate Pages: 4
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Envelope Originator:
Agiloft-Docusign
687 S Coast Highway 101, Suite 110
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Interim 2025 Sewer System Management Plan Update (SSMP)

Prepared to Maintain Compliance with State Water Resources Control Board Order No. WQ 2022-0103-DWQ Pending Completion of the City's Comprehensive SSMP and Sewer System Evaluation Program

Sanitary Sewer Collection System

Waste Discharge ID (WDID): # 4SSO10421

REVIEWED AND APPROVED BY:

GERALDINE TRIVEDI, P.E.
Legally Responsible Official

City of Redondo Beach
Sanitary Sewer Collection System
(Element Development Plans & Schedules)

PREPARED BY:

Date Signed

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Introduction

This Sewer System Management Plan (SSMP) Update or “Plan” has been prepared for the CITY (City) with technical assistance from Fischer Compliance LLC for meeting and exceeding compliance with the State Water Resources Control Board’s 2022 General Waste Discharge Requirements, Order WQ 2022-0103-DWQ for Sanitary Sewer Systems (referred to throughout this document as the WDR). The City provided all details, information and institutional insights for preparation of the SSMP. The document has been developed to meet the size, scale, and complexity, serving as a “living document” used as a tool for managing and operating the City's sanitary sewer collection system. Additionally, the latest 2024 Sewer System Management Plan Guidance Manual published by the Bay Area Clean Water City (BACWA) was utilized as a model for development of the document to harmonize formatting/content and incorporate recommended suggested guidance wherever possible.

The City’s commitment to meeting or exceeding regulatory requirements, along with their proactive approach to operation and management of the collection system, has served them well, as evidenced by system performance relative to other agencies in the region and the state.

This Interim SSMP Update reflects the ongoing day-to-day activities of the City for the management, operation, maintenance, and funding of the City’s sanitary collection system. It is subject to review and revision as system conditions, regulatory requirements, operational needs, and supporting technical information change. The City has also initiated a separate comprehensive sewer system evaluation and long-range planning effort, which will include CCTV, condition assessment, hydraulic modeling, capacity evaluation, O&M review, and capital improvement planning. Findings from that effort will be incorporated into future SSMP updates, amendments, or implementation documents, as appropriate.

The City submitted interim compliance documentation into CIWQS on August 4, 2025, as an interim update pending City Council adoption in order to meet applicable regulatory deadlines. Following City Council adoption, the City will upload the City Council-adopted version of the Interim 2025 SSMP Update into CIWQS and make it available for public review in accordance with the Order.

Figure 1 below (Collection System Operational Report in CIWQS) provides key City spill metrics, including data comparing the City's spill record with state and regional system data. The City consistently performs better than the statewide and regional spill rate indices and net spill volumes for all categories of spills from its sanitary sewer collection system.

Please see the **Glossary of Terms** for explanations of the search results column headings. **More information about the report is found at the bottom of this page**.

Click to Print This Page (Select Printer as Adobe PDF)

SEARCH CRITERIA: [REFINE SEARCH] [NEW SEARCH] [GLOSSARY]
Date Range: Start_Date (**01/01/2010**) End_Date (**08/02/2025**)

DRILLDOWN HISTORY: [GO BACK TO LISTING OF COLLECTION SYSTEMS]
Redondo Beach City CS
Agency: Redondo Beach City

General Information

Region	Place ID	Place Name	CS Category	Place Address	Place County
4	631222	Redondo Beach City CS	Municipal(Public)	415 Diamond Redondo Beach CA 90277	Los Angeles

Collection System Spill Summary

Operational Indices: Redondo Beach City CS

Spill Rate Indice (spills/100mi/yr)

	Category 1			Category 2		Category 3	
	Main System	Laterals	Other	Main System	Other	Main System	Other
Redondo Beach City CS	0.51	N/A	0.0	0.17	0.0	2.03	0.0
State Municipal(Public) Average	1.43	N/A	0.42	0.53	0.46	2.69	0.52
Region Municipal Average	1.03	N/A	0.32	0.31	0.06	1.22	0.42

Net Volume Spills Indice (gallons/1000 Capita/yr)

	Category 1			Category 2		Category 3	
	Main System	Laterals	Other	Main System	Other	Main System	Other
Redondo Beach City CS	2.28	N/A	0.0	0.0	0.0	0.12	0.0
State Municipal(Public) Average	1512.21	N/A	3106.45	227.38	2923.53	26.61	7.76
Region Municipal Average	3017.33	N/A	53.73	32.47	3.68	6.6	0.42

Figure 1 - Collection System Operational Report – SWRCB CIWQS

SSMP Organization

This SSMP Update is organized into 11 core elements following Attachment D of the WDR, with inclusion of applicable Specifications requirements.

Each updated individual element in the SSMP Update includes the following technical contents, if applicable.

1. Requirements – Provides the actual description of applicable requirements in the WDR.
2. Compliance – Describes the City's approach to complying with the WDR requirements.
3. Effectiveness – As measured by Key Performance Indicators.
4. Implementation – Demonstrates how the City will ensure the SSMP will be carried out as described.
5. Resilience – Demonstrates the resilience that is addressed in the SSMP and built-in to the City's collection system and procedures.
6. Appendix Inclusions – List the items included in the Appendix for each SSMP Element, if any, to be added in the final SSMP.

Abbreviations and Acronyms[1]

BMP	Best Management Practices
CCTV	Closed Circuit Television
CIP	Capital Improvement Program
CIPP	Cured in Place Pipe
CIWQS	California Integrated Water Quality System (State Water Board Online Spill Database)
CMMS	Computerized Maintenance Management System
EPA	US Environmental Protection City
FOG	Fats, Oils and Grease
FSE	Food Service Establishment
GCD	Grease Control Device
GIS	Geographic Information System
I & I	Inflow and Infiltration
LRO	Legally Responsible Official
MRP	Monitoring and Reporting Program
NPDES	National Pollutant Discharge Elimination System
RWQCB	Regional Water Quality Control Board
SCADA	Supervisory Control and Data Acquisition
SERP	Spill Emergency Response Plan
SOP	Standard Operating Procedure
SSMP	Sewer System Management Plan
Spill	Sanitary Sewer Spill
WDR	Sanitary Sewer Systems General Wastewater Discharge Requirements Order issued by the State Water Board (Order No. 2022-0103-DWQ)
SWRCB	State Water Resources Control Board
WDID	Waste Discharge ID Number (CIWQS)

Table 1 - Abbreviations and Acronyms

[1] *For a list of related WDR terms, see the* [illegible]

1. Goal and Introduction

WDR REQUIREMENTS

Att. D-1 (pg. D-2)

"The goal of the Sewer System Management Plan (Plan) is to provide a plan and schedule to: (1) properly manage, operate, and maintain all parts of the Enrollee's sanitary sewer system(s), (2) reduce and prevent spills, and (3) contain and mitigate spills that do occur.

The Plan must include a narrative Introduction section that discusses the following items:"

1.1. Regulatory Context

WDR REQUIREMENTS

Att. D-1.1 (pg. D-2)

"The Plan Introduction section must provide a general description of the local sewer system management program and discuss Plan implementation and updates".

COMPLIANCE

The City maintains the local sanitary sewer system and is committed to protecting the public's health and the environment. Federal and State Water Quality regulations require agencies to maintain a comprehensive Sewer System Management Plan (SSMP) with the goal of preventing sewage spills.

The City is committed to fully implementing the 2022 WDR which includes addressing all requirements by integrating a wide range of programs specifically designed for ensuring the integrity and efficiency of the City's sanitary sewer collection system. Moreover, the City is dedicated to maintaining its collection system in a systematic manner by implementing various work programs, with a focus on critical areas, to prevent spills, allowing for a comprehensive approach to maintenance. Work programs include CCTV inspections, pipe cleaning, manhole inspections, lift station maintenance, root control, source control and pipe repair, just to name a few. Work programs are described in more detail in Section 4.5 "Specifications 5.19 - Operation and Maintenance" of this SSMP Update.

The City recognizes that additional technical evaluation and long-range planning efforts are necessary to further support implementation of the SSMP. Accordingly, the City has initiated a comprehensive sewer system evaluation program that includes CCTV, hydraulic modeling, risk-based condition assessment, operations and maintenance evaluation, flow monitoring, pump station assessment, SCADA review, and development of a prioritized 5-, 10-, and 20-year Capital Improvement Program. Results from these efforts will be incorporated into future SSMP updates and implementation activities.

By prioritizing proactive measures and taking a comprehensive approach, the City is well-equipped with a proven track record of effectively operating its sanitary sewer collection system with the highest levels of service, complying with the WDR, and reducing/eliminating sewage spills.

1.2. SSMP Update Schedule

WDR REQUIREMENTS

Att. D-1.2 (pg. D-3)

"The Plan Introduction section must include a schedule for the Enrollee to update the Plan, including the schedule for conducting internal audits. The schedule must include milestones for incorporation of activities addressing prevention of sewer spills."

COMPLIANCE

The City utilizes the State Water Board's online lookup tool to ensure compliance with all required due dates for updating its SSMP and completing its required SSMP Audits.

The City's most recent SSMP audit was completed for the period August 2021 through August 2024 (see Appendix 10.1).

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Are SSMP Updates being performed as scheduled?
- Has the SSMP been approved by the City Council on the required schedule?
- Are specific internally established sewer program milestones being monitored?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
1.2.1	Prepare for next SSMP Audit	Begin 5/2/2027	X	X	X
1.2.2	Complete and Upload SSMP audit.	By 11/2/2027	X	X	
1.2.3	Incorporate Audit Findings, update Change Log and Update SSMP	5/2/2025		X	
1.2.4	Draft 2025 Interim Compliance SSMP Update Submitted to CIWQS	8/4/2025	X	X	
1.2.5	Council Approval for 2025 Interim Compliance SSMP Update	By 6/30/2026	X	X	
1.2.6	Council Approval and LRO Certification of SSMP	By 8/2/2031	X	X	

1.3. Sewer System Asset Overview

WDR REQUIREMENTS

Att. D-1.3 (pg. D-3)

"The Plan Introduction section must provide a description of the Enrollee-owned assets and service area, including but not limited to:

- *Location, including county(ies);*
- *Service area boundary;*
- *Population and community served;*
- *System size, including total length in miles, length of gravity mainlines, length of pressurized (force) mains, and number of pump stations and siphons;*
- *Structures diverting stormwater to the sewer system;*
- *Data management systems;*
- *Sewer system ownership and operation responsibilities between Enrollee and private entities for upper and lower sewer laterals;*
- *Estimated number or percentage of residential, commercial, and industrial service connections; and*
- *Unique service boundary conditions and challenge(s).*
- *Additionally, the Plan Introduction section must provide reference to the Enrollee's up-to-date map of its sanitary sewer system, as required in section 4.1 (Updated Map of Sanitary Sewer System) of this Attachment."*

COMPLIANCE

The City is located in Los Angeles county and provides wastewater collection services to the City of Redondo Beach (see Figure 3, Vicinity Map of sewer system below), with an approximate (total population of 69,000. The City collection system consists of 112 miles of gravity mains, 2 miles of force mains, 14 pump stations and 6 siphons.

Unique challenges include the following:

- Periodic inflow and infiltration from tidal flows into sewers.
- Cleaning sewers in the City's boardwalk approximately 6 times per year, including cleanings during most major holidays.
- Some sewers and easements present maintenance challenges due to restricted access. All portions of these facilities can be maintained, but the effort to do so is time-consuming, requiring additional staff and cooperation and pre-planned coordination with property owners.
- Boundary conditions and shared sewers maintained and serviced with adjacent cities.

The collection system has several low flow stormwater diversion structures installed and operated during dry weather (closed during wet weather). For additional details about the City's collection system, see the City's most current Annual Report in the CIWQS database.

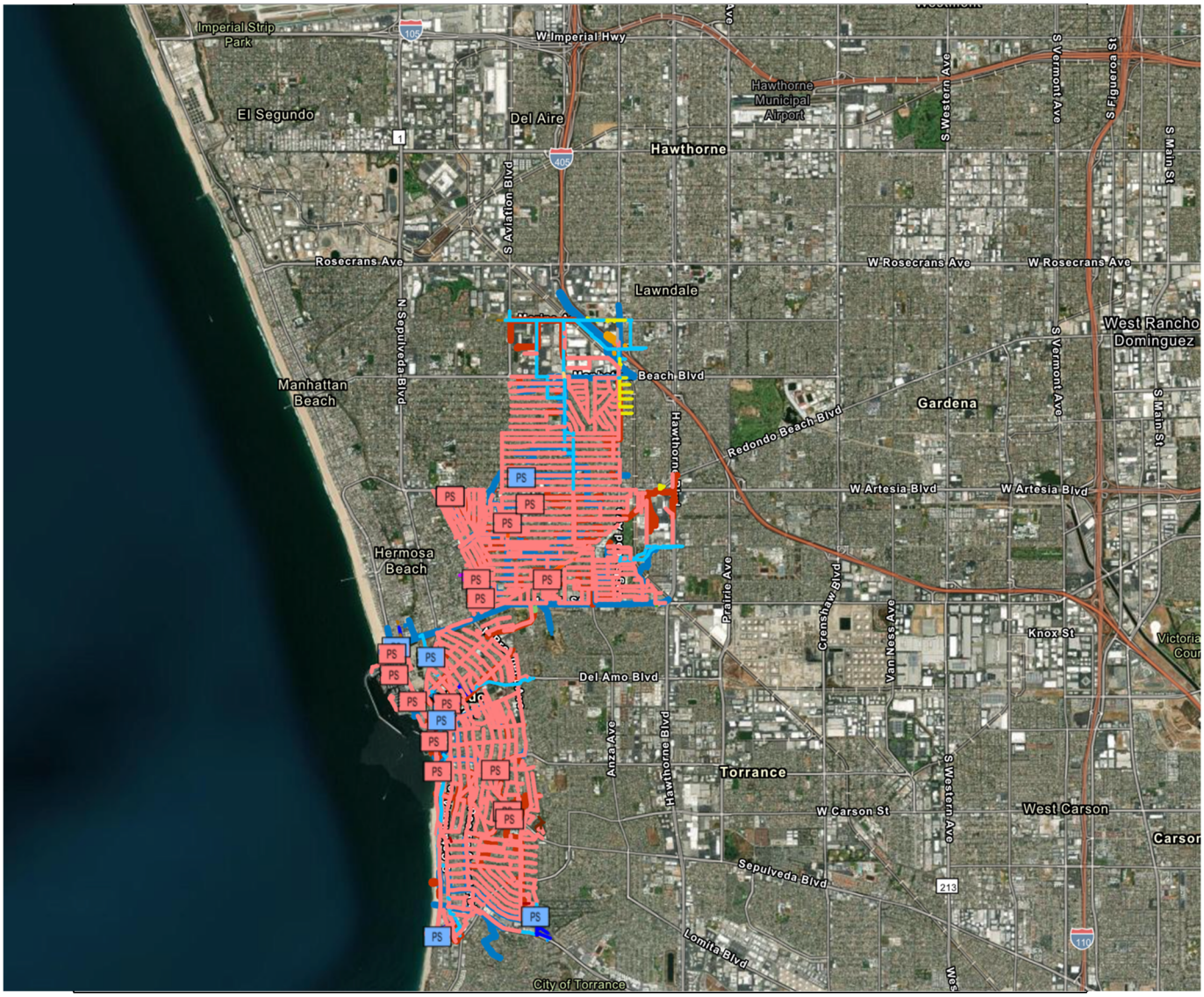


Figure 2 - City Vicinity Map and Sewer Service Area, [available online]

The City utilizes multiple data management system to operate and maintain its sanitary sewer collection system: (1) iWater Computerized Maintenance Management System (CMMS) for tracking work orders, maintenance activities, and equipment records; (2) Geographic Information System (GIS) for maintaining up-to-date system maps and asset inventory; (3) SCADA (Supervisory Control and Data Acquisition) for real-time monitoring and control of pump stations; and (4) SmartCover sensors at 47 sewer locations for level and flow monitoring. Laterals are owned and maintained by the private property owners. Overall, the City is in a good position to maintain its collection system and does not have operation and maintenance challenges due the service area.

The City continues to maintain its up to date data system maps.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Are asset statistics periodically reviewed and updated as necessary?
- Are omissions or errors addressed in a timely manner?
- Are system maps up to date?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
1.3.1	Review City-owned asset statistics and element description; update as necessary	At the beginning of the audit cycle and when significant changes have been made.		X	X

RESILIENCE

Resilience is addressed in Element 1 by:

- Adhering to an SOP for collecting and managing asset data.
- Redundancy: More than one member of staff is trained and able to retrieve and manage the data.
- Implementing a QA/QC process to help ensure information is accurate.
- Using Calendar Reminders to ensure compliance deadlines are met.

APPENDIX 1 INCLUSIONS:

1.1. City Council Adoption of Updated 2025 SSMP

The Interim 2025 SSMP Update is adopted for purposes of maintaining compliance with Order No. WQ 2022-0103-DWQ pending completion of the City's comprehensive sewer system evaluation and long-range wastewater infrastructure planning effort.

Specifications 5.2 – SSMP Development and Implementation

WDR REQUIREMENTS

Specification. 5.2 (pg. 18)

"To facilitate adequate local funding and management of its sanitary sewer system(s), the Enrollee shall develop and implement an updated Sewer System Management Plan. The scale and complexity of the Sewer System Management Plan, and specific elements of the Plan, must match the size, scale, and complexity of the Enrollee's sanitary sewer system(s). The Sewer System Management Plan must address, at minimum, the required Plan elements in Attachment D (Sewer System Management Plan – Required Elements) of this General Order. To be effective, the Sewer System Management Plan must include procedures for the management, operation, and maintenance of the sanitary sewer system(s). The procedures must: (1) incorporate the prioritization of system repairs and maintenance to proactively prevent spills, and (2) address the implementation of current standard industry practices through available equipment, technologies, and strategies."

COMPLIANCE

This SSMP Update has been completed updated to meet the requirements of Order WQ 2022-0103-DWQ and address all required Elements and Specifications required by the Order. The SSMP addresses management, operations and maintenance procedures specific to the City's collection system. The City continues to maintain and enhance its proactive O&M program to operate its system and identify defects, which are then prioritized for repair, replacement, rehabilitation, or placed on modified maintenance schedules.

The City continues to keep up with current industry standards, technology and best practices by reviewing industry periodicals, networking and attending industry conferences and workshops. The City also continuously evaluates emerging practices, equipment and technologies for possible implementation to enhance operations.

Specifications 5.7 – Allocation of Resources

WDR REQUIREMENTS

Specification. 5.7 (pg. 22)

"The Enrollee shall comply with the following requirements:

- *Establish and maintain a means to manage all necessary revenues and expenditures related to the sanitary sewer system; and*
- *Allocate the necessary resources to its sewer system management program for:*
    - *Compliance with this General Order,*
    - *Full implementation of its updated Sewer System Management Plan,*
    - *System operation, maintenance, and repair, and*
    - *Spill responses."*

COMPLIANCE

The City maintains various revenue sources to maintain financial stability, meet its operational needs and manage all necessary expenditures to operate its sewer system. The City equipment inventory and staffing levels are adequate to effectively implement this SSMP, properly manage the collection system, and respond to emergencies.

Provisions 6.1 - Enforcement Provisions

WDR REQUIREMENTS

Provisions 6.1 (pg. 27)

"The following enforcement provisions are based on existing federal and state regulations, laws and policies, including the federal Clean Water Act, the state Water Code and the State Water Board Enforcement Policy."

COMPLIANCE

The City is aware of the consequences for noncompliance including associated penalties for violations. The City maintains a proactive stance with full implementation of its SSMP.

Noncompliance with requirements of this General Order or discharging sewage without enrolling in this General Order constitutes a violation of the Water Code and a potential violation of the Clean Water Act and is grounds for an enforcement action by the State Water Board or the applicable Regional Water Board. Failure to comply with the notification, monitoring, inspection, entry, reporting, and recordkeeping requirements may subject the City to administrative civil liabilities of up to $10,000 a day per violation pursuant to Water Code section 13385; up to $1,000 a day per violation pursuant to Water Code section 13268; or referral to the Attorney General for judicial civil enforcement. Discharging waste not in compliance with the requirements of this General Order or the Clean Water Act may subject the City to administrative civil liabilities up to $10,000 a day per violation and additional liability up to $10 per gallon of discharge not cleaned up after the first 1,000 gallons of discharge; up to $5,000 a day per violation pursuant to Water Code section 13350 or up to $20 per gallon of waste discharged; or referral to the Attorney General for judicial civil enforcement.

Provisions 6.3 Sewer System Management Plan Availability

WDR REQUIREMENTS

Provisions 6.3 (pg. 31)

"The Enrollee's updated Sewer System Management Plan must be maintained for public inspection at the Enrollee's offices and facilities and must be available to the public through CIWQS and/or on the Enrollee's website, in accordance with section 3.8 (Sewer System Management Plan Reporting Requirements) of Attachment E1 (Notification, Monitoring, Reporting and Recordkeeping Requirements) of this General Order."

COMPLIANCE

After finalizing the SSMP Update and obtaining City Council approval, the City will upload the final document to the CIWQS database and will publish this document on the City website. In addition, the SSMP is available for public review at City offices, by appointment, during regular business hours.

2. Organization

WDR REQUIREMENTS

Att. D-2 (pg. D-3)

"The Plan must identify organizational staffing responsible and integral for implementing the local Sewer System Management Plan through an organization chart or similar narrative documentation that includes:

- The name of the Legally Responsible Official as required in section 5.1 (Designation of a Legally Responsible Official) of this General Order;
- The position titles, telephone numbers, and email addresses for management, administrative, and maintenance positions responsible for implementing specific Sewer System Management Plan Element;
- Organizational lines of authority; and
- Chain of communication for reporting spills from receipt of complaint or other information, including the person responsible for reporting spills to the State and Regional Water Boards and other agencies, as applicable. (For example, county health officer, county environmental health City, and State Office of emergency Services.)

COMPLIANCE

The above items are addressed below:

City's Legally Responsible Officials (LRO) are listed below:

- **Geraldine Trivedi, P.E. (Civil Engineer)**

The City's LRO meets the requirements set forth in Specifications 5.1 of the WDR.

The City Departments with primary responsibility for the SSMP are the Engineering & Building Department and the Public Works Department. Table 3 below identifies the position within these departments with corresponding SSMP activity and responsibility. The responsibilities included are "O" (Oversees), "P" (Participates), "D" (Develop & Update), and "I" (Implements). Specific SSMP responsibilities for the core WDR requirements are presented in Table 4 below with direct responsible contact information for the SSMP presented in Table 5. Table 6 below summarizes appropriate SSMP organizational staffing responsibilities for the City.

SSMP Activity	City Engineer	Director Public Works	Engineering & Building Staff	Public Works Staff
Goals	O	P	D	P
Organization	O	P	D	P
Legal Authority	O	P	D	P
Modifications to Municipal Codes	O	P	D	P
Operation and Maintenance Program				
Maintaining Map of System in GIS	O		D	P
Preventative Maintenance Plan	P	O	P	D/I
Areas of Interest Management		O		D/I
Areas of Interest Investigations	O	P	I	I/P
Routine CCTV Inspections		O		I
Design and Performance Provisions				
Standards for Inspection & Testing	O		D/I	
Standards for New Sewers System Components	O		D/I	
Standards for Rehabilitation & Repairs	O		D/I	
Construction Standards & Specifications	O		D/I	
Overflow Emergency Response Plan	P	O	D	D/I
Fats, Oils and Grease Program	O	P	D/I	I/P
Inspections	O		D/I	
Enforcement	O		D/I	P
Public Education & Outreach	O	P	D/I	P
System Evaluation and Capacity Assurance Plan				
CIP	O	P	D/I	P
Funding Plan & Rate Structure	O	P	D/I	P
Evaluation of System Hydraulic Capacity	O		D	
Evaluation of System Condition (CCTV)	O	P	D/I	P
Monitoring, Measurement and Program Modifications	O	O	D/I	D/I
SSMP Program Audits	O	P	P	P
Communications	O	P	D/I	P

Table 2 - City SSMP Activity Reference Table

IMPLEMENTATION RESPONSIBILITIES

Sewer System Management Plan Elements	Responsible Position
1. SSMP Plan, Goal and Introduction	*Engineering Dept.*
1.1. Regulatory Context	*Engineering Dept.*
1.2. SSMP Update Schedule	*Engineering Dept.*
1.3. Sewer System Asset Overview	*Engineering Dept.*
2. Organization	*Engineering Dept.*
3. Legal Authority	*Engineering Dept.*
4. Operations and Maintenance Program	*Public Works Manager*
4.1. Updated maps of Sanitary Sewer System	*Public Works Manager*
4.2. Preventive Operation & Maintenance	*Public Works Manager*
4.3. Training	*Public Works Manager*
4.4. Equipment Inventory	*Public Works Manager*
5. Design/Performance	*Engineering Dept.*
5.1. Updated Design Criteria & Construction Standards	*Engineering Dept.*
5.2. Procedures and Standards	*Engineering Dept.*
6. Spill Emergency Response Plan	*Public Works Manager*
7. Sewer Pipe Blockage Program	*Public Works Manager*
8. System Eval, Capacity Assurance, Capital Imp.	*Engineering Dept.*
8.1. System Evaluation and Condition Assessment	*Engineering Dept.*
8.2. Capacity Assessment and Design Criteria	*Engineering Dept.*
8.3. Prioritization of Corrective Action	*Engineering Dept.*
8.4. Capital Improvement Plan	*Engineering Dept.*
9. Monitoring, Measurement & Program Modifications	*Engineering Dept.*
10. Internal Audits	*Engineering Dept.*
11. Communication Program	*Engineering Dept.*

Table 4 - City Implementation Responsibilities

RESPONSIBLE POSITION CONTACT INFORMATION

Name	Title	Phone	Email
Geraldine Trivedi, P.E.	Civil Engineer	310.697.3195	Geraldine.Trivedi@redondo.org
Saila Potukuchi, P.E.	Civil Engineer	310.697.3201	Saila.Potukuchi@redondo.org
Mario Carranza	Public Works Manager	310.318.0686 ext. 3259	Mario.Carranza@redondo,org

Table 5 – City SSMP Responsible Position Contact Information

2.1. Organizational Chart

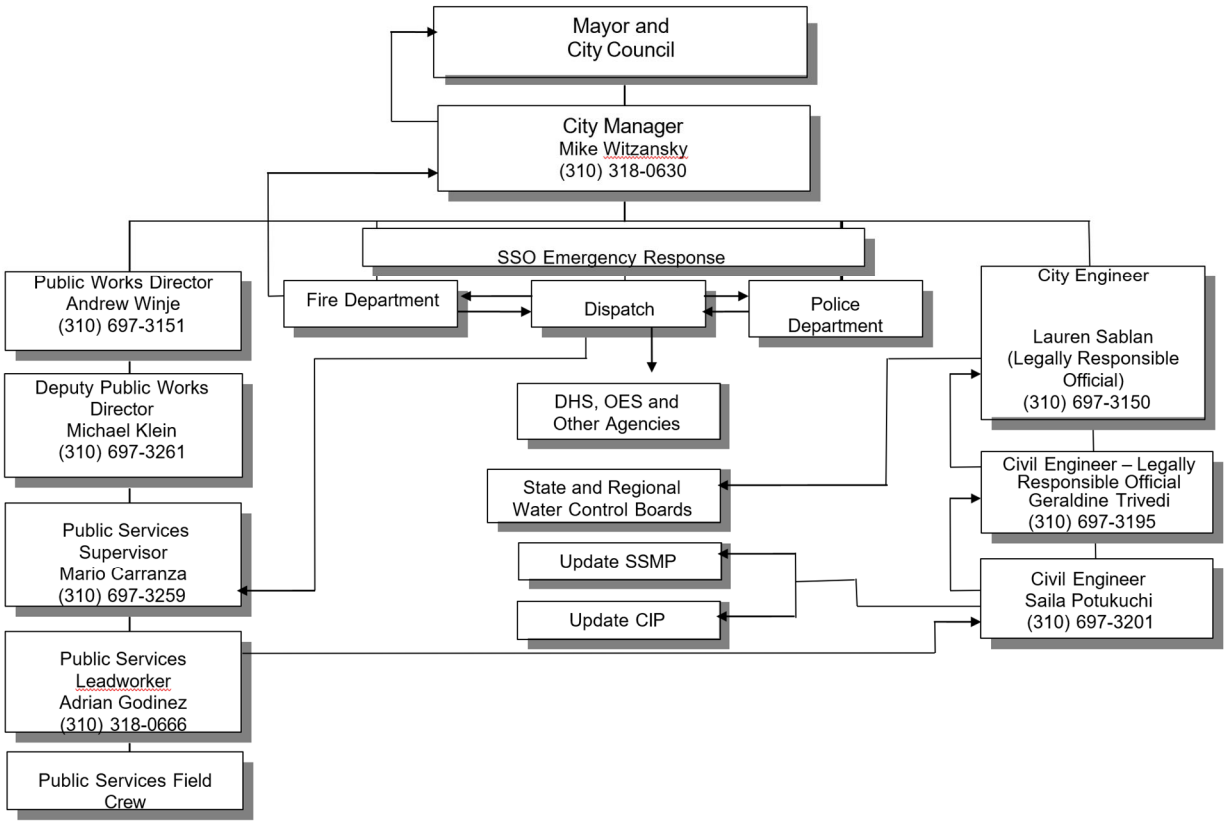


Figure 3 – City Organization Chart

2.2. Chain of Communication for Reporting Spills

CATEGORY 1 REQUIRED NOTIFICATIONS	Phone Number(s)
1. City of Redondo Beach Public Works	(310) 318-0686 (business hours) or (310) 702-0122 (after hour sewer crew on-call)
2. California OES	(800) 852-7550
3. L.A. County Dept of Health Services	(626) 430-5420 or (213) 974-1234
4. L.A. County Dept of Harbor and Beaches (if reaching beach)	(310) 543-1967
5. L.A. County Marine Division (Lifeguard, if reaching beach)	(310) 372-2162
6. California Dept of Fish and Wildlife (if reaching ocean)	(800) OILS-911

CATEGORY 2 REQUIRED NOTIFICATIONS	Phone Number(s)
1. City of Redondo Beach Public Works	(310) 318-0686 (8am-4pm M-F) (310) 702-0122 (after hours sewer crew on-call)
2. California OES	(800) 852-7550
3. L.A. County Dept of Health Services	(626) 430-5420 or (213) 974-1234

CATEGORY 3 AND 4 REQUIRED NOTIFICATIONS	Phone Number(s)
1. City of Redondo Beach Public Works	(310) 318-0686 (business hours) or (310) 702-0122 (after hour sewer crew on-call)

DURING BUSINESS HOURS Monday – Friday 8:00 AM – 4:00 PM:

For calls received (reporting a sewage spill) during business hours between Monday – Friday 8:00 AM – 4:00 PM, CITY dispatch will notify the City's Public Works Sewer crews at the numbers listed above to initiate the response. If additional support is needed (Fire and/or Police Departments), sewer crews will notify dispatch.

NON-BUSINESS HOURS Monday – Friday 4:00 PM – 8:00 AM, Saturdays & Sundays

For calls received (reporting a sewage spill) during non-business hours between Monday - Friday 4:00 PM – 8:00 AM, Saturdays & Sundays, CITY dispatch will notify the City's Fire Department.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Have there been any changes requiring updates to the Organizational Chart?
- Have there been instances when a service call for a spill was not properly routed to response personnel?
- Were all spill response activities documented and forwarded to the LRO?
- Have there been any changes in assigned responsibilities for implementing the SSMP?
- Is there a process in place to ensure all contact information remains up to date?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
2.1	Review names, contact information and position responsibilities. Update as necessary.	Semi-Annually		X	X
2.2	Review Chain of Communication outcomes for all spill responses	Each Spill Event		X	X
2.3	Review Organizational Chart for any changes. Update as necessary.	Semi-Annually		X	X

RESILIENCE

Resilience is addressed in Element 2 by:

- Ensuring that more than one person is capable and responsible for specific duties for SSMP implementation, e.g., back-up personnel.
- Designation of more than one LRO to help ensure full and continuous coverage of duties.
- Testing the phone notification system to ensure calls are received and routed to appropriate personnel.

APPENDIX 2 INCLUSIONS:

- None

3. Legal Authority

WDR REQUIREMENTS

Att. D-3 (pg. D-4)

"The Plan must include copies or an electronic link to the Enrollee's current sewer system use ordinances, service agreements and/or other legally binding procedures to demonstrate the Enrollee possesses the necessary legal authority to:

- Prevent illicit discharges into its sanitary sewer system from inflow and infiltration (I&I); unauthorized stormwater; chemical dumping; unauthorized debris; roots; fats, oils, and grease; and trash, including rags and other debris that may cause blockages;
- Collaborate with storm sewer agencies to coordinate emergency spill responses, ensure access to storm sewer systems during spill events, and prevent unintentional cross connections of sanitary sewer infrastructure to storm sewer infrastructure;
- Require that sewer system components and connections be properly designed and constructed;
- Ensure access for maintenance, inspection, and/or repairs for portions of the service lateral owned and/or operated by the Enrollee;
- Enforce any violation of its sewer ordinances, service agreements, or other legally binding procedures; and
- Obtain easement accessibility agreements for locations requiring sewer system operations and maintenance, as applicable.

COMPLIANCE

The above items are addressed by the City below in order.

- The City has established authority to prevent illicit discharges into City's Wastewater Collection System through its existing authority provided under City Municipal Code, Article 2 (Prohibitions).
- The City has established pre-planned collaboration and coordination with storm water assets since the City owns and operates these facilities.
- The City with its Design Standards and Specifications has established requirements requiring all sewer system components and connections are properly designed and constructed with its existing authority provided under City Municipal Code, Article 3 (Wastewater Facility/General Requirements).
- District facilities are located within legal easements for ensuring maintenance. Notices are sent to property owners with easements on their property annually to help facilitate communication and ensure access for maintenance, inspection and repair activities. Article IV, Section 404 requires all public facilities within a public right-of-way or dedicated sewer easement.
- The City does not own or maintain sewer service laterals.
- The City has established legal authority to enforce violations of its sewer ordinances, service agreements, or other legally binding procedures with its existing authority provided under City Municipal Code, Article 4 (Enforcement).
- Notices can be sent to property owners with easements on their property to help facilitate communication and ensure access for maintenance, inspection and repair activities. Article IV, Section 404 requires all public facilities within a public right-of-way or dedicated sewer Portion of City sewer assets are located within easements; however, some notices are periodically sent to property owners

with easements as necessary to help facilitate communication and ensure access for maintenance, inspection and repair activities.

- Obtain easement accessibility agreements for locations requiring sewer system operations and maintenance, as applicable.
- Prior to finalizing this SSMP Update, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Are the City ordinances and standards adequate for fulfilling the SSMP Plan legal requirements?
- Does the City have a process in place for periodic review and evaluation of ordinances?
- Have there been instances when the code or ordinance did not address a need or circumstance?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
3.1	Review Ordinance(s) to confirm all documents provide necessary required legal authority.	Once per 6-year SSMP Update Cycle	X	X	
3.2	Confer with storm drain owners to ensure current practices and contact information are up to date.	Annually		X	
3.3	Monitor and document occasions when Ordinance(s) failed to address issues as intended.	Continuously	X	X	X

RESILIENCE

Resilience is addressed in Element 3 by:

- Keeping abreast of industry trends and local ordinances that may affect operations.

APPENDIX 3 INCLUSIONS:

- None

4. Operation and Maintenance Program

WDR REQUIREMENTS

Att. D-4 (pg. D-4)

"The Plan must include the items listed below that are appropriate and applicable to the Enrollee's system."

4.1. Updated Map of Sewer System

WDR REQUIREMENTS

Att. D-4.1 (pg. D-4)

"An up-to-date map(s) of the sanitary sewer system, and procedures for maintaining and providing State and Regional Water Board staff access to the map(s). The map(s) must show gravity line segments and manholes, pumping facilities, pressure pipes and valves, and applicable stormwater conveyance facilities within the sewer system service area boundaries."

COMPLIANCE

System maps shall include gravity mains, force mains, manholes, pump stations, property boundaries and addresses, creek locations, and storm drain mapping, and pipe asset information (ID number, diameter, flow direction, segment length, material type, and age).

The City maintains current sewer maps for all City-owned sewers with iWATER and has process in place to update maps. The City can make its sewer maps available to Water Board staff upon request.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Were all map updates completed in a timely manner?
- Are all staff trained in the procedure for providing map update information?
- Are newly installed sewer assets incorporated into the system maps?
- Are there terrain features or assets that should be incorporated in future map updates (e.g. exposed pipe, siphons, ARVs, surface water, etc.)

IMPLEMENTATION PLAN/SCHEDULE

No	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
4.1.1	Review map update procedures with all affected staff.	Annually		X	X
4.1.2	Review/ensure all newly installed facilities have been updated and included in the system maps	Annually		X	X

4.2. Preventive Operation and Maintenance Activities

WDR REQUIREMENTS

Att. D-4.2 (pgs. D-4/D-5)

"A scheduling system and a data collection system for preventive operation and maintenance activities conducted by staff and contractors. The scheduling system must include:

- Inspection and maintenance activities;
- Higher-frequency inspections and maintenance of known problem areas, including areas with tree root problems;
- Regular visual and closed-circuit television (CCTV) inspections of manholes and sewer pipes.

The data collection system must document data from system inspection and maintenance activities, including system areas/components prone to root-intrusion potentially resulting in system backup and/or failure."

COMPLIANCE

The purpose of a work order system is to program and track all required inspection and maintenance activities within the collection system to help proactively prevent blockages/operational problems or spills. The City uses OPRA for its Computerized Maintenance Management System (CMMS), which allows the City to make informed decisions regarding its assets and infrastructure by using the collected data from field work orders and documented inspections.

The City's CMMS (OPRA) maintains historical data for all maintenance activities and provides a basis for critical analysis and data-driven planning and decision-making today and into the future. This allows for prioritizing and planning routine activities such as CCTV inspections, pipe cleaning and pump station maintenance activities.

In addition, the CMMS (OPRA) is used to plan and schedule higher-frequency inspection and maintenance activities such as Hot Spot cleanings (approximately 100 locations) and selective root control activities. Emergency and other reactive activities are documented in work orders as well.

The scheduling system allows staff to put certain activities on a preventive schedule where the CMMS (OPRA) automatically create work orders on a prescribed interval. Work orders for other activities are generated by supervisory personnel on an as-needed basis.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Are the City's maintenance, operations, engineering work orders periodically audited for accuracy and completeness?
- Does the City monitor "open," "overdue," or "not yet completed" work orders to ensure completion of tasks?
- Are inspection and maintenance activities reducing the number and volume of spills?
- Is maintenance work being completed as scheduled?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
4.2.1	Monitor “Past Due” work orders to ensure critical work is being completed	Quarterly		X	X
4.2.2	Review scheduled PMs to ensure the prescribed schedule remains appropriate.	Annually		X	X

4.3. Training

WDR REQUIREMENTS

Att. D-4.3 (pg. D-5)

"In-house and external training provided on a regular basis for sanitary sewer system operations and maintenance staff and contractors. The training must cover:

- *The requirements of this General Order;*
- *The Enrollee's Spill Emergency Response Plan procedures and practice drills;*
- *Skilled estimation of spill volume for field operators; and*
- *Electronic CIWQS reporting procedures for staff submitting data."*

COMPLIANCE

The City's training program covers numerous areas involving or associated with wastewater collection systems and serves to develop and maintain highly qualified, knowledgeable, and capable staff. This training is provided through a variety of modes (self-study, seminars, conferences, on-the-job, etc.) and begins from the first day on the job and continues regularly thereafter.

Staff involved in responding to customer service calls, including sewage spills, receive annual training on the City's Spill Emergency Response Plan completed by Fischer Compliance LLC. This training is part classroom and part hands-on exercises and drills for responding to spill events and includes containment, restoring flow, spill volume, volume recovered, spill start time estimations, clean up and completing the spill event data collection forms.

The City utilizes Fischer Compliance for providing spill response training and is developing spill response procedures for Contract Service personnel who perform work for the City to:

- Immediately notify the City of any sewage spill they encounter;
- Make attempts to contain the spill;
- Cordon off the area to keep the public safe; and
- Remain onsite until City staff arrives and relieves them.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Has all training been completed as scheduled?
- Have records of training and attendance been documented and maintained?
- Have all staff demonstrated ability and knowledge after each training event?
- Have contractors received, at a minimum, direction for reporting and responding to spills?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
4.3.1	Review training documentation to ensure all staff have received required training	Quarterly		X	X
4.3.2	Review agreements with contractors and/or pre-job meeting minutes to ensure contract personnel have received instruction for responding to sewage spills	Each Contract		X	X

4.4. Equipment Inventory

WDR REQUIREMENTS

Att. D-4.4 (pg. D-5)

"An inventory of sewer system equipment, including the identification of critical replacement and spare parts."

COMPLIANCE

The City maintains a host of equipment for both routine maintenance and for contingency or emergency operations. The City maintains a spare part inventory and has identified "critical" parts allowing the City to respond and resolve issues in a timely manner. Additional new equipment planned for purchase include the following items:

- New backup pump for Basin 3
- 2 additional new bypass pumps for inventory

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Have inventory lists been audited as scheduled?
- Have any inventory deficiencies or omissions been discovered and rectified?
- Has the City experienced any equipment failure that inhibited a spill response?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
4.4.1	Audit inventory lists to ensure stock is adequate	Annually		X	X
4.4.2	Check with vendors to ensure lead times for critical parts are as expected.	Annually		X	X
4.2.3	Ensure contracts with emergency support services are current	Annually			X

RESILIENCE

Resilience is addressed in Element 4 by:

- Developing an SOP for updating maps when errors are discovered.
- Developing and using forms (paper or electronic) for data collection to help ensure all pertinent information is consistently collected.
- Periodically evaluating inspection cycle intervals to help ensure they are optimized.
- Requiring staff to demonstrate ability and/or knowledge for all training activities.
- Monitoring equipment and critical spare parts usage for and trends.
- Performing periodic audits of the vehicle and equipment inventory List.

APPENDIX 4 INCLUSIONS:

- None

Specifications 5.19 - Operations and Maintenance

WDR REQUIREMENTS

Specification. 5.19 (pg. 27)

"To prevent discharges to the environment, the Enrollee shall maintain in good working order, and operate as designed, any facility or treatment and control system designed to contain sewage and convey it to a treatment plant."

COMPLIANCE

To comply with these requirements, the City has the established work programs for operating and maintaining its sanitary sewer collection system.

- Gravity Main Cleaning – the target is to clean the entire system every 2 years; the City utilizes Empire Pipe Cleaning and has its internal crews focus on areas of concern for these activities.
- Gravity Main Inspection (CCTV) – the target is to CCTV sections of the conveyance system that have a high risk factor every 5 years.
- Manhole Inspections – completed as part of ongoing outline maintenance activities and expanded as necessary.
- Pump Station Inspections/Maintenance – completed as part of ongoing outline maintenance activities and expanded as necessary.
- Easement Maintenance – completed as part of ongoing outline maintenance activities and expanded as necessary.
- Pipe Repair/Rehabilitation – completed as part of ongoing outline maintenance activities and expanded as necessary (see Element 8 below for more details).
- Root Control – completed as part of ongoing outline maintenance activities and expanded as necessary.

5. Design and Performance Provisions

5.1. Updated Design Criteria/Construction Standards/Specifications

WDR REQUIREMENTS

Attachment D-5.1 (pg. D-5)

"Updated design criteria, and construction standards and specifications, for the construction, installation, repair, and rehabilitation of existing and proposed system infrastructure components, including but not limited to pipelines, pump stations, and other system appurtenances. If existing design criteria and construction standards are deficient to address the necessary component-specific hydraulic capacity as specified in section 8 (System Evaluation, Capacity Assurance and Capital Improvements) of this Attachment, the procedures must include component-specific evaluation of the design criteria."

COMPLIANCE

City Standard Plans and Details available online addresses design criteria sewers.

The City also relies on GREENBOOK standards for enhancing its available design criteria for sewers.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Are plan checking QA/QC processes helping to ensure adherence to the standards?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
5.1.1	Ensure all project plans are approved in accordance with the City's Standard Specifications and Details.	Each Project		X	
5.1.2	Verify design standards and hydraulic model previously completed are adequate and consistent with current standards of practice.	2027		X	X

Prior to finalizing this SSMP Update, the City anticipates updating this section to include additional information and details that fully address all specified requirements.

5.2. Procedures and Standards

WDR REQUIREMENTS

Attachment D-5.2 (pg. D-5)

"Procedures, and standards for the inspection and testing of newly constructed, newly installed, repaired, and rehabilitated system pipelines, pumps, and other equipment and appurtenances."

COMPLIANCE

- Article 3 of the City's Municipal Code, (Wastewater Facility/General Requirements) is utilized to address these requirements.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Were any design or installation deficiencies found during warranty inspections?
- Are deviations from standard procedures and/or specs, testing, etc., justified and documented?
- Does the City stay abreast of industry design standards and technical advances in the industry?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
5.2.1	Verify inspection procedures are adequate and consistent with current standards of practice	2017 (10-year cycle)			X
5.2.2	Verify design standards and hydraulic model previously completed are adequate and consistent with current standards of practice.	2027 (10-year cycle)		X	X

RESILIENCE

Resilience is addressed in Element 5 by:

- Staying abreast of industry trends and standards.
- Performing warranty inspections of newly installed or repaired assets to evaluate design and installation practices.
- Evaluating as-built changes for trends and areas for design and performance improvements.

APPENDIX 5 INCLUSIONS:

- 5.1. City Pipeline Franchise Application (2011)

6. Spill Emergency Response Plan

WDR REQUIREMENTS

Attachment D-6 (pg. D-6)

"The Plan must include an up-to-date Spill Emergency Response Plan to ensure prompt detection and response to spills to reduce spill volumes and collect information for prevention of future spills. The Spill Emergency Response Plan must include procedures to:

- *Notify primary responders, appropriate local officials, and appropriate regulatory agencies of a spill in a timely manner;*
- *Notify other potentially affected entities (for example, health agencies, water suppliers, etc.) of spills that potentially affect public health or reach waters of the State;*
- *Comply with the notification, monitoring and reporting requirements of this General Order, State law and regulations, and applicable Regional Water Board Orders;*
- *Ensure that appropriate staff and contractors implement the Spill Emergency Response Plan and are appropriately trained;*
- *Address emergency system operations, traffic control and other necessary response activities;*
- *Contain a spill and prevent/minimize discharge to waters of the State or any drainage conveyance system;*
- *Minimize and remediate public health impacts and adverse impacts on beneficial uses of waters of the State;*
- *Remove sewage from the drainage conveyance system;*
- *Clean the spill area and drainage conveyance system in a manner that does not inadvertently impact beneficial uses in the receiving waters;*
- *Implement technologies, practices, equipment, and inter-City coordination to expedite spill containment and recovery;*
- *Implement pre-planned coordination and collaboration with storm drain agencies and other utility agencies/departments prior, during, and after a spill event;*
- *Conduct post-spill assessments of spill response activities;*
- *Document and report spill events as required in this General Order; and*
- *Annually, review and assess effectiveness of the Spill Emergency Response Plan, and update the Plan as needed."*

COMPLIANCE

The City's Spill Emergency Response Plan (SERP) is a stand-alone document that contains all the key elements necessary for an appropriate spill response: notification, emergency incident response, reporting, and impact mitigation. The current plan, prepared by Fischer Compliance (see Appendix 6.1) meets the requirements of the WDR, which became effective on June 5, 2023. Initial training has been provided to affected staff and refresher training is conducted annually. A copy of the SERP is available for viewing at the City office upon request.

Add any additional information/procedures/practices the City might implement outside of the SERP.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Have staff's spill response efforts helped to prevent the discharge of sewage to surface waters?
- Do post-spill assessments indicate staff are following the procedures outlined in the SERP?
- Is SERP training effective and are trainees demonstrating adequate knowledge and abilities?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
6.1	Perform SERP training including practice drills.	Annually		X	X
6.2	Review Post Spill Assessments to ensure adherence with the SERP and to identify any trends that should be addressed.	Annually		X	X

RESILIENCE

Resilience is addressed in Element 6 by:

- Multiple staff are trained to respond to spill events.
- Post-spill assessments are conducted to evaluate staff's adherence to the SERP and to identify areas for improvement.
- Data collection forms are used to direct staff to collect all the required data to be submitted to CIWQS and are designed as a guide to a proper spill event response.
- The City employees several different spill volume estimation methods to account for different circumstances.

APPENDIX 6 INCLUSIONS:

- 6.1. Spill Emergency Response Plan (SERP)

7. Sewer Pipe Blockage Program

WDR REQUIREMENTS

Attachment D-7 (pg. D-7)

"The Sewer System Management Plan must include procedures for the evaluation of the Enrollee's service area to determine whether a sewer pipe blockage control program is needed to control fats, oils, grease, rags and debris. If the Enrollee determines that a program is not needed, the Enrollee shall provide justification in its Plan for why a program is not needed.

The procedures must include, at minimum:

- *An implementation plan and schedule for a public education and outreach program that promotes proper disposal of pipe-blocking substances;*
- *A plan and schedule for the disposal of pipe-blocking substances generated within the sanitary sewer system service area. This may include a list of acceptable disposal facilities and/or additional facilities needed to adequately dispose of substances generated within a sanitary sewer system service area;*
- *The legal authority to prohibit discharges to the system and identify measures to prevent spills and blockages.*
- *Requirements to install grease removal devices (such as traps or interceptors), design standards for the removal devices, maintenance requirements, best management practices requirements, recordkeeping and reporting requirements;*
- *Authority to inspect grease producing facilities, enforcement authorities, and whether the Enrollee has sufficient staff to inspect and enforce the fats, oils, and grease ordinance;*
- *An identification of sanitary sewer system sections subject to fats, oils, and grease blockages and establishment of a cleaning schedule for each section; and*
- *Implementation of source control measures for all sources of fats, oils, and grease reaching the sanitary sewer system for each section identified above."*

COMPLIANCE

In many sanitary sewer collection systems, Fats, Oils, and Grease (FOG) is known to be a significant cause, and or contributor, of sewer blockages in pipe and the cause of operational disruptions and damage to sewage pump stations. Although service areas that include commercial and institutional food service establishments (FSEs) are obvious sources of FOG, residential communities, especially those of medium and high-density multi-family residences, can also be a significant source of FOG. It is the purpose of the FOG Control Program to ensure all customers in our service area are following the City Ordinance, and state and federal requirements, to prevent sewage overflows caused by FOG related blockages in our sewer collection system.

The City complies with the above requirements through the following measures:

- Public Outreach: Public education is implemented for this effort primarily through restaurant inspections. The City inspects approximately 300 food service establishments (FSEs) twice per year to conduct education, determine compliance with the code, and take any necessary enforcement actions to gain compliance. Additional public outreach takes place throughout the year which includes presentations to various local committee and/or working groups, public presentations to City Council

& the Public Works Commission, information included on the City's web site, and various distributed brochures posters and handouts.

- Pipe Blocking Substances: The City is working with the State of California in achieving hauler compliance with the "Licensed waste haulers" requirement (registered to do so by the State in accordance with California Code of Regulations, Title 23, Waters, Chapter 3, and Subchapter 1). The City also utilizes the California Fats Oils and Grease Workgroups Grease Hauling and Rendering Companies List for acceptable disposal and hauling providers of FOG generated within its service area.

  Further, the City disposes routine wastes accumulated from maintenance activities at its corporation yard.

- Legal Authority: The City through its City Municipal Code, Article 5 (Prohibitions). includes provisions and provides the legal authority to implement a FOG Control Program including prohibition of certain discharges and measures to prevent spills.

- Grease Control Devices: The City Municipal Code, Title 5, Article 3, 5.4305, Wastewater Facility/General Requirements) provides the City with authority to require grease control devices.

- Inspections: The current Municipal Code Title 5, Chapter 4 Wastewater System (5-403.5) includes a requirement for semi-annual on-site inspections. The revised code will maintain this requirement. The Clean Bay Restaurant Certification Program also includes inspections of Food Service Establishments (FSE) for minimum compliance with FOG and water quality regulations.

- Portions of Sewers Subject to FOG: The City maintains an "Areas of Interest" list and map which includes Hot Spot cleaning program (approximately 100 locations) including sections subject to FOG build-up and blockages. The "Areas of Interest" or Hot Spots are scheduled for more frequent cleanings and monitoring which occur two to four times per year.

- Source Control Measures: In 2002 the City Council modified its wastewater regulations to require that the City Engineer conduct semi-annual inspections of Food Service Establishments (FSEs) to ensure that the required grease removal device installations are being properly maintained. In 2006, following the adoption of the State Water Board's Order, the City reviewed the existing FOG Control Program and begun the process of establishing a FOG inspection fee in order to enhance the existing program. The City Council approved FOG Control Ordinance No. 2999-07 on April 17, 2007, to establish a fee that would apply to FSEs that generate FOG. The fee is used to pay for the inspections and administration of the FOG Control program for the FSE inspections. The City also inspects approximately 300 food service establishments (FSEs) twice per year to conduct education, determine compliance with the code, and take any necessary enforcement actions to gain compliance. One additional source control measure includes the Clean Bay Restaurant Certification Program, which improves FOG Control awareness and improves facility compliance.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Have there been any blockages/spills from any identified problem area?
- Is the City receiving feedback on public outreach efforts?
- Are the debris and other sewage solids collected during cleaning activities being disposed of appropriately?
- Have there been spills due to excessive fats, oil, grease, roots, or non-disposable wipes discovered in the sewer system during the audit period?
- Are there repeat offenders among FSEs?
- Are enforcement trends decreasing?
- Are Source Control and Collection staff included in the plan check process?

IMPLEMENTATION PLAN/SCHEDULE

No	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
7.1	Review/evaluate enforcement and inspection findings and implement changes as necessary.	Annually		X	X
7.2	Review spill rates and causes and make changes to maintenance programs, as necessary.	Annually		X	X

RESILIENCE

Resilience is addressed in Element 7 by:

- Inspection of select assets directly downstream of grease producing businesses to ensure source control is effective.
- Residential FOG outreach and education program.
- Performance of regular assessments of system assets to monitor performance.
- QA/QA process for evaluating pipe cleaning effectiveness.
- Daily disposal of pipe blocking materials retrieved during maintenance activities.

APPENDIX 7 INCLUSIONS:

- None

8. System Evaluation, Capacity Assurance, Capital Improvements

WDR REQUIREMENTS

Attachment D-8 (pg. D-)

"The Plan must include procedures and activities for:

- Routine evaluation and assessment of system conditions;
- Capacity assessment and design criteria;
- Prioritization of corrective actions; and
- A capital improvement plan."

8.1. System Evaluation and Condition Assessment

WDR REQUIREMENTS

Attachment D-8.1 (pgs. D-7/D-8)

"The Plan must include procedures to:

- Evaluate the sanitary sewer system assets utilizing the best practices and technologies available;
- Identify and justify the amount (percentage) of its system for its condition to be assessed each year;
- Prioritize the condition assessment of system areas that:
  - *Hold a high level of environmental consequences if vulnerable to collapse, failure, blockage, capacity issues, or other system deficiencies;*
  - *Are located in or within the vicinity of surface waters, steep terrain, high groundwater elevations, and environmentally sensitive areas;*
  - *Are within the vicinity of a receiving water with a bacterial-related impairment on the most current Clean Water Act section 303(d) List.*
- Assess the system conditions using visual observations, video surveillance and/or other comparable system inspection method;.
- Utilize observations/evidence of system conditions that may contribute to exiting of sewage from the system which can reasonably be expected to discharge into a water of the State;
- Maintain documents and recordkeeping of system evaluation and condition assessment inspections and activities; and
- Identify system assets vulnerable to direct and indirect impacts of climate change, including but not limited to: sea level rise; flooding and/or erosion due to increased storm volumes, frequency, and/or intensity; wildfires; and increased power disruptions."

COMPLIANCE

The system evaluation, condition assessment, capacity assurance, and CIP components contained in this Interim SSMP are preliminary and will be supplemented and refined through the City's comprehensive sewer system evaluation and technical planning program starting in 2026.

The City addresses the above requirements as outlined below. Further, prior to finalizing this SSMP, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

- The assessment of a collection system involves every component of the City collection system, including pipelines, manholes, and pump stations. The assessment of pipeline condition is the most significant condition assessment responsibility the City has. It is of key importance to regularly perform pipeline condition assessments to initially establish a condition baseline and to monitor condition changes over time. The City utilizes various technologies, practices, strategies for these assessments to maintain the sewer system such as the use of 47 individual sewer Smart Covers and closed-circuit television (CCTV) equipment.
- The City's justification for their condition assessment schedules/intervals is provided by inspection history (how many times has the system been inspected), (2) pipe performance (number of blockages or spills), (3) maintenance intervals (how often are the lines cleaned between inspections), and (4) Repair and rehabilitation programs (defects being rectified).
- The City prioritizes condition assessment activities using a risk-based approach that considers: (1) pipeline CCTV defect coding per NASSCO PACP standards (structural and O&M defect grades), (2) CIP project prioritization based on hydraulic deficiency, structural condition, SSO risk, and consequence of failure, and (3) sewer asset risk ranking incorporating pipe age, material, diameter, maintenance history, and proximity to sensitive receiving waters..
- The City assesses system conditions using a combination of methods including: (1) CCTV video inspection of gravity mains using NASSCO PACP coding, (2) visual manhole inspections, (3) SmartCover sensor monitoring at 47 locations for real-time level and flow data, and (4) pump station SCADA monitoring..
- The City uses CCTV inspection findings, SmartCover level data, maintenance records, and spill history to identify system conditions (such as significant structural defects, root intrusion, or capacity constraints) that may contribute to sewage exfiltration that could reasonably be expected to reach a water of the State. High-priority defects are escalated to the CIP for corrective action..
- The City maintains inspection and condition assessment records electronically using iWater CMMS and GIS. Records include CCTV inspection reports, PACP-coded defect data, manhole inspection logs, pump station maintenance records, and SmartCover event logs. CCTV video files and condition data are stored and linked to the City's GIS asset inventory. The City has initiated a process to identify its assets vulnerable to direct and indirect impacts of climate change, including but not limited to: (a) sea level rise, (b) flooding and/or erosion due to increased storm volumes, frequency, and/or intensity; (c) wildfires; and (d) increased power disruptions. This includes a committed to providing a more livable, equitable, and economically vibrant community and sub-region. As a part of this effort, the City of Redondo Beach, in cooperation with the South Bay Cities Council of Governments, has developed a Climate Action Plan (CAP) to reduce Greenhouse Gas (GHG) emissions within the city. The City's CAP serves as a guide for action by setting GHG emission reduction goals and establishing strategies and policies to achieve desired outcomes over the next 20 years.
- Prior to finalizing this SSMP, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Has the City maintained its schedule for (information needed) and is data being reviewed in a timely manner?
  - CCTV Gravity Mains
  - Laterals
  - Manholes
  - Pump Stations
- Are inspection efforts discovering deficiencies in a timely manner?
- Are maintenance and inspection activities being properly documented?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
8.1.1	Review/evaluate enforcement and inspection findings and implement changes as necessary.	Annually		X	X
8.1.2	Review spill rates and causes and make changes to maintenance programs, as necessary.	Annually		X	X
8.1.3	Hold meeting to discuss any issues that may result from climate changes.	Annually	X	X	X

8.2. Capacity Assessment and Design Criteria

WDR REQUIREMENTS

Attachment D-8.2 (pgs. D-8/D-9)

"The Plan must include procedures to identify system components that are experiencing or contributing to spills caused by hydraulic deficiency and/or limited capacity, including procedures to identify the appropriate hydraulic capacity of key system elements for:

- *Dry-weather peak flow conditions that cause or contributes to spill events;*
- *The appropriate design storm(s) or wet weather events that causes or contributes to spill events.*
- *The capacity of key system components; and*
- *Identify the major sources that contribute to the peak flows associated with sewer spills.*

The capacity assessment must consider:

- *Data from existing system condition assessments, system inspections, system audits, spill history, and other available information;*
- *Capacity of flood-prone systems subject to increased infiltration and inflow, under normal local and regional storm conditions;*
- *Capacity of systems subject to increased infiltration and inflow due to larger and/or higher-intensity storm events as a result of climate change;*
- *Increases of erosive forces in canyons and streams near underground and above-ground system components due to larger and/or higher-intensity storm events;*
- *Capacity of major system elements to accommodate dry weather peak flow conditions, and updated design storm and wet weather events; and*
- *Necessary redundancy in pumping and storage capacities."*

COMPLIANCE

A capacity evaluation of the sewer system was conducted in 1994 during the preparation of the City's latest Wastewater System Master Plan. All sewer pump stations were evaluated on a case-by-case basis, using the flow information from the hydraulic model. The City is currently (2026) updating the SSMP

A hydraulic model was developed for the following system elements:

- All collection lines greater than 8-inches in diameter
- Sewers observed to have operational problems
- Sewers projected to be over capacity by the City's previous wastewater planning
- reports
- Sewers that serve large tributary areas
- Sewers with a slope of 0.004 or less that serve 300 or more residential units

- Prior to finalizing this SSMP Update, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Number of capacity-related spills or surcharge condition during the audit period.
- Has the system responded to rain events as indicated by the hydraulic model?
- Has there been any changes to zoning designations (residential, commercial, industrial)?

IMPLEMENTATION PLAN/SCHEDULE

No	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
8.2.1	Monitor/evaluate significant rain events to see if they exceed the design storm in the hydraulic model.	Each significant rain event		X	X
8.2.2	Identify and monitor flood-prone areas susceptible to erosion from rain events	After each significant rain event		X	X
8.2.3	Monitor flows in each basin and update the hydraulic model	Per Engineering Department schedule			X

8.3. Prioritization of Corrective Action

WDR REQUIREMENTS

Attachment D-8.3 (pg. D-9)

"The findings of the condition assessments and capacity assessments must be used to prioritize corrective actions. Prioritization must consider the severity of the consequences of potential spills."

COMPLIANCE

The City is currently updating its Wastewater System Master Plan. The scope of work includes the development of a hydraulic model of the entire wastewater system. Capacity evaluation of the collection system as well as the pump stations will be conducted.

- The 1994 Wastewater System Master Plan established the City's current wastewater criteria. The criteria will be reevaluated as a part of the update to the Wastewater System Master Plan.
- The 1994 Wastewater System Master Plan identified the portions of the wastewater system with hydraulic deficiencies. Capital Improvement Project recommendations were formulated and prioritized. The total priority pump station and collection system capacity related project costs were estimated at $7,020,000 (January 1994 dollars). The update of the Wastewater System Master Plan will include the development of a comprehensive Capital Improvement Program that will include projects to address any capacity related system deficiencies. Project costs will be developed.
- The City funds sewer related activities through its Wastewater Enterprise Fund. In 2003, the City approved Ordinance No. 2924-03 that established a Wastewater Sewer User Fee based on a Wastewater Rate and Financial Plan Study report. In 2004, the City issued revenue bonds totaling $10,335,000 which included a rate covenant that requires, in any Fiscal Year, the Wastewater Enterprise to produce Rate-Based Net Revenues equal to at least 1.20 times the Installment Payments coming due and payable during such Fiscal Year. In 2008, the City approved Ordinance 3018-08 that raised the Wastewater Sewer User fees to its current levels. The new fees help to fully support the completion of sewer collection system rehabilitation projects, the operation and maintenance of the system, meet bond rate covenant requirements, and comply with regulatory requirements. The established fees also include an annual increase to account for inflation.
- The update to the Wastewater System Master Plan will include a schedule for implementing the developed Capital Improvement Program project recommendations. Additional ongoing details of projects and funding are available online (see Element 8.4 below for more details).
- Prior to finalizing this SSMP, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Has the City adhered to its system evaluation/condition assessment schedule?
- Has the City adhered to its prioritization/corrective procedures for sewer repair and capacity improvement projects?
- Have projects been completed before deficiencies caused failures?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
8.3.1	Utilize all available data for prioritizing corrective actions considering severity and consequences of potential spills.	Each CIP Update		X	X
8.3.2	Maintain documents and recordkeeping of system evaluation and condition assessment inspections and activities.	Continuously		X	X

8.4. Capital Improvement Plan

WDR REQUIREMENTS

Attachment D-8.4 (pg. D-9)

"The capital improvement plan must include the following items:

- *Project schedules include completion dates for all portions of the capital improvement program;*
- *Internal and external project funding sources for each project; and*
- *Joint coordination between operation and maintenance staff, and engineering staff/consultants during planning, design, and construction of capital improvement projects; and InterCity coordination with other impacted utility agencies."*

COMPLIANCE

The City of Redondo Beach Budget and Capital Improvement Program (CIP) online website provides detailed information including historical projects and funding for all City assets including sewers. For added transparency, the City has posted its 2025-2030 Capital Improvement Program on its website.

City engineering and operations routinely meet to coordinate on projects to ensure input from all parties.

The City is currently updating its Wastewater System Master Plan, which includes the development of a hydraulic model for the entire wastewater system. As part of this effort, the City will conduct a capacity evaluation of both the collection system and the pump stations. Prior to finalizing this SSMP, the City anticipates updating the future Capital Improvement Plan (CIP) to incorporate additional information and details to fully address the requirements specified in this section.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Has the City's capital improvement plan schedule been adhered to?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Engr	Mgr
8.4.1	Hold regular coordination meetings, with all parties, to help keep the projects on track and resolve issues that may arise in a timely manner.	Annually		X	X
8.4.2	For schedules that are not followed, justify and document the reason.	Each Delayed Project			X

RESILIENCE

Resilience is addressed in Element 7 by:

- Is there an annual review of the Capital Improvement Plan by all appropriate individuals including both Engineering and Operations?

APPENDIX 8 INCLUSIONS

- 8.1 2025-2030 Budget and Capital improvement Program (CIP)
- 8.2. Sewer Project 23-5656 - Administrative Report

9. Monitoring, Measurement, and Program Modifications

WDR REQUIREMENTS

Attachment D-9 (pg. D-9)

"The Plan must include an Adaptive Management section that addresses Plan-implementation effectiveness and the steps for necessary Plan improvement, including:

- *Maintaining relevant information, including audit findings, to establish and prioritize appropriate Plan activities;*
- *Monitoring the implementation and measuring the effectiveness of each Plan element;*
- *Assessing the success of the preventive operation and maintenance activities:*
- *Updating Plan procedures and activities, as appropriate, based on results of monitoring and performance evaluations; and*
- *Identifying and illustrating spill trends, including spill frequency, locations, and estimated volumes."*

COMPLIANCE

The above requirements are addressed below. Further, prior to finalizing this SSMP Update, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

- The City maintains accurate and relevant inspection and maintenance records for the collection system. Much of the documentation today is maintained electronically, which allows for ease of access and analysis. This helps City staff to make sound decisions and prioritize activities when dealing with the routine and the unexpected.
- Monitoring of the City's SSMP focuses on each element in terms of its implementation and effectiveness. The SSMP has been designed to include key performance indicators for each element, which are used to measure effectiveness. In addition, implementation responsibilities are included for each element to help ensure the SSMP is being implemented as intended.
- The City assesses the success of maintenance and operation activities by ensuing activities are being performed as expected, by monitoring actual outcomes compared to intended outcomes, as well as monitoring spill trends.
- The City is committed to continuous improvement and monitors and evaluates performance of work programs and SSMP elements to ensure intended outcomes are achieved while looking for areas for improvement. Although the SWRCB requires that the SSMP be updated every six years, the SSMP should be considered as a dynamic document and may require updating on a more frequent basis. Routine changes to administrative information, notwithstanding, minor changes will likely be required to address improvements identified through the SSMP Audit or through modifications required as conditions change.
- The City monitors spill trends, at a minimum every three years during required audits, utilizing the CMMS database, inspection records and CIWQS data. These resources are helpful in planning and programing work, and adjusting as needed, enabling the City to be adaptive and capitalize on lessons learned.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Are SSMP Elements being periodically evaluated for effectiveness?
- Are work activities and spill events being documented?
- Has a plan and schedule been established to address audit findings/deficiencies from the last audit?
- Is Trend Analysis being performed on spill causes?
- Have work programs been assessed and updated as necessary?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
9.1	Assess work programs to ensure outcomes are as intended.	Annually		X	X
9.2	Prepare updates to work programs and the SSMP based on assessments.	As Needed		X	X
9.3	Monitor and evaluate spill trends. Document efforts.	Annually		X	X

RESILIENCE

Resilience is addressed in Element 9 by:

- Development of key performance indicators to measure effectiveness of the SSMP.
- Performing periodic reviews of the SSMP to help ensure it is being properly implemented.
- Developing and adhering to a timeline to correct deficiencies found during the audit process.
- Periodically evaluating work programs to help ensure effectiveness.

APPENDIX 9 INCLUSIONS:

- None

10. Internal Audits

WDR REQUIREMENTS

Attachment D-10 (pg. D-10)

"The Plan shall include internal audit procedures, appropriate to the size and performance of the system, for the Enrollee to comply with section 5.4 (Sewer System Management Plan Audits) of this General Order."

COMPLIANCE

The City completed its last audit in January 2025 (see Appendix 10.1) and will complete audits every three (3) years moving forward. The objective of the audit is to evaluate compliance, implementation and effectiveness of the SSMP. Additionally, the SSMP includes a description of how the City will comply with the requirements of each Element. The audit review includes an evaluation to determine if compliance has been met.

Implementation is evaluated by determining if the City is executing the SSMP as stated.

Effectiveness is evaluated by using key performance indicators, which have been developed specifically for each element.

An additional evaluation is performed to comply with Specifications 5.6 addressing resilience.

Resilience is addressed for each Element and is built-in to the Agencies collection systems procedures and practices.

Any deficiencies discovered through the audit process are noted and a plan and schedule to implement corrective measures are established.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Have audits been performed as required?
- Have the audits assessed compliance, implementation, and effectiveness?
- Have deficiencies been identified?
- Has a plan and schedule to rectify the deficiencies been established?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	ENG	MGR
10.1	Schedule audits in advance of due dates to ensure adequate time to complete. City has 6 months to complete the audit from the end of the audit period.	Beginning at end of audit period		X	X
10.2	Ensure a plan and schedule is developed to address deficiencies.	Once the Audit is completed		X	X

RESILIENCE

Resilience is addressed in Element 10 by:

- Periodically evaluating key performance indicators during the audit period to assess effectiveness and make corrections, if necessary, prior to the audit.
- Evaluating previous audits to ensure deficiencies have been rectified.
- Scheduling the audit due dates and completing the audit on time.

APPENDIX 10 INCLUSIONS:

- 10.1. 2021-2024 SSMP Audit

11. Communication Program

WDR REQUIREMENTS

Attachment D-11 (pg. D-10)

"The Plan must include procedures for the Enrollee to communicate with:

- *The public for:*
  - *Spills and discharges resulting in closures of public areas, or that enter a source of drinking water; and*
  - *The development, implementation, and update of its Plan, including opportunities for public input to Plan implementation and updates.*
- *Owners/operators of systems that connect into the Enrollee's system, including satellite systems, for:*
  - *System operation, maintenance, and capital improvement-related activities."*

COMPLIANCE

- When the City experiences a spill, it is standard procedure to secure the affected area and keep the public away. This is generally done using barricades, cones and caution tape. Should the City experience a spill that may require closure of public areas or enter a source drinking of water, signs will be immediately placed indicating the issue and providing contact information. Staff will remain on site to provide an additional safety factor until appropriate authorities respond and direct otherwise. In all cases, the City will follow the advice of higher authorities, such as the local environmental health department and other regulatory authorities.
- There are several opportunities for stakeholders and the public to participate and provide input into the development and update of the City SSMP. During its initial development stage, as with each SSMP Audit and update of the SSMP, the SSMP and related documents are presented to the City Council for review and acceptance. As previously noted, SSMP Audits are now performed every three years and re-certification and acceptance of updated SSMPs is now required every six years. In addition to the extensive initial development process, re-certifications of the SSMP that have been presented to the Council on 8/2/2022.
- Prior to each Council Meeting, these documents are included in Council Agenda packet which are readily available for review on the City's website. The SSMP is posted on the City's website, which provides the public several ways to contact the City, via the "Contact Us" feature.
- The SSMP is also available for public viewing on the City's website or by appointment at the City office.
- The City does not currently have satellite systems.
- Prior to finalizing this SSMP Update, the City anticipates updating this element to include additional information and details to address all requirements specified in this section above.

EFFECTIVENESS

The City utilizes the following Key Performance Indicators for measuring effectiveness of this Element:

- Does the City place all SSMP action items on the agenda for regular counsel meetings?
- Does the City have signage, or other means, readily available to notify the public of environmental or public risk factors related to a sewage spill?
- Does the City perform outreach to residential customers?

IMPLEMENTATION PLAN/SCHEDULE

No.	Plan	Schedule	Responsible Party		
			CC	Eng	Mgr
11.1	Ensure the City Council approves the SSMP per schedule.	Every 6 years		X	X
11.2	Ensure the SSMP is posted on the City website and the link functions properly.	Annually		X	X
11.3	Ensure Sewage Spill Warning signs are readily available to communicate with the public when necessary	Annually			X

RESILIENCE

Resilience is addressed in Element 11 by:

- Use the SSMP as a tool to communicate to the public how the City is managing the system.
- Maintain a consistent presence in the service area by attending community events or issuing periodic newsletters or other communications to the public.
- Make it clear and easy for the public to contact the City.

APPENDIX 11 INCLUSIONS

- None

LIST OF APPENDICIES (not included herein)

APPENDIX 1	• 1.1. 2022 City Council Resolution for Adoption of Updated 2022 SSMP
APPENDIX 2	• None
APPENDIX 3	• None
APPENDIX 4	• None
APPENDIX 5	•
APPENDIX 6	• 6.1 Spill Emergency Response Plan (SERP)
APPENDIX 7	• None
APPENDIX 8	• 8.1 2025-2030 Budget and Capital improvement Program (CIP) • 8.2. Sewer Project 23-5656 - Administrative Report
APPENDIX 9	• None
APPENDIX 10	• None
APPENDIX 11	• None
APPENDIX 12	• None

Administrative Report

H.6., **File #** 26-0477 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ADOPT BY 4/5THS VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2606-037, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A 2025-2026 FISCAL YEAR BUDGET MODIFICATION TO APPROPRIATE $9,643 IN DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY (CALRECYCLE) GRANT FUNDS TO THE INTERGOVERNMENTAL GRANTS FUND

EXECUTIVE SUMMARY

The City annually applies for grants administered by the Department of Resources, Recycling and Recovery (CalRecycle) for the Used Oil Program to implement eligible projects. The City of Redondo Beach has been awarded $9,643 in FY 2025-26 grant funds. Approval of the Resolution will allow for the appropriation of the grant funds to the City's Intergovernmental Grants Fund where it will be used to inform and help educate the community on safe oil disposal.

BACKGROUND

Annually, the Public Works Department applies for funding from CalRecycle's Used Oil Grant Program. The City was awarded a FY 2025-26 allocation of $9,643. The grant provides funding for California local governments to support programs, outreach and education regarding safe used oil disposal. The City typically uses the money for targeted outreach through newspaper ads highlighting proper disposal of used oil and advertising locations for used oil drop off. Funds are also used for purchase of used oil absorbent materials and products used by City departments, most specifically the Public Works, Fleet Division.

If approved, the Resolution will appropriate the funds to the Intergovernmental Grants Fund for use by the Public Works Department for approved programs and outreach.

COORDINATION

In accordance with City policy, the Public Works Department will coordinate grant administration with the Financial Services Department. The Resolution has been approved as to form by the City Attorney's Office.

FISCAL IMPACT

Approval of the Resolution will appropriate $9,643 in Used Oil Program grant funds to the City's Intergovernmental Grants Fund.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Reso No. CC-2606-037 Accepting Used Oil Program Grant Funds from the Department of Resources, Recycling and Recovery

RESOLUTION NO. CC-2606-037

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A 2025-2026 FISCAL YEAR BUDGET MODIFICATION TO APPROPRIATE $9,643 IN DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) GRANT FUNDS TO THE INTERGOVERNMENTAL GRANTS FUND

WHEREAS, it is the intention of the City Council of the City of Redondo Beach ("City Council") to review the adopted budget from time to time; and

WHEREAS, the City's adopted budget needs to be modified from time to time to appropriate monies from state or federal or other program grants to City funds for allowable expenditures; and

WHEREAS, the City has received an allocation of $9,643 in CalRecycle grant funds; and

WHEREAS, the City intends to use these funds for used oil program and public education.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That conditions have arisen during the budget year that require a modification to budget appropriations; and, upon recommendation of the City Manager, the budget appropriation as adopted for Fiscal Year 2025-2026 is modified as follows:

$9,643 in grant funding from CalRecycle shall be appropriated to the Intergovernmental Grants Fund revenue and expenditure budgets established for the grant award and associated with the Public Works Department.

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. 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 9th day of June, 2026.

_____
James A. Light, Mayor

APPROVED AS TO FORM:

ATTEST:

Joy A. Ford, City Attorney

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-2606-037 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 9th day of June, 2026, 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

Administrative Report

H.7., **File #** 26-0551 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ACCEPT AS COMPLETE THE NORTH PIER PARKING STRUCTURE REPAIRS PROJECT, JOB NO. 70610, AND AUTHORIZE THE CITY ENGINEER TO FILE A NOTICE OF COMPLETION FOR THE PROJECT WITH THE LOS ANGELES COUNTY REGISTRAR-RECORDER, AND AUTHORIZE RELEASE OF THE RETENTION UPON EXPIRATION OF THE 35-DAY LIEN PERIOD AFTER SAID RECORDATION AND NO CLAIMS BEING FILED UPON THE PROJECT

EXECUTIVE SUMMARY

On September 16, 2025, the City Council awarded Slater Waterproofing Inc., a public works contract for $806,861 for restoration of selected areas of the floors, ceilings, beams, and columns of the North Pier Parking Structure. During construction of the North Pier Parking Structure Repairs Project, Job No. 70610 (Project), staff issued three additional change orders totaling $115,660 to opportunistically address other areas of repair need. The change orders were within the authorization limit ($125,000) of the City Engineer as memorialized in the City's Administrative Policies and Procedures (APP 14.1) and brought the final not to exceed amount for the contract to $922,521. Actual expenditures for this project totaled $908,821, leaving an unspent contract balance of $13,700, which will be returned to the project account.

The project work performed by Slater Waterproofing Inc. is now complete and ready for City Council acceptance and authorization to release the final retention amount of $45,441.05 to the contractor upon expiration of the 35-day lien period and there being no claims filed.

BACKGROUND

The City of Redondo Beach owns two parking structures that provide access to the City's Pier and International Boardwalk area. The Pier Parking Structure, which is comprised of the North Pier Parking Structure and the South Pier Parking Structure, sits at the terminus of Torrance Boulevard and contains approximately 1,018 spaces. The North Pier Parking Structure was completed in the early 1960's and is comprised of three levels, two supported parking levels and one on-grade level with leasable space for commercial businesses on the International Boardwalk, west of Basin 3.

This phase of the project focused on executing the concrete repairs to the columns, beams, walls, ceilings, and other structural elements on the Basement Level and Pier Parking Level of the North Pier Parking Structure.

On September 16, 2025, the City Council awarded Slater Waterproofing Inc., a public works contract

for $806,861 for the concrete repairs. Work for the Project commenced on January 5, 2026. Staff reviewed progress in the parking structure on May 22, 2026 and determined the Project to be substantially complete. This allowed the parking structure to be reopened to the public prior to Memorial Day weekend.

During construction, staff issued three change orders totaling $115,660, which addressed additional scope of full depth floor repairs, curb/walk repairs, and placing additional rebar in the ground-opening repairs to ensure the long-term integrity of the structure. These change orders brought the final not to exceed amount for the contract to $922,521. The contract included an electrical allowance that was not fully utilized, leaving a balance of $13,700 on the purchase order. This lead to a final total expenditure of $908,821.

Staff recommends that the City Council accept the Project as complete and authorize release of the final retention amount of $45,441.05 to the contractor upon expiration of the 35-day lien period if no claims are filed.

COORDINATION

The project scope and design have been coordinated by the Engineering Services Division of the Public Works Department.

FISCAL IMPACT

Funding		**Expenditures**	
Critical Pier Parking Structure Repairs Project #70610	$ 908,821	Slater Waterproofing Inc.	$908,821
Total	**$ 908,821**	**Total**	**$ 908,821**

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Map - North Pier Parking Structure Repairs Project Job No. 70610



N

1 inch = 300 feet

North Pier Parking Structure Repairs Project
Job No 70610

REDONDO BEACH

9/8/2025

Project Location

Administrative Report

H.8., **File #** 26-0623 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2606-038, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SENATE BILL (SB) 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

EXECUTIVE SUMMARY

Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017, was signed into law on April 28, 2017 and will provide and invest $52.4 billion over the next decade to fix roads, freeways, and bridges in communities across California. The bill created a new Road Maintenance and Rehabilitation Account (RMRA) funded by gasoline and diesel excise taxes, diesel sales tax, and vehicle fees. The City's FY 2026-27 allocation of SB 1 funding has been estimated by the State to be $1,975,756, which represents an increase of 6.9%, or $126,856, from last year.

According to adopted accountability and transparency provisions, the City is required to designate by City Council Resolution, and submit, a list of projects annually that will be funded by SB 1 proceeds. The annual submittal deadline is July 1st each year. Staff recommends adoption of the attached Resolution to meet the requirements of SB 1's accountability and transparency provisions. The Resolution designates that FY 2026-27 SB 1 funding be applied to the Residential Street Rehabilitation Project, the Citywide Striping Project, and the Sidewalk Improvements and Repairs Project, as reflected in the proposed FY 2027-2031 Capital Improvement Program (CIP). Adoption of the attached Resolution would meet the state requirements for local expenditure of these funds.

BACKGROUND

SB 1 was signed into law on April 28, 2017 and will provide $52.4 billion in investments over the course of a decade to, in part, fix roads, freeways, and bridges in communities across California. These funds are split equally between state and local investments. California's state-maintained transportation infrastructure receives approximately $26 billion of SB 1 revenue. The other $26 billion is allocated to local roads, transit agencies, and the expansion of the state's growing network of pedestrian and cycle routes. Each year, this new funding will be used to address deferred maintenance needs both on the state highway system and the local road system. These maintenance needs include:

1. Repairs to Local Streets and Roads: $1.5 billion (over 10 years)
2. Maintenance/Rehabilitation of State Highway System: $1.5 billion (over 10 years)

3. Maintaining/Repairing the State's Bridges & Culverts: $400 million (over 10 years)

Road Maintenance and Rehabilitation Account (RMRA) funds are generated by gasoline and diesel excise taxes, diesel sales tax, and vehicle fees. Gasoline and diesel tax increases took effect on November 1, 2017, and vehicle fee increases took effect on January 1, 2018.

The City previously received approximately $1.8M of Gas Tax funds (Highway Users Tax) on an annual fiscal year basis. The RMRA has increased the total amount of gas tax-related funds distributed to the City.

RMRA (SB 1)	**Revenue**
FY 17-18	$403,764
FY 18-19	$1,259,412
FY 19-20	$1,185,944
FY 20-21	$1,241,971
FY 21-22	$1,362,744
FY 22-23	$1,567,627
FY 23-24	$1,812,669
FY 24-25	$1,916,268
FY 25-26	$1,848,900
Estimated FY 26-27	$1,975,756

Previous year allocations were appropriated for the Manhattan Beach Boulevard Resurfacing Project - Aviation Boulevard to Inglewood Avenue, Torrance Blvd Resurfacing Project, Citywide Striping, the Residential Street Rehabilitation Project, and Sidewalk Improvements and Repairs Project.

The guidelines of the California Transportation Commission (CTC) require Cities to submit a resolution with an updated list of projects to be funded by SB 1 by July 1 of each year. The proposed Resolution appropriates FY 2026-27 SB 1 funding to the Residential Street Rehabilitation Project, Sidewalk Improvements and Repairs Project, and the Citywide Striping Projects as reflected in the proposed CIP.

Construction of the next cycle of Residential Street Rehabilitation Project will occur in FY 2026-27. The Sidewalk Improvements and Repair Project is an ongoing maintenance CIP that will continue throughout FY 2026-27. Lastly, the Department has engaged striping contractors for the Citywide Striping Project during FY 2022-23 and work will continue throughout FY 2026-27.

COORDINATION

The Resolution has been coordinated as part of the proposed CIP Budget for FY 2026-27 with the Financial Services Department and the City Manager's Office. The Resolution was approved as to form by the City Attorney's Office.

FISCAL IMPACT

Adoption of the proposed Resolution will have no impact to the City's General Fund. Anticipated

receipts of SB 1 funding in FY 2026-27 are $1,975,756 based on State estimates. This new FY 2026 -27 RMRA revenue is recommended for appropriation for the following projects in the proposed CIP budget:

• Residential Street Rehabilitation Project	$1,300,000
• Sidewalk Improvements and Repairs	$500,000
• Citywide Striping	$100,000

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Reso No. 2606-038 A list of projects for SB 1

RESOLUTION NO. CC-2606-038

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Redondo Beach (City) are aware of the projects proposed for funding in its community and which projects have been completed each fiscal year; and

WHEREAS, the City must identify the capital projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1 by resolution, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated $1,970,298 in RMRA funding in Fiscal Year 2026-27 from SB 1; and

WHEREAS, receiving SB 1 funding will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, and increase access and mobility options for the traveling public which would not have been possible without SB 1; and

WHEREAS, the City has undergone a robust public process to ensure public input into its community's transportation and capital project priorities as part of the annual Public Hearing for the adoption of the Five-Year Capital Improvement Program; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain, repair and rehabilitate over six miles of streets throughout the City this year and a number of similar projects in the future; and

WHEREAS, the 2023 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in a "good" condition and this revenue will help the City increase the overall quality of its road system and over the next decade bring its streets and roads into a "very good" condition; and

WHEREAS, maintaining and preserving the local street and road system in good condition will reduce drive times and traffic congestion, improve bicycle safety, and make the pedestrian experience safer and more appealing, which leads to reduced vehicle emissions helping the State achieve its air quality and greenhouse gas emissions reductions goals; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure will have significant positive co-benefits statewide including reduced vehicle emissions because it will focus on basic maintenance and safety, invest in complete streets infrastructure, and use cutting-edge technology, materials and practices.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The projects listed in Attachment A (Project Details) will be funded in-part or solely with Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account revenues.

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 9th day of June, 2026.

_____
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-2606-038 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 9th day of June, 2026, 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

Project Details

ATTACHMENT A

Title	Description	Location	Component	Priority Status	Est. Schedule		Useful Life		Assem	Senate
					Start	Complete	Min	Max		
Residential Rehabilitation 2023 year 1	This project will include: ADA Curb Ramp Rehab/Repair (Existing), Pavement Rehab/Repair (Existing), Paving and/or Striping Rehab/Repair (Existing Safety)	182nd Pl and 182nd St, Catalina Ave S, Felton Ave, Fisk Ln, Mackay Ln, Phelan Ln, Ralston Ln, Ripley Ave, and Slauson Ln.	Construction	New 26/27	03/2027	06/2027	15	20	66	24
Citywide Striping Project	This project will include: Paving and/or Striping Installation (New Safety), Paving and/or Striping Rehab/Repair (Existing Safety)	Striping all legends and lane lines within the following border streets; Artesia, Aviation, Marine, and Inglewood Ave. The second locations will border Esplanade, Palos Verdes Blvd., Prospect Ave, to Torrance Blvd.	Construction	New 26/27	07/2026	06/2027	1	5	66	24
Sidewalk Improvements and Repairs	This project will include: Sidewalk and/or Crosswalk Rehab/Repair (Existing)	District 1 between Knob Hill, Prospect Ave, Catalina Ave, Palos Verdes Blvd; in District 2 between Catalina Ave, Prospect Ave, Torrance Blvd, and Anita; in District 3 between 190th, Lilienthal, 182nd, and Firmona; in District 4 along Grant Ave, between Inglewood and Aviation; in District 5 between Manhattan Beach Blvd, Vail, Robinson, and Inglewood Ave, sidewalk repairs at various parks citywide, including Anderson Park, Dale Page Park, Veterans Park, Alta Vista Park, and Parkettes.	Construction	New 26/27	06/2026	06/2027	15	20	66	26

Administrative Report

H.9., **File #** 26-0676 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

APPROVE AN AGREEMENT WITH REVENUE & COST SPECIALISTS, LLC TO PREPARE A COMPREHENSIVE DEVELOPMENT IMPACT FEE STUDY AND NEXUS REPORT FOR AN AMOUNT NOT TO EXCEED $52,500

EXECUTIVE SUMMARY

The proposed Agreement would engage Revenue & Cost Specialists (RCS) to assess and provide recommendations on the City's development impact fees and provide a legal nexus between fees and community impacts. The results are expected to provide the City with the knowledge and tools needed to ensure that it can recover future costs for services and infrastructure associated with new housing and commercial development. RCS recently completed a comprehensive application fee study for the Community Development Department which was used to inform the Department's proposed FY 2026-27 service fee adjustments.

BACKGROUND

Several jurisdictions throughout California, including the neighboring cities of Manhattan Beach and Hermosa Beach, are making adjustments to their development impact fees in response to State housing mandates to address potential costs associated with supporting the production of new housing units. The scope of the original agreement with RCS only supported the evaluation of application fees and existing development impact fees. At the March 17, 2026 meeting, staff presented the results of the Application Fee Study to the City Council, with staff being directed to move forward with a Development Impact Fee Study, completed through a new Agreement with RCS. The second study would evaluate the potential for adding new development impacts fees to further close the gap between costs required, and fees collected, to support development of new housing and commercial properties.

The City currently collects the following Development Impact Fees:

1. Park In-Lieu
2. Park Land Acquisition, Open Space & Park Improvements
3. Public Art
4. Wastewater System

The Development Impact Fee Study will evaluate these existing fees and determine if there is a justifiable nexus to expand the list. The consultant will meet with City staff from the various Departments (Public Works, Police, Fire, Community Services) to identify all services and

infrastructure enhancements necessary to support projected development and General Plan build-out. The consultant will identify and analyze demand drivers specific to each infrastructure or service area based on project plans or City departmental service records. The consultant will prepare a proportional analysis identifying the burdens future development will place upon existing services and infrastructure.

Staff recommends the Council approve the proposed Agreement with RCS to complete the broader Development Impact Fee Study.

COORDINATION

The Community Development Department coordinated with the City Attorney's Office to prepare this Agreement.

FISCAL IMPACT

The Contract and Professional Services account in the FY 2025-26 Budget for the Community Development Department has a remaining balance of $28,150 from the original Fee Study. The second Agreement will cost an additional $24,350 which will be included in the FY 2026-27 Contract and Professional Services budget for the Community Development Department.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Revenue and Cost Specialists, LLC with Insurance

AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND REVENUE AND COST SPECIALISTS, LLC

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Revenue And Cost Specialists, LLC, a California 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 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".

4. Insurance. Consultant shall adhere to the insurance requirements outlined in Exhibit “D”, unless otherwise waived by the City’s Risk Manager.

5. Agreement to Comply with California Labor Law Requirements. Consultant agrees to comply with all applicable California Labor Law Requirements as set forth in Exhibit "E".

* * * * *

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. 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 arising out of 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. 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.

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.

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.

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. Labor Law Requirements. 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. 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. 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 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.

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 Consultant.

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 Consultant, 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; Correction of Work. Consultant warrants that all products and work provided under this Agreement shall:

a. be delivered with good title, free of liens and encumbrances;
b. conform to the requirements of this Agreement;
c. be free from defects in materials and workmanship; and
d. be fit for their intended purpose.

Unless otherwise specified, this warranty shall remain in effect for one (1) year from the date of delivery or acceptance by the City, whichever is later, except that consumable items shall be warranted for thirty (30) days.

If, within the applicable warranty period, any product or work is determined by the City to be defective or nonconforming, Consultant shall, upon City's written notice and at its sole cost and expense, promptly repair, correct, or replace such

product or work, including all labor, supervision, materials, removal, reinstallation, and related costs. If Consultant fails to do so, the City may perform the work and Consultant shall reimburse the City for its reasonable costs. All corrected or replaced work shall be subject to the same warranty.

Nothing in this Section 33 shall limit Consultant's obligation to correct or replace defective work or Consultant's indemnity obligations under Section 14. The warranty set forth in this Agreement shall survive the termination or expiration of this Agreement and shall remain in full force and effect for the applicable warranty periods stated herein and under any assigned or passed through third-party manufacturer warranties.

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 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.

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 9th day of June, 2026.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

REVENUE AND COST SPECIALISTS, LLC,
a California limited liability company

Signed by:
Eric Johnson
20F6BF497F2A4E0...

By: _____
Name: Eric Johnson
Title: President
6/4/2026 | 10:04 AM PDT

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

A. **PROJECT OVERVIEW.** The City has retained Consultant to prepare a comprehensive Development Impact Fee ("DIF") Study AND Nexus Report (collectively, the "Project"). The purpose of the Project is to identify, calculate, and recover the maximum development impact fees attributable to future development with legal certainty in accordance with the Mitigation Fee Act (Government Code Section 66000 et seq.).

B. **SCOPE OF WORK.** Consultant shall perform the calculation and provide textual support for the following infrastructure categories:

1. Law Enforcement Facilities, Vehicles, and Equipment
2. Fire Suppression Facilities, Vehicles, and Equipment
3. Circulation System (Streets, Signals, and Bridges)
4. Wastewater System
5. Storm Drainage Collection System
6. General Facilities (City Hall and City Maintenance Yard)
7. Public Use Facilities (Community/Senior Centers)
8. Park Land Acquisition, Open Space, and Park Improvements
9. Public Art Fee

C. **TASKS AND ACTIVITIES**

1. **Task 1. Preliminary Research**
   Consultant shall perform a field 'windshield' survey to become acquainted with the physical characteristics and general improvement needs of the City. Consultant shall request and review all City maps, land-use documents, available master plans, including the Comprehensive General Plan, impact fee schedules, resolutions, ordinances, and Annual/Five-Year Reports pursuant to Government Code Sections 66001 and 66006, Operating Budgets, Capital Improvement Program ("CIP") Budgets, CAFRs, and fixed asset reports.

2. **Task 2. Working Meetings and Data Identification**
   Consultant shall meet with City staff responsible for each infrastructure area to identify all projects necessary to support projected development and General Plan build-out. Consultant shall identify and analyze demand drivers specific to each infrastructure or service area based on project plans or City departmental service records. Consultant shall prepare a proportional analysis identifying the burdens future development will place upon existing and planned infrastructure.

3. **Task 3. Draft Report Preparation**
   Consultant shall prepare a draft DIF Calculation and Nexus Report consisting of proposed fee structures, necessary nexus text, and recommended fees. Consultant shall review this draft with City staff to incorporate feedback, implementation strategies, and revenue collection procedures.

4. **Task 4: Presentation and Adoption Assistance**
   Consultant shall attend City Council meetings to discuss methodology, present findings, and answer questions. Consultant shall provide all supporting documentation and electronic files for the adoption process.

D. **DELIVERABLES.** Contractor shall submit the following deliverables in accordance with the schedule set forth below.

Deliverable	Description	Due Date
Preliminary Research	Field survey & data review	July 2026
Land Use Database	Schedule of current and projected land uses and demand drivers.	July 2026
Schedule of Capital Costs	Itemized list of projects and infrastructure costs.	Sept 2026
Spreadsheets of Calculations	Mathematical nexus distribution for all infrastructure categories.	Oct 2026
Draft DIF Nexus Report	Initial draft for staff review including text and fee tables.	Dec 2026
Final DIF Nexus Report	Legally defensible report in Word, Excel, and PDF formats.	Jan 2027
Presentations (4)	Formal presentation materials for public meetings and City Council.	Feb 2027

E. **PROJECT SCHEDULE.** Consultant shall complete the Project substantially in accordance with the following anticipated schedule, which may be modified by the City in its sole discretion.

Activity	Target Month
Kickoff Meeting	July 2026
Land-use Database Compilation	July 2026
Determine Infrastructure LOS	Aug-Sept 2026
Discuss Desired Projects w/ Staff	October 2026
Review Project Costs & Descriptions	October 2026
Review Demand Drivers (Nexus)	November 2026
Apply Nexus Distribution Factors	December 2026
Review Draft DIF Report with Staff	December 2026
Prepare Final DIF Report	January 2027
Present DIF Study to Council	February 2027

F. **PERFORMANCE REQUIREMENTS.** Consultant shall perform services in accordance with generally accepted professional practices and standards. Consultant shall only recommend fees that comply with Propositions 4, 218, 26, the Mitigation Fee Act (AB 1600), and all other applicable laws. Consultant shall prepare reports that are easy to understand, well-documented, and legally defensible.

G. **REPORTING REQUIREMENTS.** Consultant shall meet with City staff every two to three weeks, or as requested by the City, to provide progress updates regarding the Project. The deliverable will be the Final DIF Report completed in January 2027, and the public and City Council presentations, completed in February 2027.

H. **ROLES AND RESPONSIBILITIES**

1. **City Responsibilities**
    a. Designate Marc Wiener or designee as the Project Coordinator.
    b. Identify key City staff for interviews.
    c. Assist in obtaining Consultant's reasonably requested information (maps, master plans, budgets).
    d. Coordinate and provide timely review of draft reports.

2. **Consultant Responsibilities**
    a. Assign principals (Scott Thorpe and Gregory Brown) to lead the project.
    b. Perform all research, calculations, and report drafting.
    c. Provide video conferencing platform (Zoom) for working meetings.
    d. Attend and present findings onsite for City Council meetings, and respond to all technical and methodology inquiries.

EXHIBIT "B"

TERM AND TIME OF COMPLETION

TERM. This Agreement shall commence on June 10, 2026 and shall continue through December 31, 2026, unless otherwise terminated as herein provided.

PERFORMANCE SCHEDULE. Consultant shall complete the DIF Study in accordance with the Project schedule outlined in Section E of Exhibit “A”, which may be modified by the City in its sole discretion. Consultant shall meet with City staff every two to three weeks, or as requested by the City, to provide Project updates and discuss Project status.

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 at a fully burdened hourly rate of $150 in accordance with the schedule set forth below. The amounts allocated among the tasks below may be reallocated between tasks by the City, provided that the total compensation paid to Consultant shall not exceed $52,500 without a prior written amendment.

Milestones / Deliverables	Hours	Total Cost
Preliminary Research	30	$4,500
Land Use Database	65	$9,750
Schedule of Capital Costs	75	$11,250
Spreadsheets of Calculations	75	$11,250
Draft & Final DIF Reports	80	$12,000
Presentations (4)	25	$3,750
TOTAL	**350**	**$52,500**

B. **METHOD OF PAYMENT.** Consultant shall submit a monthly invoice for services performed in the prior month. Each invoice shall indicate the dates of service, description of services performed, task number, task description, milestone/deliverable, staff title, hourly rate, number of hours worked, corresponding amount, the total amount, and, if applicable, the cost of City preapproved subcontractors plus markup. 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 the City. Consultant may be required to provide backup material upon request.

C. **SCHEDULE FOR PAYMENT.** The City will pay within forty-five (45) days of its receipt of the monthly invoice; provided that services have been completed to the City's full satisfaction. Notwithstanding the foregoing, the City may withhold any payments, or portion thereof, that the City disputes in good faith until the dispute is resolved, to the maximum extent permitted by law.

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

Consultant: Revenue and Cost Specialists, LLC
1519 East Chapman, Suite C
Fullerton, CA 92831
Attention: Eric S. Johnson

Email: eric@revenuecost.com

City: City of Redondo Beach
Community Development Department
415 Diamond Street
Redondo Beach, CA 90277
Attention: Sean Scully, Planning Manager
Email: Sean.Scully@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 "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: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit of $3,000,000 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 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.

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.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Consultant acknowledges that the project as defined in this Agreement 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. Consultant shall perform all work on the project as a public work. Consultant 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, Consultant 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. Consultant acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Consultant shall post such rates at each job site covered by this Agreement.

5. Consultant 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 Consultant 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 Consultant or by any subcontractor.

6. Consultant shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Consultant 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. Consultant 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. Consultant shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Consultant 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, Consultant and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. 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. The 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 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 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 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, Consultant 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, Consultant shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Consultant 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. 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 to pay his or her workers the specified prevailing rate of wages. Consultant shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Consultant shall indemnify, hold harmless, and defend (at Consultant'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 Consultant, 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.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/20/2026

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	CONTACT NAME: Mary Strohman
Kessler Alair Insurance Services, Inc License # OA 91387 12487 N. Mainstreet, Ste. 240 Rancho Cucamonga CA 91739	PHONE (A/C, No, Ext): (909)931-1500 FAX (A/C, No): (909)932-2133 E-MAIL ADDRESS: mstrohman@kessleralair.com

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Revenue & Cost Specialists, LLC 1519 E. Chapman Ave., Suite C Fullerton CA 92831-4013	INSURER A: Philadelphia Insurance	18058
	INSURER B: Employers Preferred Ins Co	11512
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 2025-2026 GL, XS, WC **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:	X		PHBX20001810-05	12/31/2025	12/31/2026	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 $ 500,000 $ 10,000 $ 1,000,000 $ 3,000,000 $ 2,000,000
A	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS X HIRED AUTOS [X] NON-OWNED AUTOS			PHBX20001810-05	12/31/2025	12/31/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
A	X UMBRELLA LIAB [ ] OCCUR EXCESS LIAB [X] CLAIMS-MADE [ ] DED X RETENTION $ 10,000			PHUB887768-017	12/31/2025	12/31/2026	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
B	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		EIG2980142-06	12/31/2025	12/31/2026	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	Professional Liability $2,500 Deductible			PHSD1849273-023	12/31/2025	12/31/2026	Per Claim Limit Aggregate Limit	$1,000,000 $2,000,000

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

The City of Redondo Beach, The City, its officers, elected and appointed officials, employees and volunteers with respect to general liability arising out of work performed by or on behalf of Revenue & Cost Specialists, LLC., per attached endorsement.

CERTIFICATE HOLDER

jamaal.brown@redondo.org

City of Redondo Beach
Commuinity Development Department
ATTN: Jamaal Brown
415 Diamond Bar 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

Mary Strohman/MARY

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. **SECTION II – LIABILITY**, **C. Who Is An Insured** is amended to include the following as an additional insured:

Any person(s) or organization(s) for whom you are performing "your work" under a written contract or agreement, that requires such person(s) or organization(s) to be added as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" occurring after the effective date of such contract or agreement that is caused, in whole or in part by:

a. Your acts or omissions; or

b. The acts or omissions of those acting on your behalf;

in the performance of "your work" for the additional insured.

Coverage for an additional insured under this endorsement ends when "your work" for that additional insured ends or is put to its intended use by any person or organization.

B. The following is added to **SECTION II – LIABILITY**, **B. Exclusions**, **3. Applicable To Both Business Liability Coverage And Medical Expenses Coverage – Nuclear Energy Liability Exclusion** with respect to this endorsement only:

There is no coverage under this endorsement for loss or expense, including but not limited to the cost of defense for "bodily injury", "property damage" or "personal and advertising injury" occurring:

a. After all of "your work", including materials, parts or equipment furnished in connection with "your work" and performed under the above referenced written contract(s) or agreement(s) has ended; or

b. When that portion of "your work" out of which the "bodily injury", "property damage" or "personal and advertising injury" arises and performed under the above referenced written contract(s) or agreement(s) has been put to its intended use by any person or organization;

whichever occurs first.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AND NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. Insurance is provided only for those coverages for which a specific limit or premium charge is shown in the Declarations.

1. Hired Auto Liability

The insurance provided under **SECTION II – LIABILITY**, **A. Coverages**, **1. Business Liability**; applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

2. Non-Owned Auto Liability

The insurance provided under **SECTION II – LIABILITY**, **A. Coverages**, **1. Business Liability**; applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person other than you.

B. For insurance provided by this endorsement only:

1. The exclusions, under **SECTION II – LIABILITY**, **B. Exclusions**, **1. Applicable to Business Liability Coverage**, other than exclusions **a.**, **b.**, **d.**, **f.** and **i.** and the **Nuclear Energy Liability Exclusion**, are deleted and replaced by the following:

a. "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:

(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 injury.

This exclusion does not apply to:

(1) Liability assumed by the insured under an "insured contract"; or

(2) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

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b. "Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

2. **SECTION II – LIABILITY**, **C. Who Is An Insured**, is replaced by the following:

a. Each of the following is an insured under this endorsement to the extent set forth below:

(1) You;

(2) Any other person using a "hired auto" with your permission;

(3) For a "non-owned auto", any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business; and

(4) Any other person or organization, but only for their liability because of acts or omissions of an insured under **(1), (2)** or **(3)** above.

b. None of the following is an insured:

(1) Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;

(2) Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;

(3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;

(4) The owner or lessee (of whom you are a sub lessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee;

(5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

3. This insurance does not apply: If you regularly deliver the good or products which you are in the business of selling, "bodily injury" or "property damage" arising out of the delivery of those goods or products.

4. This insurance does not apply: If you deliver any goods or products for a charge, "bodily injury" or "property damage" arising out of the delivery of those goods or products.

C. The following additional definitions apply:

1. **"Auto Business"** means the business or occupation of selling, repairing, servicing, storing or parking "autos".

2. **"Hired Auto"** means any "auto" you lease, hire or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees" or members of their households, or from any partner or "executive officer" of yours. This DOES NOT include any "Auto" you lease for a period of more than 30 consecutive days.

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3. **"Non-Owned Auto"** means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. However, if you are a partnership, a "non-owned auto" does not include any "auto" owned by any partner.

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Administrative Report

H.10., **File #** 26-0688 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE PURCHASE OF ONE 2026 FORD EXPLORER FROM OLATHE FORD SALES, INC. FOR USE BY THE ADMINISTRATION DIVISION OF THE POLICE DEPARTMENT FOR A TOTAL COST OF $58,561

EXECUTIVE SUMMARY

Staff recommends the purchase of one 2026 Ford Explorer for use by a Captain assigned to the Administrative Division of the Police Department, replacing Unit #600 that is at the end of its scheduled life cycle. The vehicle was approved as part of the FY 2024-25 budget adoption process, and the funding was carried forward to FY 2025-26. Competitive pricing for the vehicle was secured through the City's regular purchasing procedures.

BACKGROUND

In February 2026, the City Council approved the carry forward of $156,942 from FY 2024-25 *Decision Package #39 - Vehicle Replacement Purchases* to FY 2025-26 with the approval of Resolution No. CC-2602-009. The funding covers the purchase of four units (#269, #297, #600, and #207) that were unable to be purchased in the prior fiscal year. The four deferred units included two Parks Division mowers (#269 and #297) and a Pier scrubber (#207) that were approved by Council for purchase earlier in 2026 and are now in service. Unit #600 is the last of the four deferred units to be purchased.

At this time, staff recommends the purchase of Unit #600, a Ford Explorer with a quoted price of $58,561. This unit meets the operational needs of the Administration Division of the Police Department. If approved by the City Council, the vehicle will be ordered and is anticipated to be delivered to the City in the next one-to-two months.

The vehicle recommended for purchase has been selected through the City's regular purchasing procedures. The procedures contain a number of competitive purchasing options including the use of a Piggyback Bid, which utilizes another public entity's recent Request for Proposal or Bid, or the Sourcewell Cooperative Purchasing Program. Cooperative purchasing programs provide valuable benefits to state and local governments. By attaching to national or regional cooperatives, an agency has immediate access to legitimately solicited contracts, guaranteed pricing, and delivery options without expending staff resources on the preparation of its own request for bids.

Pricing is often attractive because of the purchasing power of these cooperatives. If approved, the recommended vehicle in this report would be acquired via Sourcewell Master Agreement #081325-

OLA.

COORDINATION

The Public Works Department coordinated this report with the Financial Services and Police Departments.

FISCAL IMPACT

Funding for the purchase of the vehicle, at a total cost of $58,561.38 is available in the Public Works Department's Fleet Operating Budget. No additional appropriation is required to complete the purchase.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Quote Unit #600 Ford Explorer from Olathe Ford Sales Inc.
- Sourcewell Master Agreement #081325-OLA

OLATHE FLEET

Purchase Order / Quote

OLATHE FORD
SANDRA GONZALEZ
GOVERNMENT SALES MANAGER
DIRECT - 505-850-5504

Date	5/24/26
Valid Until	6/24/26
Contract	SOURCEWELL - 081325- OLA
PO	
Lead Time	IN STOCK

Customer Information:

REDONDO BEACH

Description	Line Total
EXPLORER TGB64153 2026 EXPLORER ST-LINE 4WD EXTERIOR 119" WHEELBASE CARBONIZED GRAY METALLIC 2.3L ECOBOOST I-4 ENGINE INTERIOR 10-SPEED AUTO TRANSMISSION ONYX UNIQUE CLOTH INSERTS	$51,450.00

EXTERIOR
- ☐ 'EXPLORER' HOOD BADGING
- ☐ CLASS III TRAILER TOW PKG
- ☐ EASY FUEL® CAPLESS FILLER
- ☐ GRILLE - BLACK MESH INSERT
- ☐ HEADLAMPS - AUTO LED
- ☐ POWER LIFTGATE
- ☐ PRIVACY GLASS - REAR DOORS
- ☐ ROOF-RACK SIDE RAILS-BLACK
- ☐ TAILLAMPS/FOG LAMPS - LED
- ☐ TRAILER SWAY CONTROL
- ☐ UNIQUE ST-LINE BADGING
- ☐ VARIABLE INTERVAL WIPERS

INTERIOR
- ☐ 12.3" LCD DIGITAL CLUSTER
- ☐ 1TOUCH UP/DOWN DR/PASS WIN
- ☐ FRONT ROW HEATED SEATS
- ☐ POWER DRIVER'S SEAT
- ☐ POWER PASS SEAT
- ☐ POWERPOINTS - 12V
- ☐ RED STITCH ACCENTS
- ☐ ROTARY GEAR SHIFT DIAL
- ☐ STEERING WHEEL - PREMIUM LEATHER-WRAPPED HEATED
- ☐ UNIVSL GARAGE DOOR OPENER
- ☐ USB-C - ALL ROWS

FUNCTIONAL
- ☐ 13.2" LCD TOUCHSCREEN
- ☐ 360-DEGREE CAMERA
- ☐ 4-DR INTELL ACCESS LOCK/ UNLOCK W/PUSH-BUTTON START
- ☐ 5G MODEM
- ☐ B&O SOUND SYSTEM, 10 SPKR
- ☐ FORD DIGITAL EXPERIENCE W/GOOGLE MAPS & PLAY STORE
- ☐ REMOTE START SYSTEM
- ☐ SELECTABLE DRIVE MODES
- ☐ SIRIUSXM® W/360L- NA AK&HI
- ☐ WI-FI HOTSPOT
- ☐ WIRELESS APPLE CARPLAY® AND ANDROID AUTO™

SAFETY/SECURITY
- ☐ ADVANCETRAC™ WITH RSC®
- ☐ AIRBAG - DRIVER KNEE
- ☐ AIRBAGS - DUAL STAGE FRONT
- ☐ AIRBAGS - FRONT SEAT MOUNTED SIDE IMPACT
- ☐ AIRBAGS - SAFETY CANOPY®
- ☐ INDIV TIRE PRESS MONIT SYS
- ☐ LATCH CHILD SAFETY SYSTEM
- ☐ PERIMETER ALARM
- ☐ PERSONAL SAFETY SYSTEM™
- ☐ SOS POST-CRASH ALERT SYS™

WARRANTY
- ☐ 3YR/36,000 BUMPER / BUMPER
- ☐ 5YR/60,000 POWERTRAIN
- ☐ 5YR/60,000 ROADSIDE ASSIST

EQUIPMENT GROUP 300A
OPTIONAL EQUIPMENT/OTHER
2ND ROW CAPTAIN'S CHAIRS NO CHARGE
MOONROOF W/FIXED GL & PWR SHAD 1,695.00
SECOND ROW HEATED SEATS
PREMIUM PACKAGE 1,360.00
.AMBIENT LIGHTING
.AUTO-DIMMING REARVIEW MIRROR
.110V/150W AC POWER OUTLET
ST-LINE STREET PACK 1,450.00
.P275/45R21 A/S BSW TIRES
.PERFORMANCE BRAKES
.21" ALUMINUM WHEELS
18" SPARE WHL AND JACK KIT 400.00
FORD CONNECTIVITY -1YR TRIAL NO CHARGE
FRONT LICENSE PLATE BRACKET NO CHARGE

MSRP $53,454.55 DISCOUNT 3.75%

Terms and Instructions

PAYMENTS FOR VEHICLES MUST BE MADE WITHIN 30 DAYS OF INVOICE OR OLATHE FORD RESERVES THE RIGHT TO CHARGE FLOORPLAN INTEREST FOR EACH DAY INVOICE IS OVERDUE

Subtotal		$51,450.00
Sales Tax	9.75%	$5,016.38
Tire Tax		$0.00
Extended Warranty and Maintenance Plan		$0.00
Flooring		$0.00
Delivery		$1,500.00
Registration		$595.00
Total Per Unit less Trade-In		$58,561.38
Quantity of Units		1
Sale Total		**$58,561.38**

Above information is not an invoice and only an estimate of services/goods described above. Quote subject to change.

Please confirm your acceptance of this quote by signing this document, and returning your PO.

Signature _____

Print Name _____

Date _____

If you have any questions concerning this quote, contact Sandra Gonzalez

Thank you for your business!

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MASTER AGREEMENT #081325
CATEGORY: Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories
SUPPLIER: Olathe Ford Sales, Inc.

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Olathe Ford Sales, Inc., 1845 E. Santa Fe, Olathe, KS 66062 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

Article 1:
General Terms

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.

2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.

3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.

4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about Sourcewell eligibility requirements and required documentation. Supplier will be responsible for

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ensuring sales are with Participating Entities.

5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on November 13, 2029, unless it is cancelled or extended as defined in this Agreement.

   a. **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.

   b. **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.

6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.

7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP # 081325 to Participating Entities. In Scope solutions include:

   a. Category 1: ALL engines, fuel, and propulsion type Automobiles, SUVs, Vans, and Light Trucks:

      i. Vehicles of the following types and classifications:
         (1) Automobiles: mini, subcompact, compact, coupe, sedan, and full size;
         (2) Sport Utility Vehicles: cross-over, light duty, and heavy duty;
         (3) Vans: passenger and cargo; and
         (4) Light Trucks: light duty, half-ton, three-quarter ton, and one ton.
      ii. Vehicles of the types and classifications in subsections 7 a. i. (1)-(4). above with upfitting designed for:
         (1) Public safety applications;
         (2) ADA and paratransit applications;
         (3) Service bodies and utility bed for light trucks; and
         (4) Equipment, lighting, technology, accessories, safety products, and upfitting services directly related to turnkey solutions for subsections 7 a. ii. (1)-(3).
      iii. A wide range of vehicles by seating or cargo configurations, drive train options, trim levels, and optional equipment offerings.
      iv. Proposers may include related equipment, accessories, supplies, parts, and services to the extent that the solutions are directly related to turnkey solutions for subsections 7 a. i. and 7 a. ii. above.

   Proposers may include related equipment, accessories, and services to the extent that these solutions are ancillary or complementary to the equipment, products, or services being proposed.

8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

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9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.

10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.

11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.

12) **Open Market.** Supplier's open market pricing process is included within its Proposal.

13) Supplier Representations:

i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.

ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.

iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.

15) **Debarment and Suspension.** Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.

16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or

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conditions. Within this Section, all references to "federal" should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.

i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

ii) **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must comply with all applicable Davis-Bacon Act provisions.

iii) **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies, materials, or articles ordinarily available on the open market, or

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contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Agreement it will comply with applicable requirements as referenced above.

vi) **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

vii) **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

viii) **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further

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certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

ix) **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

x) **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

xi) **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

xii) **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

xiii) **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Agreement or any purchase by an authorized user.

xv) **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. § 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Agreement or any purchase by a Participating Entity.

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xvi) **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

xviii) **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

xix) **PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** To the extent applicable, Supplier certifies that during the term of this Agreement it will comply with applicable requirements of 2 C.F.R. § 200.216.

xx) **DOMESTIC PREFERENCES FOR PROCUREMENTS.** To the extent applicable, Supplier certifies that during the term of this Agreement, Supplier will comply with applicable requirements of 2 C.F.R. § 200.322.

Article 2:
Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

1) **Authorized Sellers**. Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.

2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
   - Identify the applicable Sourcewell Agreement number;
   - Clearly specify the requested change;
   - Provide sufficient detail to justify the requested change;
   - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
   - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions offered, even for those items where pricing remains unchanged.

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A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Agreement and will be incorporated by reference.

3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
   - Maintenance and management of this Agreement;
   - Timely response to all Sourcewell and Participating Entity inquiries; and
   - Participation in reviews with Sourcewell.

   Sourcewell's Authorized Representative is its Chief Procurement Officer.

4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.

6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

   The Report must contain the following fields:
   - Participating Entity Name (e.g., City of Staples Highway Department);
   - Participating Entity Physical Street Address;
   - Participating Entity City;
   - Participating Entity State/Province;
   - Participating Entity Zip/Postal Code;
   - Sourcewell Participating Entity Account Number;
   - Transaction Description;
   - Transaction Purchased Price;
   - Sourcewell Administrative Fee Applied; and
   - Date Transaction was invoiced/sale was recognized as revenue by Supplier.

   If collected by Supplier, the Report may include the following fields as available:
   - Participating Entity Contact Name;
   - Participating Entity Contact Email Address;
   - Participating Entity Contact Telephone Number;

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7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay an Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.

8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.

9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.

11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.
12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.

13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.

14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

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15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.

16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.

17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**
    a) **During the term of this Agreement:**
        i) **Supplier Promotion.** Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

        ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

    b) **Limited Right of Sublicense.** The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

    c) **Use; Quality Control.**
        i) Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

        ii) Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Each party may make written notice to the other regarding misuse under

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this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

d) **Termination.** Upon the termination of this Agreement for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

21) **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

a) **Commercial General Liability Insurance.** Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Agreement.

- $1,500,000 each occurrence Bodily Injury and Property Damage
- $1,500,000 Personal and Advertising Injury
- $2,000,000 aggregate for products liability-completed operations
- $2,000,000 general aggregate

b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

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c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

d) **Waiver of Subrogation.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Agreement or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

Article 3:
Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.

2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms

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of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.

4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.

6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.

7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

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Sourcewell

Signed by:
Jeremy Schwartz
C0FD2A139D06489...

By: _____
Jeremy Schwartz
Title: Chief Procurement Officer

Date: 11/12/2025 | 1:46 PM CST

Olathe Ford Sales, Inc.

DocuSigned by:
78822EAAC9084FB...

By: _____
Marc McEver
Title: Dealer Principal

Date: 11/12/2025 | 11:22 AM PST

RFP 081325 - Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories

Vendor Details

Company Name:	Olathe Ford Sales Inc.
Does your company conduct business under any other name? If yes, please state:	Olathe Fleet
Address:	1845 E Santa Fe Olathe, KS 66062
Contact:	Josh Allison
Email:	jallison@olathefleet.com
Phone:	913-274-7429
Fax:	913-558-4608
HST#:	48-0720233

Submission Details

Created On:	Thursday August 07, 2025 11:31:47
Submitted On:	Wednesday August 13, 2025 09:12:34
Submitted By:	Sandra Gonzalez
Email:	Sgonzalez@olathefleet.com
Transaction #:	0fd3871a-5920-46c5-97e2-488e846f985a
Submitter's IP Address:	147.243.203.208

Specifications

Table 1: Proposer Identity & Authorized Representatives (Not Scored)

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer's corporate organization affiliation.

Line Item	Question	Response *	
1	Provide the legal name of the Proposer authorized to submit this Proposal.	Olathe Ford Sales, Inc.	*
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Yes - Olathe Ford Sales, inc is the responsible supplier that will execute the agreement with Sourcewell.	*
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	Olathe Ford Sales, Inc OBO: Olathe Fleet Solutions, Olathe Fleet, Fleet Pool USA, AFI, Tillery Auto Group, Molle Auto Group, McCarthy Auto Group, Airport CDJR, Mercedes of Kansas City, Chapman Auto Group, Ford Pro, Forest River	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	UEI - FELSNRYLULN5/ CAGE ID #03TH5	*
5	Provide your NAICS code applicable to Solutions proposed.	4411 - AUTOMOTIVE DEALERS, 441110; NEW DEALER, 441120; USED DEALER, 4413; AUTO PARTS, ACCESSORIES AND TIRES; 8111 - AUTOMOTIVE REPAIR AND MAINTENANCE; 5321 - AUTOMOTIVE EQUIPMENT RENTAL AND LEASING; 4885 - FREIGHT TRANSPORTATION ARRANGEMENT; 4884 - SUPPORT ACTIVITIES FOR ROAD TRANSPORTATION; 4841 - GENERAL FREIGHT TRUCKING; 561110 - OFFICE ADMINISTRATIVE SERVICE - FLEET MANAGEMENT; 541614 - LOGISTICS CONSULTING SERVICES;	
6	Proposer Physical Address:	1845 E SANTA FE, OLATHE, KS 66062	*
7	Proposer website address (or addresses):	www.olathefleet.com www.olatheford.com www.fleetpoolusa.com www.afi-kc.com www.ofskc.com www.ford.com www.chevrolet.com www.hyundaifleet.com www.gmc.com www.mbusa.com www.toyota.com www.dodge.com www.chrysler.com www.ram.com www.jeep.com www.fordpro.com www.olathelincoln.com www.fordparts.com www.nissan.com	*
8	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer):	Marc McEver - Dealer Principal marc@olatheford.com 1845 E Santa Fe Olathe, KS 66062 913.269.8340	*

9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Sandra Gonzalez Government Manager 1845 E Santa Fe Olathe, KS 66062 913-312-5371	*
10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Josh Allison - Vice President, Fleet Sales jallison@olathefleet.com 1845 E Santa Fe Olathe, KS 66062 913.558.4608 Mike McGuillicuddy mikem@olathefleet.com 1845 E. Santa Fe Olathe, KS 66062	*

Table 2A: Financial Viability and Marketplace Success (50 Points, applies to Table 2A and 2B)

Line Item	Question	Response *	

11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.	Olathe – Company History, Core Values & Business Philosophy Founded in 1973, Olathe has spent over 50 years building a legacy of excellence in the automotive and fleet industry. What began as a small operation in Kansas with tow trucks has grown into one of the nation's most respected and successful fleet dealerships. Shortly after opening, our dealer principal, Marc McEver, established the Fleet Department, setting the foundation for what would become the largest fleet dealer in the United States. Today, Olathe proudly represents 12 major OEMs—Ford, Chevrolet, GMC, Dodge, Jeep, Chrysler, Lincoln, Hyundai, Toyota, Nissan, RAM, and Mercedes-Benz. We also have the ability to source, through our large partner network almost any OEM a Sourcewell customer could need —allowing us to provide our customers with a wide range of vehicle solutions across every industry segment. Our industry longevity is supported by deep relationships with OEMs, upfitters and body builders, and a forward-thinking approach to emerging technologies like electric vehicles, upfit integration modules, municipal leasing and telematics. In 2023 and 2024, Olathe was recognized as: Ford's Largest Fleet, Commercial and Government Dealer Ford's Largest Overall Dealer by Volume #1 in sales to the Ambulance, Fire, School Bus, Shuttle Bus, and Educational sectors #1 RV Chassis provider Top-volume Chevrolet dealer in public transportation Leading seller of Mercedes Sprinter Chassis These achievements are a reflection of our unwavering commitment to our customers, strong industry relationships, and operational excellence. At the heart of our success are our core values: Integrity – Always doing the right thing, even when no one is watching Customer Service – Prioritizing the needs of our partners through outstanding service Teamwork & Accountability – Promoting internal growth and leadership through collaboration Innovation – Staying ahead of industry shifts to deliver next-generation fleet solutions Our business philosophy is simple: take care of the customer and the business will take care of itself. This mindset has guided us for over 100 years and fuels our plans for continued growth in 2025/2026 and beyond. We constantly reinforce across all teams the importance of providing top-tier service—regardless of the customer, product, or challenge. Olathe is more than just a vehicle provider—we are a trusted, long-term partner. Our goal is always to be a one-stop-shop for government and non-profit buyers - delivering complete, turnkey solutions that include upfits, graphics, alternative-fuel platforms/conversions, and financing. Most importantly, we remain committed to leading the industry by serving with honesty, excellence, and a relentless focus on the customer. On our journey of becoming the #1 Municipal and Commercial Chassis provider in the US, Olathe always focused on exceptional customer service. We are constantly emphasizing across all of our teams that we must provide the highest level of customer service no matter the situation, industry or customer. We've grown our business over 50 years by always taking care of the customer and we know that if we continue to keep that value top of mind we will still be the largest chassis provider in another 50 years!

12	What are your company's expectations in the event of an award?	If awarded the Sourcewell contract, Olathe is prepared to hit the ground running by delivering exceptional customer service to Sourcewell and its members across the United States and Canada. This would be our second Sourcewell contract, so we plan to build on our proven record of success and further expanding our reach and impact nationwide. We intend to fully leverage our strong brand reputation and deep industry relationships to gain immediate traction with this light duty contract. As Ford's largest government dealer—and the releasing dealer for most body builders, we bring unmatched insight into your member needs and fleet challenges. We will continue to engage the entire dealer network across North America with our partners, which provides members access to our full range of vehicles—including Battery Electric and Hydrogen Fuel Cell Electric Vehicles, transport services, financing, leasing, maintenance, technological options and repair solutions tailored to specific fleet requirements. Our commitment also extends to our turnkey upfit program, which allows members to work with their preferred local upfitters, our in-house upfitter, AFI, and all other major upfitters, which gives customers the power of choice and flexibility to have more control over lead times by delivering complete, turnkey vehicle solutions. We aim to collaborate directly with members and existing key customers to streamline procurement, reduce costs, and deliver high-quality, fully completed vehicles. This contract represents an exciting opportunity to grow the reach of both Sourcewell and Olathe—offering members a cost-effective, competitive, full-service, one-stop-shop solutions grounded in years of experience, innovation, and outstanding service. We expect to continue to grow and better serve customers with the addition of this light duty contract.	*
13	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION.	Olathe has a long track record of financial strength, which is best demonstrated by our largest lender Ford Motor Credit. Today, Olathe has a $225M credit line through Ford Motor Credit. This was/is established by our strong presence in the fleet market and exceptional financial history and payment track record. This substantial credit line is necessary to provide the best service and ability to deliver the high volume of vehicles sold through Sourcewell. With increasing interest costs and flooring vehicles through the upfitting process, it has been necessary to be flexible with the market to efficiently serve our customers without production delays. When Olathe places an order, it gets built at the earliest possible production date without delay. We have never hit a cap on our floorplan, because of our demonstrated payment record and financial strength. In addition to our Ford Motor Credit line, we also have several other lines for other OEMs. At Olathe, we regularly process orders for hundreds of units for government customers and carry thousands of units on our floor plan. Volume and floorplan (credit line) has never been a challenge for us - our meticulous credit history and partnerships allow flexibility that most dealers do not have across multiple OEMs. Please reference the attached Ford credit letter.	*
14	What is your US market share for the Solutions that you are proposing?	Olathe is the largest government vehicle supplier for Class 1-7 in the United States. Our overall market share across all brands is approximately 65% of the market with the largest share coming in Government. We delivered more than 35,000 chassis and government vehicles annually for the past several years setting records across several OEMs. We currently supply 95% of all ambulance chassis (Transit) and 90% of School Bus/Shuttle Bus chassis across US and Canada.	*
15	What is your Canadian market share for the Solutions that you are proposing?	Currently, Olathe holds less than 20% market share in Canada, with most of that volume concentrated in the School Bus, Ambulance, and Fire sectors. Due to regulatory limitations across country borders, expanding into light-duty vehicle sales can be challenging. However, we remain open and committed to supporting Sourcewell members in Canada, wherever opportunities align with OEM guidelines and compliance requirements.	*
16	Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.	Olathe and all Responsible parties have never filed for bankruptcy.	*

17	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b). a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Olathe is best described as "A" a Distributor/Dealer/Reseller/Dealer Partner for the brands and affiliates we've outlined. The primary brands are Ford, Dodge, Chevrolet, RAM, Jeep, GMC, Hyundai, Lincoln, Nissan, Toyota, Chrysler, Mercedes and applicable dealer partner upfits. All new orders would be placed through a franchised dealer and ultimately titled to the end member based on their specific needs. Olathe would/could also sell used equipment/vehicles from time to time that would be sold and ultimately titled to the end member. We have all applicable licenses, dealer documents etc. on file. Our dealer network is independently owned.
18	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Olathe holds a number of licenses directly and many more indirectly though our partners. We've listed a number of them here below and attached a dealer license file to include our applicable licenses. Kansas Department of Revenue New/Used Dealer license – Dealer number D-0349 Kansas Department of Revenue Tax Registration – 004-48072233F-02 Dunn & Bradstreet - 031350010 SAM.GOV - FELSNRYLULN5/ CAGE ID - 03TH5 Federal E-Verify MOU - Company ID 1215852 Ford Minority Owned Dealer Certification Fleet Pool USA, LLC (FEIN 82-0638591) AFI (FEIN - 37-1792689) State Sales & Use Tax ID – Kansas 004-0638591F-01 State Sales & Use Tax ID – Colorado 34436193-0001 State Sales & Use Tax ID – North Carolina 601238124 State Sales & Use Tax ID – Alabama RNT-R011342291 State Sales, Franchise & Use Tax ID – Texas 3-20820-0245-5/ 32096903169 State of New Jersey Tax Compliance State of Missouri - Certificate of Compliance Missouri DMV Dealer License - D501 Kansas DMV Dealer License - D-0170 Missouri DMV Dealer License - D385 New Mexico DMV Dealer License - 868 Missouri DMV Dealer License - D528 Pennsylvania Dealer License - VD018362L Pennsylvania Dealer License - VD029085 Pennsylvania Dealer License - VD027646 Johnson County Core Tax Clearance Jackson County Core Tax Clearance Kansas City, MIssouri Core Tax Clearance Kansas City, Kansas Core Tax Clearance All contracted dealers and upfitters/modifiers maintain all required dealer licenses and certifications as required by state and local laws.
19	Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.	Olathe has never been debarred or suspended.
20	Describe any relevant industry awards or recognition that your company has received in the past five years.	Over the past 5 years Olathe has won numerous industry awards. We've outlined a few of those here. #1 Top Volume Fleet Dealer – Ford Motor Company – 2024 #1 Top Volume Overall Ford Dealer - 2024 #1 Top Volume Commercial Dealer – Ford Motor Company – 2024 #1 Top Volume Government Dealer – Ford Motor Company – 2024 Ford Presidents Award – 2024 Top 10 Warranty and Finance Dealership – Ford Motor Company – 2024 Top Tier Sprinter Volume – Mercedes Benz – 2024 Top performing Government Dealers – General Motors – 2024 Many of the awards Olathe has listed above we've won multiple times in the past 5 years.

21	What percentage of your sales are to the governmental sector in the past three years?	As an organization we have sales focused in different areas such as Retail, Commercial, Fleet, and Service. When looking at our Fleet segment and sales, approximately 80%-90% of our sales are directly/indirectly into the Government sector.	*
22	What percentage of your sales are to the education sector in the past three years?	We estimate that nearly 45% of our sales directly/indirectly go to School Districts, Universities, or private educational institutions.	*
23	List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	Olathe currently holds a Class 4 thru 8 Sourcewell contract. This is the primary contract Olathe markets and provides quotes off of. Current estimated volume, in our first year of holding/marketing this contract, is approximately 300 units by EOY. Class 4 thru 8 is generally a lower volume category, so we anticipate Class 1 thru 3 will yield a substantially higher volume. Olathe State Contracts include, but are not limited to: Arizona, Connecticut, Georgia, Indiana, Kentucky, Massachusetts, Maryland, Maine, Missouri, North Carolina, New Jersey, Ohio, Oregon, Utah, Pennsylvania & South Carolina. There are also several County & Municipal Contracts in addition to the above mentioned state contracts. Estimated annual volume across all State contacts is about 2,300 units. Olathe holds contracts with CES NM, TXBuy, MKCPP, Goodbuy and TIPS - overall volume annually is approx. 150 units. As you can see we have a vast reach across the government sector so we are confident we can further service Sourcewell members anywhere across the US. Sourcewell will help us to streamline our customer purchases and better educate our customers about Cooperative purchasing and it's ease. We have already shifted numerous medium duty customers over to Sourcewell, as it is our primary cooperative contract we utilize.	*
24	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Currently, Olathe's key partners hold GSA Contract - GSO75. Each year we estimate that about 500 chassis come through Olathe and are upfitted to support this contact. However, our plan is to utilize Sourcewell as our main avenue for government vehicle sales.	*

Table 2B: References/Testimonials

Line Item 25. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Harris County Health District	Peka Owens	346-578-5601	*
Santa Fe Sheriffs Office	Ray Romero	505-670-8986	*
Garden Grove, CA	Steve Sudduth	714-741-5390	*
Unified Government of Wyandotte County - Kansas City, KS PD	Greg Dorsett	913-749-9309	
Kansas City, Missouri	Blakeley Butler	816-513-6925	

Table 3: Ability to Sell and Deliver Solutions (150 Points)

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	

26	Sales force.	Our sales force is a combination of direct and indirect personnel designed to support all customer needs effectively. The direct sales force consists of dealership employees and partners, totaling over 125 employees and growing, with an additional 199 employees dedicated to direct service support at our dealerships and partner locations. This direct team is primarily based in key regions, including: Kansas, Pennsylvania, New Mexico and Missouri, and works directly with customers to offer tailored vehicle solutions. These locations are vital, because they give us presence in every region in the US. This is great for customers, because we always have someone that can market to their specific regions and visit with customers in their market area. The indirect sales force includes approximately 400 personnel, including partner suppliers and upfitter partners, ensuring that we can support a wide range of customer requirements. These teams work together to provide expertise, guidance, and top-tier service. In terms of parts and service, we have partners in all 50 states that can provide assistance to members. We also have some partners located in Canada on the modification side. We continue to expand both our direct and indirect workforce to accommodate future growth and ensure that we can meet and exceed the expectations of our customers across all regions. Our dedicated personnel remain committed to providing the highest level of responsiveness and customer satisfaction.	*
27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	Olathe's authorized sellers include major dealers of fleet brands such as Ford, Chevrolet, Dodge, RAM, Nissan, Toyota, Lincoln, Hyundai, GMC, and Mercedes that represent each OEM. All maintain strong networks with hundreds of service points across the continent. Our network of authorized sellers spans a vast geography on the west, central and east coasts, ensuring robust support across the United States. These locations are strategically placed to offer sales, upfitting, service and warranty repairs, ensuring that all member needs are met promptly. Our primary authorized sales dealers are located in Kansas, Missouri, Pennsylvania and New Mexico. Our upfit partners and dropship locations are located in all 50 states. We are able to ship anywhere in the United States within a couple hundred miles of the majority of Sourcewell customers. This allows for easy distribution and continued service in all states while also minimizing shipping and transport costs thus lowering costs to the end-user. We ensure that every member has access to comprehensive service and sales, no matter where they are. This extensive distribution and dealer framework provides unparalleled confidence to members, knowing they are fully supported by an efficient and widespread network that can handle any issue, regardless of brand or location.	*
28	Service force.	Olathe is a key member of OEM committees focused on service support for the fleet and commercial customer segments. Our brand networks have thousands of locations across the country to service your members warranty and service repair needs simply, effectively and quickly. Olathe works diligently with service locations on a daily basis, whether for routine service, warranty repairs, recalls, or shipping finished products to our end members. As a testament to our committment to our government and commercial customers Olathe recently invested in a Ford pro facility at our Kansas store. There is a very select group of dealers that have been chosen to be a Ford Pro service center and it takes a very large investment to be selected. However, the benefits to our customers are worth noting. A Ford Pro facility offers priority service (away from the retail service lane), extended hours, specialized staff and equipment for commercial applications. It allows us access to faster acquisition of parts to get vehicles back on the road faster than other service facilities. It also provides us with increased vehicle stocking allocation, so we can offer Sourcewell customers more off the lot options than other dealers. We also have direct access to Ford Pro Commercial Experts to keep fleets up and running. As a part of our network, we are connected to several other Ford Pro facilities around the US to provide further resources in different markets. In terms of upfitting service, we have upfit partners in all 50 states, including Hawaii and Alaska. These partners, many times, will provide mobile service and/or expedited service to keep fleets running. We utilize many of the larger upfitter locations for service as well. This provides a convenient option for end-users. We also partner with local service facilities that are preferred by our customers for their upfit service as often as we can to ensure customers are comfortable. Through our Fleet Management program, associated with vehicle purchases, we also help customers manage their fleets, locate service facilities, schedule service for them and verify that they are getting fair pricing on their service needs. This is a benefit that most dealers are unable to offer in house and typically rely on the OEM for some of these services.This service really sets our Olathe Solutions team apart.	*

29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	All quotes, ordering, delivery, and training will be managed through Olathe's Kansas location, ensuring full support and coordination of all vehicle orders. Olathe will oversee the quoting and pricing process based on contract requirements, and manage the ordering of vehicles, truck bodies, upfitting and any additional equipment to provide a complete vehicle solution. Orders are placed via e-mail or phone through the assigned account manager that will put together the turnkey vehicle quote. We believe that a single point of contact through the order process is easier for the customer and their procurement team. Our intent is to simplify the process by having all orders handled in one place and be all inclusive. This turnkey solution allows Olathe to manage and coordinate all necessary add-ons, whether through our partners or vendors, selected by the member and coordinated by Olathe, ensuring a streamlined and compliant procurement experience. The account management team will quote, place orders and manage upfitting coordination and our administrative team will handle weekly order updates to the customer and invoicing. Service and parts orders will be handled through their respective departments at Olathe.	*
30	Demonstrate your ability and experience handling large order volumes for autos through light trucks.	Olathe Fleet Solutions is the largest government vehicle dealer in the United States, consistently processing vehicle order volumes that far exceed those of most other dealers nationwide. Our monthly volume surpasses what many dealers fulfill in an entire year of government business. We routinely manage orders involving hundreds of vehicles at a time through established processes for coordinating deliveries to ensure timely upfitting and to prevent chassis from sitting idle for extended periods. Our extensive experience spans the full range of vehicles and upfits—from passenger automobiles to light-duty trucks—delivered to federal, state, and local government agencies across the country. We specialize in providing reliable, high-volume fleet ordering solutions tailored to the unique demands of public sector procurement. Olathe's infrastructure is specifically designed to support large-scale order volume. We maintain a dedicated and experienced team supported by robust internal systems to manage quoting, order entry, vehicle tracking, and delivery coordination. We have implemented secondary verification protocols to ensure order accuracy and alignment with customer delivery schedules. Our operational model is scalable and flexible, allowing us to process thousands of vehicles annually without compromising service quality or compliance. We work closely with a broad range of OEM partners, including Ford, RAM, Chevrolet, GMC, Dodge, Chrysler, Hyundai, Jeep, Mercedes-Benz, and Toyota, to deliver fully contract-compliant vehicles configured to meet each agency's specific operational requirements. Whether fulfilling a one-time, bulk vehicle purchase or supporting multi-year fleet replacement programs, Olathe delivers consistent results—on time, within budget, and in full compliance with all applicable government procurement standards.	*

31	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	To secure a quote today, members can submit orders through various channels such as phone calls, website or emails. Our plan is to have an e-procurement platform, which will act as yet another channel for orders to be submitted. Today, Olathe Fleet has over 30 experienced full-time Account Managers dedicated to assist with their quote requests. Please see attached organization chart and Customer Service Program Overview for more details. When a customer inquires, our team will verify that each requestor/agency has an active Sourcewell membership to ensure non-members will not receive the special Sourcewell pricing or, if they are eligible, we will guide the non-member through the process of joining Sourcewell. Each quote will provide the member with a full list of standard equipment and options including MSRP and the Sourcewell price. Sourcewell members will have the opportunity to add additional items such as factory options, aftermarket options, and upfits before any order is submitted. At this point, we will share our knowledge and use our expertise to ask good questions and provide suggestions to ensure the recipient orders the unit(s) best fit for their application. Once completed our team will send the recipient a final quote. For the final step of the ordering process, Olathe Fleet will send an order confirmation back for the Sourcewell member to confirm all selected options before we submit the order to the manufacturer. Not only does this allow for the line of communication to stay open, this also allows our team one more opportunity to ensure accuracy between both parties. In addition, we will request the final end-user information for billing and titling the chassis. Doing so will allow for a smooth process at the time of delivery. To maintain accountability and transparency, the member will receive a weekly update from Olathe Fleet regarding their order. This update will display the purchase order, factory order number, body type, engine type, color, wheelbase and most importantly the production date of when the unit is scheduled for production. Once the unit has been produced, we will be able to provide an estimated time of arrival and track the shipping status until it has been delivered to its final destination. We also include in the weekly updated production timing with order bank open and closing dates along with current scheduling and last day to order. This ensures both the customers and us are on the same page from start to finish. Utilizing our CRM within SalesForce and communication with our Fleet Management team, we can rely on the internal communication within our team stays up to date. We understand that the ordering process can get overwhelming and, together with Sourcewell, our intention will be to make the process efficient and hassle-free for the customer. The importance of customer service is prioritized in our program. Response time commitments are crucial for maintaining customer satisfaction and continual growth. Immediate responses are the norm. We make a point to acknowledge every incoming inquiry with either a response or acknowledgment that a response is in process and additional information is needed. We commit to responding to inquiries immediately and will set clear expectations for response times. A successful fleet vehicle ordering, and management customer service program requires a combination of efficient processes, clear communication channels, sales and service performance incentives, and technology integration to meet and exceed customer expectations while driving continuous improvement in service quality. Our account management staff is incentivized based on our goals, deliveries and service provided to our customers.

32	Demonstrate in detail your ability to sell, deliver, and support vehicles sold on a master agreement throughout the contiguous United States; as well as sell, deliver, and support vehicles sold on contract in Alaska, Hawaii, US Territories, and Canada.	Olathe Fleet has the proven capacity and infrastructure to sell, deliver, and support vehicles under a master agreement across the contiguous United States, as well as in Alaska, Hawaii, U.S. Territories, and some in Canada. As the largest government vehicle dealer in the United States, Olathe manages thousands of vehicle transactions annually for public sector agencies at all levels. Our national reach, experienced logistics team, and strong manufacturer partnerships ensure seamless vehicle fulfillment and post-sale support regardless of customer location. Sales Capabilities Olathe's government sales team is highly experienced in managing large-scale fleet procurement and contract compliance across jurisdictions. We are fully equipped to work under a single master agreement while meeting the unique administrative, regulatory, and logistical requirements of each state, territory, or province. Our team is trained on the nuances of cooperative purchasing contracts and is adept at handling high-volume quoting, order customization, and specification assistance. Our team is fully trained on Sourcewell contract compliance and reporting. Our national reach is made possible through strong OEM partnerships with Ford, RAM, Chevrolet, GMC, Dodge, Chrysler, Hyundai, Jeep, Mercedes-Benz, Toyota, and others, allowing us to offer a full range of vehicles—autos through light-duty trucks—under compliant contract terms to government buyers anywhere in North America. Delivery Capabilities Olathe has extensive experience coordinating nationwide and international vehicle deliveries, including to remote and logistically complex locations such as Alaska, Hawaii, U.S. Territories (e.g., Puerto Rico, Guam), and Canada. We partner with reliable freight and logistics providers who specialize in government fleet deliveries, enabling us to provide: Port-to-port and door-to-door vehicle delivery Coordination with third-party upfitters near delivery locations Real-time tracking and communication throughout the transport process Accurate documentation for cross-border and international shipments Our delivery strategy is designed to minimize downtime, ensure chassis do not sit idle, and align with each customer's operational schedule. Support Capabilities Post-sale support is a critical component of our service offering. Olathe provides full lifecycle support for vehicles sold under the contract, including: Coordination of upfitting and custom builds through our vendor network Assistance with warranty registration and service Title and registration services as required by jurisdiction Customer service and technical support provided by a dedicated team Coordination with OEM service networks for local maintenance and repairs For deliveries outside the contiguous U.S., including Alaska, Hawaii, U.S. Territories, and Canada, Olathe ensures full support through a combination of OEM-authorized service centers and trusted third-party vendors, maintaining compliance with OEM policies, warranty terms and customer expectations.

33	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	Olathe Fleet is fully committed to providing vehicles and related services to all Sourcewell participating entities, regardless of size, location, or purchasing needs. As the largest government vehicle dealer in the United States, Olathe has both the operational capacity and the organizational commitment to serve Sourcewell members nationwide with excellence, efficiency, and compliance. Today, Olathe supplies over 30,000 chassis annually across the United States, serving dozens of industries and thousands of public sector customers, including municipalities, counties, state agencies, utilities, educational institutions, and non-profits. This extensive experience uniquely positions us to meet the diverse requirements of Sourcewell members. Nationwide Reach, Inventory Capacity and Scalability Olathe's infrastructure is built to scale. We are equipped to handle everything from single-unit orders for small municipalities to multi-hundred-vehicle fleet purchases for large state or regional agencies. Our reach spans all 50 states and includes the capability to deliver and support vehicles in Alaska, Hawaii, U.S. Territories, and Canada. Importantly, Olathe maintains the ability to floor thousands of vehicles at any given time, enabling us to meet urgent needs, support rapid deployment schedules, and ensure vehicle availability even during times of high demand or supply chain disruption. This also means that our customer's orders are not delayed due to financial constraints. Dedicated Contract Support We maintain a team of specialists trained in cooperative purchasing and contract compliance, including the specific requirements of Sourcewell. All orders placed under the Sourcewell contract are handled in accordance with contract terms, including: Accurate pricing Electronic order processing and tracking Inclusion of Sourcewell-specific identifiers for contract compliance Coordination of vehicle upfitting through approved vendors or member-preferred upfitters Commitment to Service Olathe is not only capable but fully committed to servicing Sourcewell members at every level. Our model is centered on offering turnkey solutions that include vehicle procurement, delivery coordination, customization, and post-sale support. Regardless of an agency's location or fleet size, we ensure every Sourcewell member receives prompt, knowledgeable, and responsive service. Olathe's track record, scale, and deep experience in public sector fleet operations make us an ideal supplier for Sourcewell participating entities. We are fully aligned with Sourcewell's mission of simplifying procurement and delivering the highest value to its members—and we are prepared to support every member's unique needs with the highest level of professionalism and care. Please see attached Executive Summary document under additional document uploads for more details.	*
34	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Olathe services many large customers in Canada in the Ambulance/Fire, School Bus, Shuttle Bus, Mobility Vehicles and Recreational Vehicles Markets. We are willing to serve Canadian customers within the parameters set by the OEMs.	*
35	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	We have customers spanning coast to coast in both the US and Canada so we don't see any area's that we won't be able to offer at this time. We have the largest network in the US and are confident regardless of the geographical area we'll be able to help meet your member's needs. Having said that, each OEM geographical coverage is slightly different so we encourage members to reach out to our team and discuss their specific geographic location and usage so we can help them make the best OEM decision.	*
36	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	There are no specific restrictions or requirements for these areas. The only caveat is that deliveries may take an extended amount of time depending on location due to port transfer complexities and ship availability. Occasionally, the OEMs have a fee to ship directly to Hawaii, but that would already be included in the OEM destination & delivery charges. We will remind customers in these areas that shipments may take extra time depending on current logistics/freight market conditions.	*

37	Describe in detail your history and experience selling vehicles to state and local government agencies, public and private K-12 and higher education, and non-profits.	Olathe Fleet has a well-established track record of serving public sector and non-profit organizations across the U.S. As the nation's largest government vehicle dealer, we've spent over 50 years addressing the unique needs of state and local governments, educational institutions, and non-profits with compliant, cost-effective, and scalable vehicle solutions. Serving this market is not something we do, it is WHAT we do. **State and Local Government** Olathe has provided vehicles to thousands of government agencies in all 50 states, supporting departments like transportation, public works, law enforcement, fire and rescue, parks, utilities, and municipal operations. We are well-versed in government procurement processes, budget cycles, and the importance of transparency and compliance. We are also very familiar with the ways to market to these customers and the uniquness that comes with connecting with fleet managers and sometimes being the educator. Our strong partnerships with major OEMs—including Ford, Chevrolet, RAM, GMC, Dodge, Toyota, and Jeep—allow us to supply contract-compliant vehicles tailored to specific agency requirements. We also collaborate with upfit vendors to deliver fully equipped vehicles with toolboxes, lighting, emergency equipment, or technology packages, ready for immediate use. **K–12 and Higher Education** Olathe supports K–12 school districts, colleges, and universities nationwide, supplying maintenance trucks, administrative sedans, campus security vehicles, and transportation vans. We understand the budgetary and operational challenges faced by educational institutions and offer tailored solutions. Our dedicated account managers guide schools through how to use Sourcewell to ensure compliance and maximize value. We spend a lot of time doing educational seminars, educational marketing and exhibiting at trade shows to explain how cooperative procurement works. We also streamline vehicle registration, delivery, and warranty support to reduce administrative burdens for district and campus staff. **Non-Profit Organizations** Olathe serves a wide range of non-profits and 501(c)(3) organizations, including healthcare providers, social service agencies, community programs, and faith-based groups. Recognizing their funding constraints, we provide functional, cost-effective vehicle solutions tailored to their mission and operational needs. Our team offers flexible delivery, customization, and expertise in leveraging Sourcewell to simplify procurement and enhance value for non-profits. Serving thousands of government agencies, educational institutions, and non-profits, Olathe delivers unmatched expertise, scale, and dedication to the public sector. Our commitment to reliability, compliance, and customer-focused service has earned us trust across all regions and sectors. We continue to provide turnkey vehicle solutions designed to meet the specific needs of these organizations.	*
38	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Absolutely! Sometimes, there are restrictions regarding discounts available to non-profits vs. government entities, however, we will offer the largest discount available for the non-profit in compliance with manufacturer guidelines.	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *	

39	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	At its core, this contract opportunity is designed to assist government agencies in meeting their fleet vehicle needs. This requires a comprehensive marketing strategy tailored to reach key decision-makers within the public sector. First, we will continue to learn and understand our audience. We will identify the specific government agencies that will benefit from this program such as law enforcement agencies, public utilities, municipal governments, and more. Once we have an audience targeted, we will market to their specific fleet requirements, budget constraints, and procurement processes. Currently, we use social media channels such as LinkedIn, YouTube, Instagram and Facebook, because that is where we know our audience spends their time keeping up with the industry and communicating with others in the industry. While maintaining our current strategy, we will conquest new customers by way of monthly tradeshows, word-of-mouth - shared testimonials and reference letters, customer tailored presentations, direct customer visits and social media. If we were to get this contract, we will clearly articulate the benefits of the program to our customers. This would include cost savings, access to specialized vehicles, and streamlined procurement processes. Part of this process will include creating educational content that we will present to all of our current and prospective customers. In order for this to be successful, we understand the importance of communication and transparency. Compliance with regulatory requirements will instill confidence in the program and help build long-term relationships with our clients. By providing our customers with all of the relevant, clear, and precise information, they will be able to see how beneficial this program is to their businesses. Once we have the educational content created, we will share these with the decision-makers using direct mail, email campaigns, social media, and, ideally, in-person meetings – tailoring the information to fit the needs of each entity. * We already have a strong foundation of partnerships and alliances; however, we will continue to collaborate with industry associations, government agencies, and other stakeholders to build credibility and expand our reach. All these efforts will be led with the universal goal of getting clients to our website, which attracts more than 25,000 new visitors each month. Our website is where we will have a wealth of knowledge, an FAQ page, and the finer details of the program. We at Olathe understand the power of the Advertising Dollar and will continue to fund efforts to reach new clientele. We also utilize data platforms that we are able to research agency spend, contacts and information, locate fleet managers and identify purchasing cycles. Our team uses this platform to research council meetings and upcoming spend, so we can reach out to agencies directly and offer the ability to make their purchase through Sourcewell. This has proven to be an extremely successful method of educating customers and obtaining new business. We also plan to integrate a municipal blog and utilize Sourcewell's marketing tools for podcasts and video blogs to promote our agreement. We are extremely excited to utilize these tools going forward. Please see attached sample marketing materials and plan, as well as References from current Sourcewell Customers in the additional uploads.

40	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	By integrating technology and digital data utilization into the marketing strategy, organizations can gain valuable insights, optimize campaign performance, and effectively engage with public sector agencies to promote the contract with Sourcewell. We currently find that our audience is most receptive in the world of LinkedIn and YouTube. However, we will continue to monitor all social media platforms to understand conversations and trends related to fleet management and government procurement. This can provide valuable insight into the pain points and preferences of target agencies which, in turn, will help us tailor messaging and outreach efforts accordingly. Additionally, we use targeted online advertising. We have used platforms like Google Ads and social media advertising plans to target decision-makers within government agencies. By segmenting the audience based on job titles, organizational roles, and interests relevant to fleet management and purchasing, we are able to precisely target our audience at higher conversion rates. As we know, Electric Vehicles is a current hot topic. Knowing that our clientele is staying in the know about the EV products, we are putting our name in front of them each time they use a search engine. This leads to associating Olathe with their fleet and chassis needs. Once we have these digital campaigns rolled out, we use data and metadata analytics to measure the performance of the content marketing efforts. We currently and will continue to analyze metrics like engagement rates, click-through rates, and conversion to identify high-performing content and optimize future campaigns. Leveraging our metadata analysis tools to extract valuable insights helps us identify patterns, trends, and key themes related to our services. Email marketing plays an important role in the advertising efforts. We have implemented email marketing automation platforms to streamline outreach campaigns and to nurture leads. Together with the knowledge we gain of our prospective customers, we will put together curated, personalized emails that lean into the different sectors we serve. Finally, we utilize a platform that allows us to connect with the most current purchasing agents and fleet managers across the US directly through e-mail and via phone. We are able to pinpoint their typical methods of purchasing, whether through bid, coop or state contract and reach out about our services with historical knowledge allowing us to better meet their needs and identify potential pain points before even reaching out.	*
41	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process?	The recognizable Sourcewell brand holds a lot of weight and trust in the industry. Having the Sourcewell name in our arsenal of tools will help in our efforts to prove our honesty, loyalty, and legitimacy to our prospective and current customers. Collaborating with a trusted brand serves as a form of validation and endorsement for our business. In the government sector of this industry, Sourcewell is synonymous with the elimination of the need to bid. Creating an avenue of ease and convenience for our customers holds an exponential amount of value. It is well-known that Sourcewell's documentation review is in-depth and detailed further proving that their acceptance goes a long way. Sourcewell has done such a great job making the process of procuring vehicles efficient, flexible, and user-friendly. Sourcewell's role in promoting contracts would be to continue to meet the standards they have set throughout the years and throughout the industry. Sourcewell provides regular training for those selling through a Sourcewell contract and we know that is very helpful. Everyone at Sourcewell has been very easy to get in contact with regarding our other contracts and they are doing everything they can to be supportive. We would love if Sourcewell would be able to provide specific marketing materials to give to customers with the Sourcewell name on it. The more than name is seen, the easier it is for dealers to sell on the contract. However, Sourewell has done a tremendous job getting the name out here and we are excited for this opportunity for light duty vehicles. The Sourcewell logo currently goes on all of our government marketing materials, as well as on the tops of all quotes, website and our e-mail signatures. We are excited to hopefully be able to add the light duty logo, next to our medium duty contract logo.	*

42	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	As of today, we do not have a formal e-procurement ordering system. If awarded this Sourcewell contract, our plan is to continue our development of our extensive online platform for all 11 of our OEMs, EV upfitters, commercial truck builders, police upfitters and other key partners to be available for our customers every minute of every day of every year. From quote to requisition to payment, we want to streamline the procurement process through Sourcewell. The vision we have for our e-procurement system is to have a secure, password-protected portal for each user, ensuring that only authorized personnel can access the platform. From there, the user would be served a catalog of approved products and services available for purchase. Ideally, authorized users will be able to create purchase requisitions within the portal, specifying details like quantity, specifications, and budgets. Once a customer has input their custom build, they will then have the option to process the order transaction by submitting a purchase order. This would give the customer the autonomy of building and spec'ing on their own time, however it also allows a communication line to be open at all times between the member and our team should there be any issues or questions. The goal we have in mind for our future e-procurement system is to provide transparency and compliance, enhance vendor relationships, and achieve cost savings. By leveraging this technology, these customers can achieve greater efficiency and effectiveness. Currently, the customers can visit our website olathefleet.com to get more information about us and how to get in contact with us or reach out directly. We have account managers available 7 days a week from 8am - 6pm. Additionally, customers can get on any OEM website, build the vehicle they are looking for and send it to us to quote. This is very common and works great for customers! At Olathe, we believe that it is important, regardless of having an e-procurement system, to speak directly with the customer about their needs. The fleet industry has many nuances, so it is important that we verify that what they would like is feasible and that the configuration and the upfit will ultimately work. While e-procurement is coming, due to the ever changing industry, most orders require at least a quick conversation. For now, calls and e-mails work great and we have exceptional turnaround time.	*

Table 5A: Value-Added Attributes (100 Points, applies to Table 5A and 5B)

Line Item	Question	Response *	
43	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Olathe through its partnerships with Ford, Chevrolet, GMC, Dodge and Mercedes will extend all training and service related programs. These OEM's offer a variety of training both online and in person. Any programs which have a cost, Olathe will be transparent and pass those cost through with no additional charge to your members. Olathe also is willing to provide training to members via online meeting or in some instances, in person for specific needs. Training is optional, but always available. For very involved upfitting, we will coordinate with the upfitter to send a video training or do a conference call with the customer at delivery if they are not local.	*
44	Describe any technological advances that your proposed Solutions offer.	Each of our OEM partners are making significant improvements in technology in all of there models. By partnering with Olathe your members are going to continue to have the most up to date technology in their chassis purchases. Some of the most significant improvements are around safety, such as the 360 degree camera systems, upfit integration systems or fleet telematics allowing members to better manage their fleets' service needs, preventative maintenance and overall cost of ownership. The OEM websites also provide more information today than they ever have. These are a great reference tool! Software Solution addition to vehicle purchases: Olathe Fleet Solutions has been offering Fleet Management Software and Telematics since the major inception of these technologies. We believe that offering these solutions to fleets at the time of vehicle sale helps them to prolong their fleets, develop replacement cycles and helps to manage drivers to increase safety and adherence to what fleets value in their drivers. By integrating technological solutions, we bring additional value to our fleet customers. We believe that providing the highest level of customer service is imperative, which is why we complete all onboarding, integration and assist with setting drivers up with their new technology. Most companies out there leave you on your own to setup your software and we believe that for a customer to get the most out of the technology they are investing in, that we must provide training and integration, along with regular check-ins to ensure the customer is happy and the technology is working for them while their fleet evolves over time. We ensure that when needs change, we evolve with the end-user. Fleet Techology goes hand in hand with all of the other services and products we provide at Olathe Fleet Solutions. In the EV space, we also offer solutions for hybrid vehicle conversions (for models that do not yet have OEM solutions in the hybrid model), as well as EV conversions.	*

45	Describe any service contract options or extended warranties being offered with your proposal.	Olathe offers all OEM extended warranties and maintenance plans on Sourcewell at Fleet pricing established by the OEMs. We also have another program called Brightline that is part of a cross-brand extended warranty program that can be great for multibrand fleets. Pricing varies by model, but will be offered from 5-20% off MSRP to Sourcewell customers. These are offered based on mileage and timeframe and include extended warranty and maintenance options ranging from basic plans to comprehensive plans. Many of our upfit partners offer extended warranty options as well. These would be available based on specific upfit and manufacturer. See attached information flyers that break down options in detail.	*
46	Describe in detail warranties offered and how they will be administered, including if they cover all products, parts, labor, technician travel, and geographic regions covered.	Each of our manufacturers provides warranties, and for your convenience, we have attached all OEM warranties for reference. Additionally, our add-on partners offer warranties specific to their modifications, tailored to each specification, request, and usage scenario. We work closely with each member to ensure they receive the most suitable warranties available in the market to meet their unique needs. It is important to note that many manufacturers have specific usage restrictions that may impact warranty coverage. Olathe serves as a knowledgeable resource to assist members in understanding and navigating these restrictions before the chassis is put into service. In many cases, warranty coverage includes expenses related to technician labor, travel time, mileage, and towing. We recommend that members take their vehicles to the nearest authorized dealership or service center for warranty support. We are proud to have the largest service network in the United States and Canada and are confident in our ability to meet the needs of members regardless of their geographic location. Since OEM geographic coverage varies, we encourage members to contact our team to discuss their specific location and usage requirements to help make the best OEM selection. Warranty policies vary across our OEM partners and body modifiers. When warranty claims arise, we coordinate directly with the OEM or body modifier. If claims are approved, Olathe often assists with repairs and resolution to ensure a smooth process for our members.	*
47	Describe any “green” initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.	Olathe stays on the forefront of Green initiatives with all of our OEM partners. Today, we are offering fully electric products such as F150 Lighting, Mach E, E-Transit, and a fully electric E-series through our partner Optimal EV. We have EV Chevrolet Silverado, Blazers, and Equinox's as well. Though Mercedes we have the E-Sprinter and later this year we will have an EV Dodge Promaster. Hyundai offers to IONIQ line. There are even more EV's currently in the design process that Olathe will bring to market with our OEM partners through the term of this engagement. Olathe is able to offer hybrid conversions for F-250/F-350 models through our partners, as well as CNG conversions and propane conversions. Through the same Partner, Greentech, we are able to offer refurbished EV batteries and EV battery recycling. Our Partner, SP is able to offer financing and leasing solutions specifically for EV and hybrid forward agencies giving the ability to expand and manage their fleets with efficiency. Through the use of our telematics solutions, customers can get feedback about their driving, battery usage, charging state and cost of ownership - the whole purpose of EVs is to be green and the more information we have, the better we can leverage Green Initiatives. In terms of the OEM's - they are very involved with Green initiatives - Vehicle OEM manufacturers are increasingly committed to reducing environmental impact through a range of sustainability-focused initiatives integrated into their products, operations, and partnerships. These efforts are often verified by third-party certifying agencies to ensure transparency and accountability. 1. Electric Vehicle (EV) Development and Transition OEMs are making substantial investments in the development and production of Battery Electric Vehicles (BEVs) and Plug-in Hybrid Electric Vehicles (PHEVs) to reduce reliance on fossil fuels and lower greenhouse gas emissions. Key Focus Areas: Advancements in battery technology, energy storage systems, and collaboration with utility providers to expand EV charging infrastructure and manage grid demand. Certifying Agencies: EPA SmartWay – for high fuel-efficiency, low-emission vehicles. California Air Resources Board (CARB) – for compliance with ZEV (Zero-Emission Vehicle) mandates. SAE International – for EV performance and safety standards. 2. Sustainable Materials and Circular Economy Practices OEMs are transitioning toward more sustainable materials such as recycled plastics, bio-	

based polymers, and natural fibers in vehicle components and interiors.

Examples: Use of recycled plastic bottles for underbody shields or interior components.

Closed-loop recycling systems are being implemented to reduce dependence on virgin materials and minimize waste.

Certifying Agencies:
Global Recycled Standard (GRS) – for products containing verified recycled content.
UL Environment – for third-party validation of sustainable product claims.
ISO 14001 – for certified environmental management systems.

3. Sustainable Manufacturing Processes
Many OEMs are developing ""green factories"" powered by renewable energy sources such as wind, solar, and hydroelectric power to reduce carbon emissions from manufacturing operations.

Lean manufacturing practices are used to optimize resource efficiency and reduce waste.

Advanced technologies such as 3D printing help lower material usage and enable the use of more sustainable inputs.

Certifying Agencies:
LEED (Leadership in Energy and Environmental Design) – for green building certification.
ISO 50001 – for energy management systems.
RE100 (The Climate Group) – for companies committed to 100% renewable electricity.

4. Carbon Neutrality and Lifecycle Emissions Reduction
OEMs are working toward climate neutrality by reducing carbon emissions throughout the entire vehicle lifecycle—from material sourcing and manufacturing to use-phase and end-of-life processes.

Lifecycle assessments (LCAs) are used to identify emissions hotspots and guide reductions across the value chain.

Certifying Agencies:
Science Based Targets initiative (SBTi) – for validating emissions reduction targets aligned with climate science.
Carbon Disclosure Project (CDP) – for environmental impact reporting.
PAS 2060 – for certifying carbon neutrality claims.

5. Reducing Local Pollution and Non-Exhaust Emissions
To address local air quality concerns, OEMs are targeting both exhaust and non-exhaust emissions.

Technologies such as diesel particulate filters and selective catalytic reduction systems help reduce emissions from internal combustion engine (ICE) vehicles.

Efforts are also underway to reduce particulate matter and microplastics from tire and brake wear through new materials and design improvements.

Certifying Agencies:
CARB – for emissions compliance and vehicle standards.
EURO Emission Standards – for tailpipe emissions in European markets.

6. Partnerships and Industry Collaboration
OEMs are forming strategic partnerships with recyclers, suppliers, and sustainability initiatives to support circular economy practices and reduce emissions across the supply chain.

Collaborations with recycling partners enable recovery of critical materials (e.g., lithium, cobalt, plastics) from end-of-life vehicles.

Suppliers are increasingly required to meet environmental performance criteria and disclose emissions data.

Certifying Agencies:
Responsible Business Alliance (RBA) – for ethical and sustainable supply chain practices.
EcoVadis – for supplier sustainability ratings and transparency.

These initiatives illustrate how vehicle OEM manufacturers are taking a comprehensive, lifecycle-based approach to sustainability. From sourcing and production to vehicle use and disposal, OEMs are aligning their strategies with global environmental standards and verified by leading certifying agencies to ensure meaningful progress toward a more sustainable future.

48	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Through our many OEM Partners and Optimal EV Sourcewell members can take full advantage of vehicles with the highest levels of ratings and certifications such as CARB. (California Air Resource Board) In addition, many of our Partners are continuing to work on new products, offerings and processes to continuously improve energy conservation and efficiency. At the dealership level we continue to invest in many sustainability initiatives such as solar panels, recycling programs, and electric vehicle charging stations. Olathe consistency reviews and audits our carbon footprint and looks at any and all opportunities to continue to reduce it. We have several partners that are focused on financing EVs and infrastructure, as well as helping agencies to understand life-cycle and efficiency. We have partners that include Sustainability Partners, Evergy Electric and Greentec. Additionally, our proposed solutions incorporate vehicles and technologies from leading OEMs that have received a range of third-party environmental certifications, ratings, and recognitions. These credentials demonstrate compliance with internationally recognized standards for energy efficiency, emissions reduction, and sustainable manufacturing practices. Ford / Ford Pro ENERGY STAR Partner of the Year (U.S. EPA) – Recognized for energy-efficient operations. ISO 14001 Certified – Environmental management systems across multiple facilities. CDP A-List Recognition – Acknowledged for climate transparency and emissions reduction. SmartWay Certified Vehicles – F-150 Lightning, Transit, and select hybrid models. LEED Certified Buildings – Several manufacturing and operational sites. General Motors (GMC / Chevrolet) ENERGY STAR Partner of the Year – Sustained Excellence ISO 14001 Certified Facilities – Implementing environmental management systems. UL 2799 Zero Waste to Landfill Certification – Earned at several North American plants. SmartWay Certified Vehicles – Including Chevrolet Bolt, Silverado (select models), and GMC Sierra. LEED-Certified Facilities – Offices and plants designed with green building principles. CDP Climate Leadership Score Stellantis (Jeep / RAM / Dodge / Chrysler) ISO 14001 Certification – Environmental stewardship in manufacturing processes. SmartWay Certified Vehicles – Select Chrysler, Dodge, and Jeep models. Stellantis EcoDesign Program – Life-cycle assessment methodology applied in vehicle development. CDP Reporting Participant – Committed to transparent environmental disclosures. Hyundai Green NCAP Ratings – High scores for Ioniq, Kona EV, and other hybrids/EVs. ISO 50001 Certified Plants – Energy management systems in place. SmartWay Certified Vehicles – Ioniq Hybrid, Sonata Hybrid, and others. Carbon Trust Certification – Hyundai UK recognized for carbon footprint reduction. Mercedes-Benz ISO 14001 and ISO 50001 Certified Facilities – Comprehensive environmental and energy systems. Carbon-Neutral Manufacturing – All European car plants operating on 100% renewable energy. Green NCAP Ratings – EQS and EQE models score highly on efficiency and emissions. CDP A-List Member SmartWay Certified Models – Where applicable in North America. Toyota ENERGY STAR Partner of the Year – Recognized for energy performance in facilities. ISO 14001 Certified – All major production facilities. SmartWay Certified Vehicles – Prius, RAV4 Hybrid, Corolla Hybrid, and more. LEED-Certified Headquarters & Facilities Toyota Environmental Challenge 2050 – Strategic alignment with cradle-to-cradle principles. CDP A-List – For environmental leadership and transparency.	*

49	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Our team is like none other in the government fleet industry. We come with a full service of offerings across 11 OEM's. Our management team has over 150 years of service combined, supporting our fleet customers. We started with a 1 person operation and through hard work, experience and incredible customer service we've grown it into the largest municipal vehicle supplier in the US. Our partnership and connections give us a leg up when it comes to finding solutions for customers in unique situations. We provide a consult for every one of our clients as a courtesy to ensure that they are getting what they actually need. Many times customers call in and they are sure of what they need and it turns out that they are overspec'd or underspec'd, because that is the ""way they have always done it."" At Olathe, we get away from assuming that the customer knows exactly what they need and we ask more questions than most dealers. Most often, customers are surprised at the questions and extremely grateful we asked. Our experience is what sets us apart. We have seen it all and experienced the highs and lows in the industry. This gives us a very unique perspective when it comes to serving customers. We offer creative financing, municipal leasing, short-term leasing, lease buyouts/restructuring of negatively structure fleet management company leases and traditional leasing. We have more than 20 banks that we work with to provide financing options. There are many customers that are struggling to keep their fleets going due to budget constraints and administration changes and we have several solutions for them, as well as training on life cycle optimization and software. By offering 11 OEMs, all in one place, at a dealer that KNOWS fleet, we ARE different. We are not just some fleet store, we are a FLEET first store... that happens to have a retail store. About 80% of our sales are fleet sales, that is extremely unique. Most dealers focus on retail and commercial, but we eat, sleep and live FLEET. We are a true one-stop-shop - we offer everything from orders to upfitting to graphics to service and parts. Fleet management to financing and tax, title and licensing - We do it all and we do it well. We have systems that allows for tracking all of the information. Most dealers have one or two ""government people,"" and they call themselves and fleet department - we have numerous teams with over 150 people. Volume is our middle name. In 2021, Olathe Ford requested with Ford Motor Company to be recognized as a Minority Dealer. We were accepted and became a part of Ford's Minority Dealer Network on November 19, 2021. This is helpful for government agencies that have parameters set for purchasing from miniority owned businesses. Olathe has attached a copy of its letter confirmation from Ford Motor Company. (Minority Dealer Network Acceptance Letter)	*

Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment	
50	Select any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply.		(•) Yes ( ) No	In 2021, Olathe Ford requested with Ford Motor Company to be recognized as a Minority Dealer. We were accepted and became a part of Ford's Minority Dealer Network on November 19, 2021. This is helpful for government agencies that have parameters set for purchasing from minority owned businesses.	*
51		Minority Business Enterprise (MBE)	(•) Yes ( ) No	In 2021, Olathe Ford requested with Ford Motor Company to be recognized as a Minority Dealer. We were accepted and became a part of Ford's Minority Dealer Network on November 19, 2021. This is helpful for government agencies that have parameters set for purchasing from minority owned businesses.	*
52		Women Business Enterprise (WBE)	( ) Yes (•) No	NA	*
53		Disabled-Owned Business Enterprise (DOBE)	( ) Yes (•) No	NA	*
54		Veteran-Owned Business Enterprise (VBE)	( ) Yes (•) No	NA	*
55		Service-Disabled Veteran-Owned Business (SDVOB)	( ) Yes (•) No	NA	*
56		Small Business Enterprise (SBE)	( ) Yes (•) No	NA	*
57		Small Disadvantaged Business (SDB)	( ) Yes (•) No	NA	*
58		Women-Owned Small Business (WOSB)	( ) Yes (•) No	NA	*

Table 6A: Pricing (400 Points, applies to Table 6A and 6B)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *	
59	Describe your payment terms and accepted payment methods.	Olathe's payment terms are Net 30 with acceptable payment methods being ACH, Wire, or a Check.	*
60	Describe any leasing or financing options available for use by educational or governmental entities.	Olathe has a broad offering of leasing and financing options. We have short-term and long-term financing options through Ford Motor Credit as well as additional 3rd party partners. We also offer a variety of leasing options, both in house leasing options as well as through 3rd party partners. We have full service lease options as well. We are confident Olathe can offer the best in market leasing solutions to your customers no matter their need or situation. We have partners including: Sustainability Partners, Bancorp, Ford Fin Simple, Bank of Kansas and numerous others that offer solutions specifically for government and educational entities.	*

61	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities.	The main documents in the process would be the overall quote, member specific specs, buyers order, odometer statement, Manufacturer Statement of Origin, potentially titling paperwork (location dependent), return labels, service agreement documents, and purchase order/signed quote form. See attached sample forms.	*
62	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Yes, we accept up to $2,500 per vehicle, upfit or service. If a member would like to put more than $2,500 on a P-Card we will accept that form of payment however a transaction fee will be added to the total cost. This fee will be a direct pass through to the member.	*
63	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Olathe is offering discounts off of MSRP for all 12 of our OEM partners and for any model within those OEMs that meet the specifications of this contract. This applies to any future products that OEMs could bring to market during the term of this agreement. Additionally, Olathe is allowing all upfits to be added to any vehicle through either Olathe's partners or through the member's partner of choice. All current MSRP price lists that are available to dealers are included in the zip file, as well as discount pricing structure. All pricing can also be referenced on OEM websites listed in the website section.	*
64	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Olathe's pricing discount range by OEM Manufacturer. Ford Motor Company/Lincoln – from 3.47% - 20.67% Stellantis – from 4.96% - 15.55% Hyundai - from 3.15% - 18.56% Toyota - -1%-9.24% Nissan – from -1% - 9.9% General Motors (Chevrolet / GMC) – 5.25% - 16.87% Mercedes – from 4.44% - 12.38% Other pricing details are outlined in our pricing attachment and MSRP for all currently available models for ordering are attached.	*
65	Describe any quantity or volume discounts or rebate programs that you offer.	We encourage any member ordering 25 vehicles or more at a time to reach out to Olathe directly so we can review additional discounts and supply the member with an exact quote. Some of the OEMs offer the dealer greater discounts for quantities of 25 or more, so it is in the favor of the customer to reach out to a dealer that is familiar with handling those unique requests. Those additional discounts can range from 3-15% in our experience.	*
66	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "non-contracted items". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Any open market items that need to be sourced will be source with a mark-up at or below 10% depending on the item and current open market conditions.	*
67	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Olathe is well versed and experienced in this industry segment, therefore we've considered all cost and taken all cost into account with our proposal. If a member has a unique or unforeseen request for their particular situation Olathe will work to offer them the very best solution at the lowest market price. In the event a member has a vehicle upfitted and therefore needs special consideration, those costs would be included in the cost of the upfit at the time the request is made and Olathe will provide that to the member in the quoting process. The only fee that varies, but is a frequent additional cost that we see is a Courtesy Delivery Fee - those range generally from $300-$900 depending on the dealership. Olathe will consider if Courtesy Delivery is the best avenue for delivery at the time of quote. The customer will always be provided with the best possible cost option.	*

68	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	All OEM manufactures charges a "delivery and destination fee" these charges are displayed on every window sticker regardless of the model. This does not include vehicles that are being moved to an upfitter and/or then delivered to the end member. At the time of quoting Olathe will outline and include all additional delivery charges for those instances. Most often the delivery cost is based on the number of miles from point A to point B, but will consider quantity for discounts. Pricing for deliveries is based on current market rates that fluctuate daily based on "lane" volume, availability of drivers and fuel pricing. We will do everything we can to utilize methods that result in the greatest logistics cost savings like ship-thru and courtesy deliveries.	*
69	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	These area's or regions carry some of the most difficult and time consuming freight movements. In many cases there are numerous additional cost such as port entry, agent fees, driver cost, ferries, and other logistical specialties. In any of these instances Olathe will work to provide the lowest cost to your members based on their specific needs as well as provide all of those cost upfront during the quote process. Freight is generally handled the same way through our logistics partners regardless of location. These locations generally take extra shipping time, so we ask for patience, but we can give a general estimate of the arrival date. Arrivals and shipping time vary based on port to port time and market conditions. In general, most of these locations require various transport methods (truck, train, ship, driven, etc...) for one transaction, all of which Olathe will assist to coordinate. Most of the time for Hawaii and Alaska, we can order and have the vehicle shipped directly to a dropship location in those states, so the OEM would coordinate shipping in that instance. We typically have general visibility based on location in our OEM shipping systems, but that is not 100% always the case. We will provide whatever information we have with regular updates to the customer. In terms of Canada and some shipping to Alaska, dependent on location, we may have border crossing fees, import or export fees and those would be passed through to the customer at cost within the OEM parameters set for dealers. In very rare instances, outside the normal process, if the customer has an extended transport time to a very remote location, and they do not plan to pay for the vehicle until the vehicle is delivered - any vehicle that takes over 75 days to deliver after factory production would be subject to floorplan cost for the number of days beyond 75 days. This is a very rare occurrence, but it has happened. We would discuss this with the customer at the time of quote.	*
70	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Due to Olathe's size and scope we have key partnerships with many freight and automotive carriers which we constantly review in order to ensure we are receiving at or below market rates which we will pass along to your members. In addition, some of our partners including but not limited to AFI have a OEM ship-thru which allows Olathe to upfit certain vehicles and then put them back into the OEMs transportation platform and have them delivered to the member at minimal additional cost. We also utilize a platform for logistics scheduling that gives members direct access to see when their vehicle is picked up, where it is in transit and when it will be delivered. This ensures that customers are informed the whole way.	*

71	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.	Currently we have numerous internal audit processes to ensure we are compliant with all of our customers across our 12 OEMs, multiple industries and 35,000 plus chassis. In addition, our vision for the Sourcewell contract would be expand on our current processes while implementing a customer inquiry, chassis building, quoting, and ordering tool via portal or online tool. We believe that this transparency will help drive adoption of the contract while also creating a great customer experience for your members. Once all of this data is collected then mining it for trends, successes and failure will ensure we continue to improve the service to your members. We track all vehicle orders and cooperative fees in a database that allows us to verify that all cooperative fees are paid in a timely manner and sales are reported correctly. We have dedicated team members that specifically oversee this process. By keeping sales internal at Olathe Fleet, we are able to ensure that all new employees are trained on Sourcewell compliance and all necessary processes are followed.	*
72	If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	Several internal metrics can be tracked and recorded to ensure our efforts with Sourcewell are proving to be successful. First, we'll track the overall volume of calls, emails, and general inquiries to ensure we are gaining notoriety for our new award. From there, we'll begin to measure the number of quotes and opportunities that Olathe provides and the corresponding conversion of those quotes into OEM orders. In addition, we will track the overall order processing time. Measuring the time it takes from receiving a vehicle acquisition request to processing the order and confirming it in the system will ensure we are using our time and our clients' time efficiently. On top of that, we will tracking the accuracy of our inventory data on a regular basis to confirm that the system reflects actual availability and status of vehicles, minimizing errors in procurement and allocation. Fulfillment rate will be monitored to verify that our system effectively matches demand with available inventory and processes are streamlined. Most importantly, we will actively engage with and track user satisfaction with the program and our services.	*
73	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	We believe in a simple and transparent administrate fee that allows the contract to grow in volume and member adoption. Olathe agrees to pay Sourcewell $500 per unit. This includes all brands and all models that fall under this contract terms.	*

Table 6B: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments	
74	The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies.	All of the pricing and discounts provided are higher than other cooperative agreements that Olathe is awarded. We would like to encourage our customers to utilize Sourcewell as often as possible.	*

Table 7A: Depth and Breadth of Offered Equipment Products and Services (200 Points, applies to Table 7A, 7B, and 7C or 7D)

Sourcewell is seeking proposals for Automobiles, SUVs, Vans, and Light Trucks with Related Equipment and Accessories. Awards under this solicitation for Automobiles, SUVs, Vans, and Light Trucks will be in two (2) categories.

Proposers submitting a proposal in Category 1 as defined herein will be submitting in the broad category that includes all types of engines, fuel, and propulsion systems. For example, if a proposer offers vehicle solutions with Internal Combustions Engines (ICE) as well as vehicles with electric propulsion systems the Proposer should designate it is seeking an award in Category 1 ONLY.

Proposers seeking an award in Category 2, as defined herein, must include at least one solution offered within the scope of Category 2 for electric propulsion systems ONLY.

Line Item	Category Selection *	
75	Category 1: ALL engines, fuel, and propulsion type Automobiles, SUVs, Vans, and Light Trucks	*

Table 7B: Depth and Breadth of Offered Solutions

Line Item	Question	Response *	
76	Provide a detailed description of all the Solutions offered, including used Solutions if applicable, offered in the proposal.	Olathe is offering 12 OEMs with numerous models in the class 1-3 range. This includes Trucks, Vans, Cutaway, Cab Chassis, suv, sedan, crossovers and hundreds of potential upfit add-ons. We can offer anything from a police upfit, command center, crane trucks, truck bodies, shelving, accessories, graphics, etc. Additionally, we have countless ways to help support your members from special financing, customizable warranties, fleet management, and prepaid service plans. Olathe believes we truly are the one stop shop for all your members needs regardless of location or specific use case. Some of the models we offer include: Ford • Sedans/Coupes: Mustang (coupe & convertible), Mustang Mach E (EV) • SUVs/Crossovers: Bronco, Bronco Sport, Escape, Explorer, Expedition, Expedition Max, Police Interceptor • Pickups: Ranger (incl. Raptor), Maverick, F 150 (incl. Lightning, Raptor), Super Duty (F 250, F 350, F 450), F-150 Police Responder • Vans: Transit Cargo Van, Transit Passenger Wagon, E Transit Cargo Van _____ Chevrolet (and GMC where applicable) • Sedans/Coupes: Malibu (discontinued late 2024) • Hatchbacks/Wagons: Bolt EV, Bolt EUV • SUVs/Crossovers: Trax, Trailblazer, Equinox, Equinox EV, Blazer, Blazer EV, Traverse, Tahoe, Suburban, Tahoe PPV and SSV, Blazer PPV • Trucks: Colorado, Silverado 1500 (incl. ZR2 trim), Silverado PPV, Silverado 2500 HD, 3500 HD, Silverado EV (including LT trim) Car and Drivergolfmillchevrolet.com • Vans: Express, BrightDrop EV van _____ Ram/Dodge • Pickups: Ram 1500 (including Ramcharger PHEV, REV EV), 2500, 3500, with various trims (Rebel, Warlock, Power Wagon, etc.) • Chassis Cabs/SUVs - Durango PPV _____ Jeep • SUVs/Crossovers: Wrangler (incl. 4xe), Gladiator (pickup), Grand Cherokee (incl. 4xe), Grand Cherokee L, Wagoneer, Grand Wagoneer (incl. 4xe), Wagoneer S (EV), Recon (EV) • Upcoming Models: New electric Recon, electric or PHEV Compass (future), Cherokees and others being revived _____ Mercedes-Benz • Sedans: A Class, C Class, CLA, E Class, S Class • EV Sedans: EQE, EQS • Wagons: C Class, CLA, E Class • SUVs/Crossovers: GLA, GLB, GLC, GLE, GLS, G Class; EV variants: EQA, EQB, EQE SUV, EQS SUV _____ Hyundai • EVs: Ioniq 5, Ioniq 5 N, Ioniq 6, Ioniq 9	*

		• SUVs/Crossovers: Tucson (ICE/HEV/PHEV), Santa Fe, Palisade, Kona (ICE/Electric), Venue • Sedans: Elantra (ICE/HEV), Elantra N, Sonata (ICE/HEV/N Line) • Other: NEXO (hydrogen fuel cell SUV), Santa Cruz (pickup crossover) _____ Chrysler • Minivans: Pacifica, Voyager • Upcoming: Halcyon-inspired electric sedan (concept/future), refreshed Pacifica (2026), new crossover (future) _____ Please see attached Vehicle Model Offering List and Fleet OEM Warranties attachments. Software Solution addition to vehicle purchases: Olathe Fleet Solutions has been offering Fleet Management Software and Telematics since the major inception of these technologies. We believe that offering these solutions to fleets at the time of vehicle sale helps them to prolong their fleets, develop replacement cycles and helps to manage drivers to increase safety and adherence to what fleets value in their drivers. By integrating technological solutions, we bring additional value to our fleet customers. We believe that providing the highest level of customer service is imperative, which is why we complete all onboarding, integration and assist with setting drivers up with their new technology. Most companies out there leave you on your own to setup your software and we believe that for a customer to get the most out of the technology they are investing in, that we must provide training and integration, along with regular check-ins to ensure the customer is happy and the technology is working for them while their fleet evolves over time. We ensure that when needs change, we evolve with the end-user. Fleet Techology goes hand in hand with all of the other services and products we provide at Olathe Fleet Solutions. In addition to vehicle sales and support, Olathe proudly offers a comprehensive suite of value-added services tailored to meet the needs of fleet customers. These include extended warranty options, customized maintenance plans, used vehicles, certified used vehicles, trade-in assistance and logistics coordination services designed to simplify vehicle delivery and upfitting scheduling. Olathe also places a strong emphasis on customer education by providing guidance on fleet management best practices, procurement strategies, and compliance with regulatory requirements. Our team is committed to helping agencies and organizations make informed decisions that align with their operational goals and budget constraints, ensuring long-term value and dependable performance from their fleets.	
77	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	We are confident we can meet any of your members needs through our overall suite of vehicle offerings. We aren't considering any of our offerings subcategories, as they are all interconnected with the vehicle purchasing process. We want your member to know that regardless of the offerings they choose Olathe is committed to serving their needs with the highest level of customer service and customer experience. Through the term of the contract we may find additional needs for your members that we haven't determined yet and subcategories could organically occur. If Sourcewell prefers for us to breakup the products and services into subcategories, we are happy to collaborate on that for the ease of customer use.	*

Table 7C: Depth and Breadth - Category 1 - All Engine Types

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

☐ We will not be submitting for Table 7C: Depth and Breadth - Category 1 - All Engine Types

Line Item	Category or Type	Offered *	Comments
78	Automobiles	◉ Yes ○ No	All 12 OEMs detailed information are in the attachments for pricing zip folder
79	Sport Utility Vehicles	◉ Yes ○ No	All 12 OEMs detailed information are in the attachments for pricing zip folder
80	Vans	◉ Yes ○ No	All 12 OEMs detailed information are in the attachments for pricing zip folder
81	Light Trucks (half ton, three quarter ton, and one ton)	◉ Yes ○ No	All 12 OEMs detailed information are in the attachments for pricing zip folder
82	Vehicles of the types and classifications in 78-81 above with upfitting designed for Public Safety Applications	◉ Yes ○ No	Ford, Chevrolet and Dodge have Police Pursuit and Special Service vehicles.
83	Vehicles of the types and classifications in 78-81 above with upfitting designed for ADA and Paratransit Applications	◉ Yes ○ No	All upfits for ADA and Paratransit vehicles are included in our proposal with their compatible vehicles.
84	Vehicles of the types and classifications in 78-81 above with upfitting designed for Service Body and Utility Bed for Light Truck	◉ Yes ○ No	All service bodies and utility beds are included and paired with the customers chassis of choice
85	Conventional Internal Combustion models	◉ Yes ○ No	All 12 OEMs detailed information are in the attachments for pricing zip folder
86	Natural gas, propane autogas, hybrid, or alternative fuel models	◉ Yes ○ No	All available OEM models are included, along with conversion packages
87	Electric powered models	◉ Yes ○ No	All available EV models for all 12 OEMs are included.

Table 7D: Depth and Breadth - Category 2 - Electric Propulsion Systems Only

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

☐ We will not be submitting for Table 7D: Depth and Breadth - Category 2 - Electric Propulsion Systems Only

Line Item	Category or Type	Offered *	Comments
88	Automobiles	◉ Yes ○ No	All available 12 OEM models are included
89	Sport Utility Vehicles	◉ Yes ○ No	All available 12 OEM models are included
90	Vans	◉ Yes ○ No	All available 12 OEM models are included
91	Light Trucks (half ton, three quarter ton, and one ton)	◉ Yes ○ No	All available 12 OEM models are included
92	Vehicles of the types and classifications in 88-91 above with upfitting designed for Public Safety Applications	◉ Yes ○ No	Hybrid and EV options are available from Ford and Chevrolet for Public Safety, along with upfitting
93	Vehicles of the types and classifications in 88-91 above with upfitting designed for ADA and Paratransit Applications	◉ Yes ○ No	Hybrid and EV models are available for ADA and Paratransit through Ford, RAM and Chrysler. More may come as models are released.
94	Vehicles of the types and classifications in 88-91 above with upfitting designed for Service Body and Utility Bed for Light Truck	◉ Yes ○ No	Hybrid and EV conversions are available on some OEM platforms - primarily F-250/F-350 and E-350 with service bodies. There are limitations when it comes to mounting with EVs. There are some small service body upfits that can be customized on EV truck chassis and those would be done on a case by case basis based on customer needs and availability.

Table 8: Exceptions to Terms, Conditions, or Specifications Form

Line Item 95. **NOTICE**: To identify any exception, or to request any modification, to Sourcewell standard Master Agreement terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Master Agreement Template provided in the “Bid Documents” section. Proposer must upload the redline in the “Requested Exceptions” upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Master Agreement.

Do you have exceptions or modifications to propose?	Acknowledgement *
	○ Yes ◉ No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - Price Files.zip - Tuesday August 12, 2025 13:28:08
- Financial Strength and Stability - CONFIDENTIAL - AVAILABLE CREDIT LINE.pdf - Tuesday August 12, 2025 13:28:44
- Marketing Plan/Samples - Marketing.zip - Tuesday August 12, 2025 13:20:10
- WMBE/MBE/SBE or Related Certificates - Minority Dealer Letter.pdf - Tuesday August 12, 2025 13:28:36
- Standard Transaction Document Samples - Transaction Documents.zip - Tuesday August 12, 2025 13:29:53
- Requested Exceptions (optional)
- Upload Additional Document - Additional Document Uploads.zip - Tuesday August 12, 2025 15:57:00

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for award.

3. The Proposer certifies that:

(1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and

(3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.

5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.

6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.

7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

8. Proposer its employees, agents, and subcontractors are not:

1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Sandra Gonzalez, Government Manager, Olathe Ford Sales, Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_6_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Tue August 5 2025 09:12 AM	☑	1
Addendum_5_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Mon August 4 2025 08:59 AM	☑	2
Addendum_4_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Wed July 30 2025 08:06 AM	☑	2
Addendum_3_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Mon July 28 2025 07:50 AM	☑	1
Addendum_2_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Fri July 25 2025 08:11 AM	☑	2
Addendum_1_Automobiles_SUVs_Vans_Light_Trucks_RFP_081325 Wed July 23 2025 04:15 PM	☑	2

Administrative Report

H.11., **File #** 26-0689 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2606-039 OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DECLARING THE REPLACEMENT OF EQUIPMENT AT THE CITY FUEL ISLAND PROJECT AND ONGOING MAINTENANCE SERVICES AS "MAINTENANCE" AND EXEMPTING IT FROM BIDDING REQUIRMENTS PURSUANT TO SECTIONS 19 AND 19.1(a) OF THE CITY CHARTER OF REDONDO BEACH

APPROVE AN AGREEMENT WITH SUNWEST ENGINEERING CONSTRUCTORS, INC. TO REHABILITATE THE EXISTING FUEL DISPENSING SYSTEM AT THE CITY YARD AND PROVIDE THREE YEARS OF ONGOING MAINTENANCE FOR A NOT TO EXCEED AMOUNT OF $253,405

EXECUTIVE SUMMARY

The City of Redondo Beach operates a municipal fueling facility located at 531 North Gertruda Avenue that supports unleaded gasoline and diesel fueling for the City's fleet of municipal vehicles, including emergency response, public works, and general administrative units. The existing fueling station requires significant rehabilitation and replacement of the older equipment to provide reliable, safe, and efficient delivery of unleaded gasoline and diesel fuel for the City's fleet operations. The contract for the Fuel Island Maintenance Project, if approved, would improve operational reliability, ensure environmental compliance, and ensure the Island aligns with air quality standards. In addition, the contractor would provide three years of ongoing maintenance, regulatory compliance inspections, and testing of the fuel island. Staff is also recommending that Council adopt a resolution designating the project as a maintenance project, exempting it from Sections 19 and 19.1(a) of the City Charter.

BACKGROUND

The City of Redondo Beach municipal fueling facility has experienced reliability issues with the unleaded gasoline and diesel pump and dispensers. These issues have caused the fuel island to be out of service for multiple extended periods while parts and qualified technicians can be procured to perform repairs. This downtime has cost implications as City vehicles need to purchase fuel at other locations which is inconvenient and more expensive for Departments throughout the organization, including public safety. The City also houses a Compressed Natural Gas (CNG) fueling station at the site. The CNG station is supported by a maintenance contract with Clean Energy and is not part of this project, as it is still provides reliable fueling for the City's fleet of CNG vehicles.

The City Council approved funding for a Capital Improvement Project (CIP) to carry out repair work on the City Fuel Island at the Public Works Yard. City staff initially issued an informal request for bids

for the fuel island upgrade project that included design services; however, no bids were received. Staff changed its approach and revised the project to be a maintenance project to rehabilitate and repair the failing system. Sun West Engineering Constructors, Inc (Contractor) submitted a proposal to replace the existing unleaded/diesel fueling infrastructure on a like-for-like basis to maintain and improve the current system. A Resolution has been prepared for Council to reflect the change in approach and designate the project as a maintenance effort.

The scope of work included in this project includes removing and replacing outdated fuel equipment, including pumps and dispensers, and installing new fuel monitoring and control systems. The work also includes updating piping, wiring, and related components to ensure the fuel system operates safely, efficiently, and in compliance with current regulations. The cost of the initial maintenance project will be funded through the Fuel Island Maintenance Project, CIP Job No. 21100, for a total of $168,386. A 25% contingency has been added to the project budget to cover unforeseen costs that may be uncovered when work commences. The annual ongoing costs, which total $42,921 over three years, would be funded from the Public Works Fleet Division Operating Budget. The total not to exceed amount for the three-year agreement is $253,405.

If approved, the Contractor would work to obtain South Coast Air Quality Management District (SCAQMD) permits, which is anticipated to take 8 weeks. Appropriate equipment would be procured once all permits are secured, and work on-site is estimated to take two weeks. The total estimated timeline from Agreement approval to project completion is 23 weeks. Staff and the contractor plan to make efforts to minimize the time that the fuel island is out of service during the project.

Under the terms of the agreement, the Contractor is responsible for planning, coordinating, and obtaining all required inspections by City, County, and State agencies, including, but not limited to, the SCAQMD permits. The Contractor shall provide proof of passage and compliance with all testing and certification requirements. Following the completion of the initial maintenance project, the Contractor will carry out ongoing maintenance for the remainder of the three-year term of the contract, including monthly inspections and annual certification, monitoring, and testing.

COORDINATION

The City Attorney's Office prepared the Resolution and approved the Agreement as to form.

FISCAL IMPACT

The Fuel Island Repair Project account currently includes $200,000 of funding. The proposed CIP proposes an additional $25,000 of funding for contingencies. The cost of the initial repairs is $168,386. The ongoing costs, of $42,921 over the next three years, are to be funded from the Public Works Fleet Division Operating Budget.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No. 2606-039 Public Works Fuel Island Maintenance Project Resolution
- Agmt - Agreement with Sun West Engineering Constructors, Inc.
- Insurance -Sun West Engineering Constructors, Inc.

AGREEMENT BETWEEN THE CITY OF REDONDO BEACH AND SUNWEST ENGINEERING CONSTRUCTORS

FOR THE

CITY FUEL ISLAND MAINTENANCE PROJECT

The following contract ("Contract") is made and entered into as of June 9, 2026 ("Effective Date") by and between the City of Redondo Beach, a chartered municipal corporation ("City") and Sunwest Engineering Constructors, Inc., a California corporation ("Contractor"). City and Contractor are referred to herein as the "Parties." Contractor's DIR registration number is 1000007068.

In consideration of the Parties' performance of the promises, covenants, and conditions stated herein, the Parties agree as follows:

1. GENERAL SCOPE OF WORK: Contractor shall furnish all labor, materials, equipment, tools, supervision, permits, and services necessary to (a) remove and replace existing fuel dispensing system and construct, install, test, and commission replacement equipment , and (b) provide three (3) years of ongoing preventative maintenance, testing, and on-call special services for the installed system at the City Yard located at 531 N. Gertruda Ave., Redondo Beach, CA, 90277 (collectively, the "Project"). The Project shall be performed in accordance with the detailed Scope of Work attached as **Exhibit A** and incorporated herein by reference, and in accordance with all applicable Federal, State, and local laws, regulations, and codes. Contractor shall perform the work in a good and workmanlike manner and in accordance with any further written instructions of the City Engineer or his or her designated representative.

2. TERM: This Contract shall commence on June9, 2026 and shall continue through June 8, 2029, unless otherwise terminated as herein provided.

   2.1 Notice to Proceed: Contractor shall commence work within ten (10) calendar days after receipt of a written Notice to Proceed from the City. The Notice to Proceed will be issued after the Contractor has provided all required bonds, insurance certificates, and other pre-construction submittals acceptable to the City.

   The schedule is set forth below, which the City may modify, in its sole discretion, at any time.

Phase	**Timeline**
SCAQMD Permit Submittal	8 Weeks from Agreement Execution
Equipment Procurement	12 Weeks from SCAQMD Permit Approval
Site Work (AST Improvements and Task Monitor Upgrades)	14 Weeks from SCAQMD Permit Approval (Duration 2 Weeks)
Commissioning and Testing	15 Weeks from SCAQMD Permit Approval (Duration 1 Week)

2.2 DELAYS AND EXTENSIONS OF TIME

a. Non-Compensable Delays: Delays caused by circumstances beyond Contractor's control, including but not limited to weather, supply chain disruptions, labor disputes, acts of God, or other force majeure events, shall entitle Contractor to an equitable extension of time only, with no additional compensation.

b. Compensable Delays: Delays caused by the City or its representatives, or by the City's failure to provide necessary information or site access, shall entitle Contractor to both an equitable extension of time and reasonable compensation for directly incurred costs, subject to written approval by the City.

c. Contractor shall notify the City in writing of any delay within seven (7) calendar days of its occurrence. Failure to provide timely notice may constitute a waiver of any claim for extension or compensation.

3. INCORPORATION OF STANDARD SPECIFICATIONS: The 2024 edition of "Standard Specifications for Public Works Construction" ("Greenbook") is incorporated herein by this reference. In the event of any conflict between this Contract and the Greenbook, the provisions of this Contract shall control.

4. INCORPORATED DOCUMENTS TO BE CONSIDERED COMPLEMENTARY: All Exhibits attached hereto are incorporated herein by reference. The documents, bonds, City insurance requirements, together with this written contract (and all Exhibits, documents and laws referenced therein), shall constitute the entire agreement between the parties as to the subject matter of this Contract. In the event of any conflict between this Contract and any Exhibit hereto, the provisions of this Contract shall control.

5. TERMINATION: City may terminate this Contract, without cause, at any time by providing Contractor with not less than 30 days' prior written notice. Provided Contractor is not then in breach, Contractor will be paid for work satisfactorily completed and for all deliverables received.

6. FEE SCHEDULE: Terms of payment and other applicable terms and conditions are in **Exhibit B** – Compensation. City shall pay to Contractor for furnishing the material and doing the prescribed work in accordance with **Exhibit B**. In no event shall Contractor be paid more than $253,405.43 (the "Base Compensation").

City will not pay for any services not specified in the Scope of Work, unless the City Council or the City Engineer, if applicable, and the authorized Contractor representative authorize such services in writing prior to Contractor's performance of those services or incurrence of additional expenses. Any additional services or expenses authorized by the City Council, or (where authorized) the City Public Works Director or designee shall be compensated as set forth in **Exhibit B**, or, if not specified, at a rate mutually agreed to by the Parties.

7. INSURANCE: Contractor shall not commence work under this Contract until it has obtained insurance with the minimum limits and coverage required under **Exhibit C,** City Insurance Requirements, in a company or companies acceptable to City. Contractor shall not allow any subcontractor to commence work on its subcontract until all insurance required of the subcontractor has been obtained. Contractor shall provide evidence of the required insurance to City's Risk Manager as specified in **Exhibit C**.

8. PREVAILING WAGES: Notwithstanding any statement to the contrary in Contractor's proposal or quote, City and Contractor acknowledge that this project is a public work to which prevailing wages apply. The document titled "Agreement to Comply with California Labor Law Requirements" is attached hereto as **Exhibit D**. Contractor shall comply with all provisions of **Exhibit D**.

9. BONDS: Contractor shall obtain and submit to City a signed and notarized copy of both performance and payment bonds, in an amount that is not less than 100% of the Base Compensation, and a maintenance bond, in an amount not less than 10% of the Base Compensation. Nothing in this Contract shall excuse this requirement. The required Payment Bond, Performance Bond (Labor and Materials), and Maintenance Bond forms are attached hereto as **Exhibit E**.

10. RESOLUTION OF DISPUTES: In the event that a dispute arises between City and Contractor regarding whether the conditions materially differ, or cause a decrease or increase in Contractor's cost of or time required for performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by this Contract, but shall proceed with all work to be performed under this Contract. Contractor shall retain any and all rights that pertain to the resolution of disputes and protests between the parties. In the event of any dispute or controversy with City over any matter whatsoever, Contractor shall not cause any delay or cessation in or of work, but shall proceed with the performance of the work in dispute. This includes disputed time extension requests and prices for changes. The disputed work will be categorized as an "unresolved dispute" and payment, if any, shall be as later determined by mutual agreement or a court of law. Contractor will keep accurate, detailed records of all disputed work, claims and other disputed matters. For purposes of this section, a "claim" means a separate demand by Contractor for a time extension, payment of money or damages arising from work done by or on behalf of Contractor pursuant to this Contract which is not otherwise expressly provided for, or an amount which is disputed by City. Redondo Beach Municipal Code Chapter 2.11, governing claims and actions against City, shall govern the procedures of the claim process, and the provisions of Redondo Beach Municipal Code Chapter 2.11 are hereby incorporated herein.

11. INDEMNIFICATION, HOLD HARMLESS, AND DUTY TO DEFEND:

    11.1 Design. In connection with its design professional services and to the maximum extent permitted by law, Contractor 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 Contractor or any of its officers, employees, subcontractors, or agents in the performance of its design professional services under this Agreement.

11.2 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, Contractor 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 Contractor 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. Contractor shall defend Indemnitees in any action or actions filed in connection with any such Damages. Notwithstanding the foregoing, nothing in this Section 11 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.

11.3 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.

11.4 Taxes: Contractor shall pay all required taxes on amounts paid to Contractor under this Contract, and indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Contract. Contractor shall fully comply with the workers' compensation law regarding Contractor and Contractor's employees. Contractor shall indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City may offset against the amount of any fees due to Contractor under this Contract any amount due to City from Contractor as a result of Contractor's failure to promptly pay to City any reimbursement or indemnification arising under this Section 11.

11.5 Subcontractor Indemnity Agreements: Contractor shall obtain executed written indemnity agreements from each subcontractor and any other person or entity retained by, for, with, or on behalf of Contractor in the performance of this Contract. Such indemnity agreements shall require the subcontractor to defend, indemnify, and hold harmless the Indemnitees to the same extent, and subject to the same limitations, as Contractor's own indemnity obligations under this Section 11. For subcontractors performing design professional services (as defined in California Civil Code § 2782.8), the indemnity shall conform to Section 11.1. For all other subcontractors, the indemnity shall conform to Section 11.2.

If Contractor fails to obtain such indemnity agreements, Contractor shall itself defend, indemnify, and hold harmless the Indemnitees from and against any and all Claims arising out of, pertaining to, or relating to the acts or omissions of such subcontractor, its officers, agents, servants, employees, materialmen, or contractors in the performance of this Contract, to the same extent and subject to the same limitations set forth in Sections 11.1 and 11.2 above, as applicable. Nothing in this Section shall be construed to require indemnification in excess of what is permitted under California Civil Code §§ 2782 or 2782.8.

11.6 Workers' Compensation Acts Not Limiting: Contractor's obligations under this Section, or any other provision of this Contract, shall not be limited by the provisions of any workers' compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

11.7 Insurance Requirements not Limiting: City does not, and shall not, waive any rights that it may possess against Contractor because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Contract. The hold harmless and indemnification provisions in this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities, Claims, tax, assessment, penalty or interest asserted against City.

11.8 Survival of Terms: The indemnification in this Section shall survive the expiration or termination of this Contract.

12. 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. No discrimination shall be made in the employment or application 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, and every Contractor for public works violating this Section is subject to all the penalties imposed for a violation of Division 2, Part 7, Chapter 1 of the Labor Code in accordance with the provisions of Section 1735 of that Code. 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 Contract.

13. LICENSES: Contractor is aware of California Labor Code Sections 1777.1 and 1777.7, which prohibit Contractor or any subcontractors who have been found by the Labor Commissioner or the Director of Industrial Relations to be in violation of certain provisions of the Labor Code, from bidding on, being awarded, or performing work as a contractor or subcontractor on a public works project for specified periods of time.

Pursuant to Public Contract Code Section 6109 and California Business and Professions Code Section 7028.15, Contractor shall be licensed as required by the Contractors' State License Board of the State to perform the work. Pursuant to Public Contract Code Section 3300, at all times during the term of this Contract, Contractor or its installation subcontractor shall possess a Class A or Class B California contractor's license.

Contractor has investigated and will ensure that any subcontractor possesses a valid specialty trade license in its trade as required by law.

14. BUSINESS LICENSE: Contractor shall obtain a Redondo Beach Business License before performing any services required under this Contract. The failure to so obtain such license shall be a material breach of this Contract 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 Contract to reflect such waiver.

15. WARRANTY; CORRECTION OF WORK: Contractor warrants that all products and work provided under this Agreement shall:

15.1 be delivered with good title, free of liens and encumbrances;

15.2 conform to the requirements of this Agreement;

15.3 be free from defects in materials and workmanship; and

15.4 be fit for their intended purpose.

Unless otherwise specified, this warranty shall remain in effect for one (1) year from the date of delivery or acceptance by the City, whichever is later, except that consumable items shall be warranted for thirty (30) days.

If, within the applicable warranty period, any product or work is determined by the City to be defective or nonconforming, Contractor shall, upon City's written notice and at its sole cost and expense, promptly repair, correct, or replace such product or work, including all labor, supervision, materials, removal, reinstallation, and related costs. If Contractor fails to do so, the City may perform the work and Contractor shall reimburse the City for its reasonable costs. All corrected or replaced work shall be subject to the same warranty.

In addition to the foregoing, Contractor shall provide and pass through to the City all applicable manufacturer warranties for the goods. Such manufacturer warranties are in addition to, and shall not limit, diminish, or supersede, Contractor's obligations under this Section 15. In the event of any conflict between the terms of a manufacturer warranty and this Agreement, the terms of this Agreement shall control.

Nothing in this Section 15 shall limit Contractor's obligation to correct or replace defective work or Contractor's indemnity obligations under Section 11. The warranty set forth in this Agreement shall survive the termination or expiration of this Agreement and shall remain

in full force and effect for the applicable warranty periods stated herein and under any assigned or passed through third-party manufacturer warranties.

16 REPRESENTATIONS AND WARRANTIES OF CONTRACTOR: Contractor represents and warrants that it is a corporation duly incorporated, validly existing, and in good standing under the laws of its state of incorporation, and is duly authorized to do business in the State of California.

17 ANTITRUST CLAIMS: Pursuant to Public Contract Code Section 7103.5, Contractor offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the California Business and Professions Code) arising from purchases of goods, services, or materials pursuant to this Contract. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.

18 OWNERSHIP OF DOCUMENTS AND WORK PRODUCT:

18.1 All documents, plans, specifications, reports, as-built drawings, shop drawings, electrical schematics, system layouts, calculations, photographs, images, video files, operation and maintenance manuals, and other media prepared, generated, or assembled by Contractor or its subcontractors in connection with the Project (collectively, "Project Documents") shall be the sole and exclusive property of the City. Contractor hereby irrevocably assigns to the City all right, title, and interest in and to the Project Documents, including all copyrights, trade secrets, and other intellectual property rights therein, and including any derivative works, adaptations, or modifications of Contractor's pre-existing materials prepared for the Project. Contractor shall execute such further instruments as the City may request to confirm or perfect such assignment.

18.2 Contractor retains ownership only of intellectual property that (i) was reduced to tangible form prior to the Effective Date of this Contract, and (ii) is not specific to the Project (collectively, "Pre-Existing Materials"). To the extent any Pre-Existing Materials are incorporated into the Project Documents or otherwise delivered to the City, Contractor grants the City a perpetual, irrevocable, worldwide, royalty-free, fully paid-up, non-exclusive license, with the right to sublicense, to use, reproduce, modify, and prepare derivative works of such Pre-Existing Materials for any purpose related to the Project or the City's operations. Contractor shall identify in writing any Pre-Existing Materials it claims under this paragraph prior to their incorporation into the Project Documents; materials not so identified shall be deemed Project Documents assigned to the City under the preceding paragraph.

18.3 With respect to equipment furnished under this Contract, Contractor shall deliver or cause to be delivered to the City all manufacturer documentation, technical manuals, warranties, configuration files, source files, passwords, access codes, diagnostic credentials, and any other materials necessary for the City or its designees to operate, maintain, service, repair, modify, or replace the equipment,

including without limitation the Franklin Fueling EVO600 monitoring system, Wayne dispensers, and Tuthill turbine pumps. Contractor shall obtain from each manufacturer and supplier, and assign or sublicense to the City as permitted, all rights necessary for the City's full use of such equipment and documentation over the useful life of the Project.

18.4 Contractor warrants that it has obtained all rights, licenses, and consents necessary for the City's use of the Project Documents and any incorporated materials as contemplated by this Contract. Contractor shall defend, indemnify, and hold the City and its officials, officers, employees, agents, and volunteers harmless from any claim that the City's use of the Project Documents or any materials provided or licensed under this Section infringes any patent, copyright, trade secret, trademark, or other intellectual property right. If any such use is enjoined, Contractor shall, at its sole expense, either procure for the City the right to continue such use or modify the affected material so that it is non-infringing and remains in compliance with the requirements of this Contract.

18.5 Upon completion, termination, abandonment, or suspension of the Project, Contractor shall deliver to the City all Project Documents in both printed form and in an electronic format reasonably acceptable to the City. The provisions of this Section shall survive the expiration or termination of this Contract.

19 THIRD-PARTY CLAIM: Pursuant to Public Contract Code Section 9201, City has full authority to compromise or otherwise settle any claim relating to this Contract at any time. City shall timely notify Contractor of the receipt of any third-party claim relating to this Contract. City shall be entitled to recover its reasonable costs incurred in providing the notification required by Public Contract Code Section 9201(b).

20 EXHIBITS. The following Exhibits are attached hereto and incorporated into this Contract by reference.

Exhibit A: Scope of Work

Exhibit B: Compensation

Exhibit C: Insurance Requirements

Exhibit D: Agreement to Comply with California Labor Law Requirements

Exhibit E: Payment Bond, Performance Bond, and Maintenance Bond Forms

In the event of any conflict between this Contract and any Exhibit, the terms of this Contract shall control. In the event of any conflict among the Exhibits, they shall control in the order in which they appear above.

21 INDEPENDENT CONTRACTOR: Contractor is and shall at all times remain, as to City, a wholly independent contractor. The personnel performing the Services under this Contract on behalf of Contractor shall at all times be under Contractor's exclusive direction and control.

Neither City nor any of its officers, officials, employees, agents, or volunteers shall have control over the conduct of Contractor or any of Contractor's employees except as set forth in this Contract, and Contractor is free to dispose of all portions of its time and activities which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Contractor wishes except as expressly provided in this Contract. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent.

Contractor shall not, at any time or in any manner, represent that it or any of its agents, servants or employees are in any manner agents, servants or employees of City. Contractor agrees to pay all required taxes on amounts paid to Contractor under this Contract, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Contract. Contractor shall fully comply with the workers' compensation law regarding Contractor and its employees, and Contractor further agrees to indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any fees due to Contractor under this Contract any amount due to City from Contractor as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section.

22 ASSIGNMENT: Contractor shall not assign or transfer any interest in this Contract or any part thereof, whether by assignment or novation, without City's prior written consent. Any purported assignment without written consent shall be null and void, and Contractor shall hold harmless, defend and indemnify City and its officers, officials, employees, agents and representatives with respect to any claim, demand or action arising from any unauthorized assignment.

23 GOVERNING LAW AND VENUE: Should either party to this Contract bring legal action against the other, the validity, interpretation, and performance of this Contract shall be controlled by and construed under the laws of the State, excluding California's choice of law rules. Venue for any such action relating to this Contract shall be in the Los Angeles County Superior Court.

24 ATTORNEYS' FEES: If any legal action or other proceeding, including action for declaratory relief, is brought for the enforcement of this Contract or because of an alleged dispute, breach, default or misrepresentation in connection with this Contract, the prevailing party shall be entitled to recover reasonable attorneys' fees, experts' fees, and other costs, in addition to any other relief to which the party may be entitled.

25 NOTICES: Except as otherwise required by law, any notice, request, direction, demand, payment, consent, waiver, approval or other communication required or permitted to be given hereunder to City shall not be effective unless it is given in writing and shall be delivered (a) in person, (b) by email or (c) certified mail, postage prepaid, and addressed to City at the address stated below, or at such other address as City may hereafter notify Contractor in writing as aforementioned:

To CITY:

City of Redondo Beach
Public Works Department, Engineering Division
415 Diamond Street
Redondo Beach, California 90277
Attention: City Engineer
Email: lauren.sablan@redondo.org

To CONTRACTOR:

SunWest Engineering Constructors, Inc.
4780 Cheyenne Way
Chino, CA 91710
Attention: Andrew Garcia
Email contact: andrew.garcia@sunwestengineering.com

All notices, including notices of address changes, provided under this Contract 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. For purposes of communicating these time frames, weekends and federal, State, religious, County of Los Angeles or City holidays shall be excluded. No communication via facsimile shall be effective to give any such notice or other communication hereunder.

26 HEADINGS: The headings and section titles contained in this Contract are for convenience and reference only and shall not affect the interpretation or construction of this Contract.

27 ENTIRE AGREEMENT: This Contract, including any other documents incorporated herein by reference, represents the entire integrated agreement between City and Contractor and supersedes all prior or contemporaneous negotiations, representations, agreements, understandings and statements, written or oral. This Contract may only be modified or amended, or provisions or breach may be waived, by written agreement signed by both parties. The provision of this Contract shall govern over any inconsistent provisions contained in any Exhibit.

28 NON-WAIVER OF TERMS, RIGHTS AND REMEDIES: Waiver by either party of any one or more of the conditions of performance under this Contract shall not be a waiver of any other condition of performance under this Contract. In no event shall the making by City of any payment to Contractor constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Contractor, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

29 SEVERABILITY: Whenever possible, each provision of this Contract shall be interpreted in such a manner as to be valid under applicable law. If any term or portion of this Contract is determined by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, the remaining provisions of this Contract shall nevertheless continue in full force and effect and shall in no way be affected, impaired or invalidated.

30 SURVIVAL: The following provisions shall survive the expiration or termination of this Contract: Section 10; Section 11; Section 15, including all subsections; Section 16; Section 17; Section 18; Section 19; Section 21; Section 22; Section 24; Section 28; and Section 11 of Exhibit D. Survival of these provisions shall not be construed to limit or waive any right or remedy available to either party under this Contract or applicable law.

SIGNATURES FOLLOW ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have caused these present to be duly executed with all the formalities required by law on the respective dates set forth opposite their signatures.

CITY OF REDONDO BEACH,
a chartered municipal corporation

Dated: _____

By: _____
James A. Light, Mayor

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

SUNWEST ENGINEERING CONSTRUCTORS, INC., a California corporation

Dated: 6/2/2026 | 1:15 PM PDT

By: Signed by: Micaela Kissick AB14DA983EDE4EA...
Micaela Kissick, Corporate Secretary
Telephone: 909-536-6554

_____

Emergency Phone Number at which Contractor can be reached at any time:
Micaela Kissick, Corporate Secretary

Telephone: 909-536-6554

* Evidence of authority to bind Contractor required.

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

I. CONTRACTOR'S DUTIES

Contractor shall provide all labor, materials, equipment, tools, supervision, permits, and services necessary to remove, replace, install, test, and commission a complete Fueling Facility Dispensing System Upgrade (collectively the "Project") located at the City Yard, 541 N. Gertruda Ave., Redondo Beach, CA, 90277. All work shall be performed in accordance with applicable Federal, State, and local laws, regulations, and codes, and to the satisfaction of the City. Contractor shall ensure the fueling system is operational upon completion.

Contractor shall:

A. Task 1 – Submittals, Design & Permits

1. Perform a comprehensive condition assessment of the existing fueling infrastructure, including equipment, piping, and electrical systems, to determine suitability for reuse or replacement.
2. Prepare and submit complete design-build documentation, including equipment submittals, shop drawings, electrical schematics, system layouts, and installation details for City review and approval.
3. Obtain all required permits and approvals, including but not limited to South Coast Air Quality Management District ("SCAQMD"), Fire Department, Building, and any other applicable regulatory agencies. Such permit assistance services will be performed on a time and materials basis billed in accordance with the schedule set forth in Exhibit "B".
4. Prepare and submit all required permit applications, including but not limited to, the SCAQMD modification permit for Onboard Refueling Vapor Recovery ("ORVR") compliance.
5. Coordinate all plan reviews, inspections, and approvals with applicable regulatory agencies and the City.
6. Develop and implement a phased construction plan to ensure uninterrupted, or minimally disrupted, fueling operations, as approved and coordinated with the City.

B. Task 2 – Construction & Installation

1. Perform Lock-Out/Tag-Out ("LOTO) procedures to safely de-energize the existing fuel system in accordance with applicable safety regulations.
2. Remove and properly dispose of existing fuel pumps, dispensers, and associated components in accordance with all applicable regulations.
3. Furnish and install four (4) Tuthill 313V, 35 GPM turbine pumps, one for each tank.

4. Reconfigure existing siphon piping between tanks to ensure proper system operation and fuel balancing.
5. Furnish and install one (1) Wayne dual-hose dispenser for the unleaded fuel system, including ORVR-compliant hanging hardware.
6. Furnish and install one (1) Wayne high-capacity diesel dispenser, including new hanging hardware.
7. Furnish and install one (1) Franklin Fueling EVO600 monitoring system, including all required probes and sensors.
8. Furnish and install all required conduits, conductors, cables, and junction boxes necessary for a complete and operational system.
9. Perform all work in a manner that maintains continuous fueling operations unless otherwise authorized in writing by the City.
10. Excavation is expressly excluded from the Scope of Work and Contractor's proposal. In the event excavation becomes necessary, Contractor shall not perform such work unless the City Public Works Director or designee authorizes the excavation work in accordance with Section 6 of this Agreement. Any such additional work shall be compensated in accordance with the rates provided in Exhibit B.

C. Task 3 – Testing, Commissioning & Closeout

1. Perform full system startup, testing, and commissioning of all installed equipment.
2. Conduct all required testing and certifications, including monitoring system certification and vapor recovery testing.
3. Provide all testing documentation, certifications, and regulatory approvals required for acceptance.
4. Deliver complete closeout documentation, including as-built drawings, operation and maintenance manuals, and manufacturer warranties.
5. Provide operator training to City personnel for system operation, safety procedures, and maintenance requirements.
6. Provide two (2) hard copies of an Operations and Maintenance Manual and As-Built Plans to the City upon project completion.

D. Task 4 – Business Licenses/Bond

1. Purchase on behalf of itself and its subcontractors City Businesses Licenses and maintain them throughout the duration of the Agreement.
2. Obtain all permits required by Federal, State, and local agencies, including the City's required Permits.
3. Furnish the following bonds on City form, within 14 days of City Council's approval of the Agreement.

a. A Performance Bond in an amount equal to One Hundred percent (100%) of the contract price.
b. A Payment Bond (Labor and Material) in an amount equal to One Hundred percent (100%) of the total contract price.
c. A Maintenance Bond in an amount equal to Ten percent (10%) of the total contract price.

All bonds shall be in the substantially the same form as provided in Exhibit "E", and shall be accompanied by a power of attorney from the surety company authorizing the person executing the bond to sign on behalf of the company. If the bonds are executed outside the State of California, all copies of the bonds must be countersigned by a California representative of the surety. The signature of the person executing the bond shall be acknowledged by a notary public as the signature of the person designated in the power of attorney.

The surety or sureties on all bonds furnished must be satisfactory to the City. City will reject surety bonds obtained from any company which is not an admitted surety insurer under the laws of the State of California and which does not hold a Certificate of Authority from the U.S. Secretary of the Treasury under 31 U.S.C. §§ 9304-9306 as an acceptable surety on federal bonds. The surety must also be listed in the latest edition of U.S. Department of Treasury Circular 570, and the bonds provided must not exceed the surety's bonding limitations as set forth in Circular 570. Bonds shall be in multiples of $1,000 only; provided, however, that the amount of the bond shall otherwise be fixed at the lowest sum that will fulfill all conditions.

E. Ongoing Maintenance Scope of Work Included:

1. Monthly GDF Inspection:

a. Inspect nozzle boots for tears or damage, verify that interlock mechanism's function, and check for proper nozzle spout installation.
b. Check hoses for cuts, tears, or kinks, and ensure breakaways are secure.
c. Check for debris, liquid, or cracks in the dispenser.
d. Verify that Phase I vapor caps are present, gaskets are intact, and adapters are tight on the riser.
e. Ensure that daily, weekly, and previous monthly inspection logs are completed and filed.

2. Annual Monitoring System Certification:

a. Make notification to the City of Redondo Beach facility supervisor.
b. Perform one monitoring system certification for four tanks aboveground storage tanks.
c. Provide test results to the City.

3. Annual Vapor Recovery Testing:

    a. Make notification to the SCAQMD.
    b. Perform vapor recovery testing for two unleaded aboveground storage tanks.
    c. Provide test results to the City and the SCAQMD.

4. Special Services: Contractor shall provide special services as requested by the City's Fleet Maintenance Supervisor or his designee. Special services will typically involve repair activities that are in addition to regularly scheduled preventative maintenance. Parts and materials for ongoing maintenance are not part of this Agreement. Contractor shall inform the City of any parts and materials that are needed and provide a price quotation to provide and install the necessary parts and materials (with labor based on rates listed in Exhibit B).

    a. Contractor shall be available to provide special services within 24 hours.
    b. Contractor will be compensated for special services on an hourly basis as outlined in Exhibit B.

II. CITY'S DUTIES

F. Task 2 – Construction & Installation.

1. City shall provide reasonable access to the site and available existing records.
2. City review or approval of submittals shall not relieve Contractor of responsibility for errors, omissions, or compliance with applicable requirements.
3. City shall verify that the existing electrical breaker panel has adequate capacity to accommodate the new breakers required for the turbine pumps.

G. Task 4 – Business Licenses/Bond. City will waive the City permit fees described in Section I.D of this Exhibit "A" (Task 4). With respect to the bonds described in Section 9 of the Agreement and Section I.D of this Exhibit "A" (Task 4), City will reject surety bonds obtained that fail to meet Federal, State, and local requirements.

EXHIBIT B

COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

I. **AMOUNT:** Contractor shall be compensated as the table set forth below:

A. **Construction**

Task	Item	Quantity	Unit	Unit Price	Not to Exceed Cost
1	Submittals, Design & Permits	1	EA	$14,000.00	$13,781.18.00
2	Construction & Installation	1	EA	$152,500.00	$151,549.77
3	Testing, Commissioning & Closeout	1	EA	$3,500.00	$3,055.98
				SUB-TOTAL	**$168,386.93**
	Contingency (25%)				$42,096.73
				TOTAL	**$210,483.66**

The prices and rates listed in the tables above are fully burdened and include all direct and indirect costs, expenses, overhead, and profit. Contractor shall not invoice the City for any additional amounts beyond those stated in the tables unless expressly authorized in writing by the City.

B. **Project Time and Materials and Ongoing Maintenance Year One Rates**

	Personnel or Task	Quantity	Unit	Unit Price
1	Technician Labor	1	HR	$137.11
2	Technician Overtime Rate Labor	1	HR	$181.38
3	Technician Double-time Rate Labor	1	HR	$221.99
4	Project Manager	1	HR	$118.50
5	Clerical	1	HR	$84.00
6	Architect	1	HR	$145.00
7	Monthly GDF Inspection	12	EA	$150.00
8	Annual Tank Monitor Certification	1	EA	$1,251.00
9	Vapor Recovery Testing	1	EA	$564.00

Year Two and Year Three labor and service rates shall increase by five percent (5%) annually from the preceding year's rates. Parts and materials shall be billed at Contractor's cost plus a fifteen percent (15%) markup.

Annual Maintenance Totals

Year One:	**Amount**
Preventative Maintenance:	$3,615.15
Special Services Labor and Parts:	$10,000.00
Year One Total	**$13,615.15**
Year Two:	
Preventative Maintenance:	$3,795.91
Special Services Labor and Parts:	$10,500.00
Year Two Total	**$14,295.90**
Year Three:	
Preventative Maintenance:	$3,985.71
Special Services Labor and Parts:	$11,025.00
Year Three Total	**$15,010.71**

II. **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 unknown utility conflicts extending the repair limits, or adding new locations authorized by written change order pursuant to Section 6 of the Contract, the Contractor 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 Contractor may utilize up to 25% in contingency funds to perform such additional work.

Any such use of contingency funds shall not increase the total compensation payable to Contractor for the initial rehabilitation of the City Fuel Island beyond $210,483.66. Total ongoing maintenance cost shall not exceed $42,921.77. The total Base Compensation for the construction of the Project ($210,483.66) and ongoing maintenance ($42,921.77) shall not exceed $253,405.43.

III. **METHOD OF PAYMENT:** Contractor 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. Description of the work performed
C. Number of hours worked for each individual
D. Hourly rate and Percentage of Task Completed Noted
E. All City approved and documented subcontractor invoices.
F. If applicable, detailed documentation of expenses incurred, with receipts attached.

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 (if applicable). Contractor may be required to provide back-up material upon request. Contractor shall attach certified payroll reports demonstrating compliance with prevailing wage requirements, if applicable.

IV. **SCHEDULE FOR PAYMENT:** City agrees to pay Contractor within thirty (30) days of City's receipt of the monthly invoice. Notwithstanding the foregoing, the City may withhold up to five percent (5%) as retention and may also withhold amounts in good-faith dispute, to the maximum extent permitted by law. Retention will be released after project completion, except for disputed amounts.

Final payment, including release of retention, shall be conditioned upon Contractor's full completion of the Work, submission of all required closeout documentation, and delivery of fully executed releases of lien and stop notice rights from Contractor and all subcontractors and suppliers. As a further condition to final payment, the City may withhold any portion of the final payment reasonably necessary until the expiration of all applicable statutory periods for the filing of liens, stop notices, or other claims for payment arising out of the Work. Retention not subject to good-faith dispute shall be released within sixty (60) days of final acceptance of the Work, in accordance with California Public Contract Code § 7107.

EXHIBIT C

INSURANCE REQUIREMENTS

A. Minimum Scope and Limits of Insurance. Contractor shall procure and at all times during the term of this Contract carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of $2,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of $2,000,000.00 per project or location. If Contractor is a limited liability company, the commercial general liability coverage shall be amended so that Contractor and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Contract with a combined single limit of $1,000,000.00 per accident for bodily injury and property damage. If Contractor does not use any owned, non-owned or hired vehicles in the performance of Services under this Contract, Contractor shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Exhibit C.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of $1,000,000.00 per accident for bodily injury or disease. If Contractor has no employees while performing Services under this Contract, workers' compensation policy is not required, but Contractor shall execute a declaration that it has no employees.

B. Acceptability of Insurers. The insurance policies required under this Exhibit C shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self-insurance shall not be considered to comply with the insurance requirements under Exhibit "C".

C. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming City, its officers, employees, agents and volunteers as additional insureds. 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".

D. Primary and Non-Contributing. The insurance policies required under Contract shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Contractor's insurance and shall not contribute with it.

E. Contractor's Waiver of Subrogation. The insurance policies required under this Contract shall not prohibit Contractor and Contractor's employees, agents or subcontractors from

waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against City.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Contractor shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Contractor shall procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Contractor shall not cancel, reduce or otherwise modify the insurance policies required by Contract during the term of this Contract. The commercial general and automobile liability policies required under this Contract shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to City. If any insurance policy required under Contract is canceled or reduced in coverage or limits, Contractor shall, within two business days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.

H. City Remedy for Noncompliance. If Contractor does not maintain the policies of insurance required under this Contract in full force and effect during the term of this Contract, or in the event any of Contractor's policies do not comply with the requirements under **Exhibit C**, City may either immediately terminate this Contract or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at Contractor's expense, the premium thereon. Contractor shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Contractor.

I. Evidence of Insurance. Prior to the performance of Services under this Contract, Contractor shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under Contract. The endorsements are subject to City's approval. Contractor may provide complete, certified copies of all required insurance policies to City. Contractor shall maintain current endorsements on file with City's Risk Manager. Contractor shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Contract have been renewed or replaced with other policies providing at least the same coverage. Contractor shall furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Contractor shall not be construed as a limitation of Contractor's liability or as full performance of Contractor's duty to indemnify City under Section 11 of this Contract.

K. Subcontractor Insurance Requirements. Contractor shall require each of its subcontractors that perform Services under this Contract to maintain insurance coverage that meets all of the requirements of this **Exhibit C**.

EXHIBIT D

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

The following provisions are incorporated into and made a part of this Contract.

1. Contractor acknowledges that the project as defined in this Contract 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 Contract 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 Contract 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 Contract.

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 Contract 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 Contract, 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 Contract, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Contract.

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 Contract 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 D 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 Contract, 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 Contract.

EXHIBIT E

PAYMENT BOND, PERFORMANCE BOND, AND MAINTENANCE BOND FORMS

The Payment Bond and Performance Bond forms are attached.

Performance Bond

Bond No.: _____

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS, the City of Redondo Beach, California ("City"), has awarded to

SunWest Engineering Constructors, Inc.
4780 Cheyenne Way
Chino, CA 91710

("Principal"), a contract ("Contract") for the work described as follows:

City Fuel Island Maintenance # 20670

WHEREAS, Principal is required under the terms of the Contract to furnish a bond for the faithful performance of the Contract.

NOW, THEREFORE, we, the undersigned Principal, and

_____

_____

(Name and address of Surety)

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City in the penal sum of One hundred sixty eight thousand, three hundred and eighty six dollars and ninety three cents ($168,386.93), this amount being not less than one hundred percent (100%) of the total contract price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bound Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and will and truly keep and perform all the undertakings, terms, covenants, conditions and agreements in the Contract and any alteration thereof made as therein provided, on the Principal's part to be kept and performed, all within the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and hold harmless the City, its officials, officers, agents, and others as therein provided, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect. In case suit is brought upon this bond, Surety further agrees to pay all court costs incurred by the City in the suit and reasonable attorneys' fees in an amount fixed by the court.

FURTHER, the Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, addition or modification to the terms of the Contract, or of the work to be performed thereunder, or the specifications for the same, shall in any way affect its obligations under this bond, and it does hereby waive notice of any such change, extension of time, alteration, addition, or modification to the terms of the Contract or to the work or to the specifications thereunder.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Date:_____

"Principal"	**"Surety"**
_____	_____
_____	_____
By: _____	By:_____
Name:_____	Name:_____
Its: _____	Its:_____
By: _____	By:_____
Name: _____	Name:_____
Its: _____	Its:_____
(Seal)	(Seal)

CITY OF REDONDO BEACH	**CITY OF REDONDO BEACH**
APPROVED AS TO SURETY AND PRINCIPAL AMOUNT	**APPROVED AS TO FORM**
By: _____	By: _____
Risk Manager	City Attorney

Note: This bond must be executed in duplicate and dated. All signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached.

Payment Bond

(Labor and Material)

Bond No.: _____

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS, the City of Redondo Beach, California ("City"), has awarded to

SunWest Engineering Constructors, Inc.
4780 Cheyenne Way
Chino, CA 91710

("Principal"), a contract ("Contract") for the work described as follows:

City Fuel Island Maintenance # 20670

WHEREAS, Principal is required under the terms of the Contract and the California Civil Code secure the payment of claims of laborer, mechanics, materialmen, and other persons as provided by law

NOW, THEREFORE, we, the undersigned Principal, and

_____

_____

(Name and address of Surety)

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City in the penal sum of One hundred sixty eight thousand, three hundred and eight six dollars and ninety three cents ($168,386.93), this amount being not less than one hundred percent (100%) of the total contract price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bound Principal, its heirs, executors, administrators, successors or assigns, or subcontractors shall fail to pay any of the persons named in Section 3181 of the California Civil Code, or any amounts due under the Unemployment Insurance Code with respect to work or labor performed under the Contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Section 13030 of the Unemployment Insurance Code, with respect to work or labor performed under the Contract, the Surety will pay for the same in an amount not exceeding the penal sum specified in this bond; otherwise, this obligation shall become null and void. This bond shall inure to the benefit of any of the persons named in Section 3181 of the California Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon the bond. In case suit is brought upon this bond, Surety further agrees to pay all court costs incurred by the City in the suit and reasonable attorneys' fees in an amount fixed by the court.

FURTHER, the Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, addition or modification to the terms of the Contract, or of the work to be performed thereunder, or the specifications for the same, shall in any way affect its obligations under this bond, and it does hereby waive notice of any such change, extension of time, alteration, addition, or modification to the terms of the Contract or to the work or to the specifications thereunder.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Date:_____

"Principal"	**"Surety"**
_____	_____
_____	_____
`	
By: _____	By:_____
Name: _____	Name:_____
Its: _____	Its:_____
By: _____	By:_____
Name: _____	Name:_____
Its: _____	Its:_____
(Seal)	(Seal)
CITY OF REDONDO BEACH	**CITY OF REDONDO BEACH**
APPROVED AS TO SURETY AND PRINCIPAL AMOUNT	**APPROVED AS TO FORM**
By: _____	By: _____
Risk Manager	City Attorney

Note: This bond must be executed in duplicate and dated. All signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached.

Maintenance Bond

Bond No.: _____

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS, the City of Redondo Beach, California ("City"), has awarded to

SunWest Engineering Constructors, Inc.
4780 Cheyenne Way
Chino, CA 91710

("Principal"), a contract ("Contract") for the work described as follows:

City Fuel Island Maintenance # 20670

WHEREAS, the Principal is required to furnish a bond in connection with said contract guaranteeing the maintenance thereof.

NOW, THEREFORE, we, the undersigned Contractor and Surety, are held firmly bound unto the City in the penal sum of Sixteen thousand eight hundred and thirty eight dollars and sixty nine cents $16,838.69), this amount being not less than ten percent (10%) of the total contract price, be paid to the City, its successors and assigns, for which payment will and truly to be made we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if bound Principal fails to make at its expense, in order to restore the work to full compliance with the requirements of the above-mentioned contract or any modifications or amendments thereto, any and all repairs and replacements made necessary by defects in materials or poor workmanship that become evident within one (1) year after the date of final payment to the Contractor, or if the Contractor fails to hold the City harmless from claims of any kind arising from damage due to said defects in materials or poor workmanship, then the Surety or sureties shall pay to the City and the City shall be entitled to retain and use the full amount of the Maintenance Bond set forth above, or any portion thereof sufficient to permit City or any contractors or subcontractors selected by the City to do the work in order to restore it to full compliance with the requirements of the contract or any modifications or amendments thereto, and sufficient to hold the City harmless from claims arising from defects in materials or poor workmanship; otherwise, the above obligations shall be void. If suit is brought to enforce the terms of this Maintenance Bond, the prevailing party shall be entitled to receive from the other party costs of suit, including reasonable attorneys' fees.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Date:_____

"**Principal**"	"**Surety**"
_____	_____
_____	_____
By: _____	By: _____
Name: _____	Name:_____
Its: _____	Its:_____
By: _____	By: _____
Name: _____	Name:_____
Its: _____	Its:_____
(Seal)	(Seal)

CITY OF REDONDO BEACH

APPROVED AS TO SURETY AND PRINCIPAL AMOUNT	**APPROVED AS TO FORM**
By: _____	By: _____
Risk Manager	City Attorney

Note: This bond must be executed in duplicate and dated. All signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached

MJKCONS-01 ESQUIVELY

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/19/2026

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 License # 0E67768
IOA Insurance Services
130 Vantis
Suite 250
Aliso Viejo, CA 92656

CONTACT NAME: Almie Valdez
PHONE (A/C, No, Ext): (949) 297-5530 FAX (A/C, No): (949) 297-5960
E-MAIL ADDRESS: Almie.Valdez@ioausa.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Nautilus Insurance Company	17370
INSURER B : Key Risk Insurance Company	10885
INSURER C : State Compensation Insurance Fund of CA	35076
INSURER D : Great American Insurance Company	16691
INSURER E :	
INSURER F :	

INSURED
Sunwest Engineering Constructors, Inc.
4780 Cheyenne Way
Chino, CA 91710

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	X	ECP202766218	12/1/2025	12/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG PRODUCTS LIABIL	$ 2,000,000 $ 100,000 $ 5,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $ Included
B	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS HIRED AUTOS ONLY NON-OWNED AUTOS ONLY	X	X	BAP202766117	12/1/2025	12/1/2026	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 DED RETENTION $			FFX202766317	12/1/2025	12/1/2026	EACH OCCURRENCE AGGREGATE	$ 9,000,000 $ 9,000,000
C	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	9243819	12/1/2025	12/1/2026	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
D	Crime/EE Dishonesty			SAAE78692704	12/1/2025	12/1/2026		1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Professional Liability
Carrier: Nautilus - Policy #ECP202766218
Effective: 12/01/2025 to 12/01/2026
Each Claim: $1MIL - Aggregate: $2MIL - Ded: $5,000
Retroactive Date: 09/27/2003

Contractors Pollution
SEE ATTACHED ACORD 101

CERTIFICATE HOLDER

City of Redondo Beach
531 N. Gertrude Avenue
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
Elizabeth Lizek, CIC

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The ACORD name and logo are registered marks of ACORD

AGENCY CUSTOMER ID: MJKCONS-01 ESQUIVELY

LOC #: 1

ADDITIONAL REMARKS SCHEDULE

AGENCY	License # 0E67768	NAMED INSURED
IOA Insurance Services		Sunwest Engineering Constructors, Inc. 4780 Cheyenne Way Chino, CA 91710
POLICY NUMBER		
SEE PAGE 1		
CARRIER	NAIC CODE	EFFECTIVE DATE: SEE PAGE 1
SEE PAGE 1	SEE P 1	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:
Carrier: Nautilus - Policy #ECP202766218
Effective: 12/01/2025 to 12/01/2026
Each Claim: $2MIL - Aggregate: $4MIL - Ded: $5,000
Occurrence Basis

Property - Leased/Rented - Replacement Cost
Carrier: Travelers Property Casualty Company of America
Policy #6303R122616
Effective: 12/01/2025 to 12/01/2026
$500,000 - Ded: $1,000

City of Redondo Beach is recognized as Additional Insured with respects to General Liability, Auto Liability, Contractors Pollution Liability on a Primary and Non-Contributory basis; Waiver of Subrogation applies to General Liability, Auto Liability, Workers' Compensation and Contractors Pollution Liability; Excess Liability follows liability forms; all applicable as required by written contract.

30 Day Notice of Cancellation with 10 Day Notice for Non-Payment of Premium in accordance with the policy provisions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED -- OWNERS, LESSEES OR CONTRACTORS AUTOMATIC STATUS – ONGOING OPERATIONS – COVERAGE A, B, D.1 & D.4

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

I. **SECTION III – WHO IS AN INSURED** is amended to include as an additional **insured**:

1. 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, in effect during this **policy period**, that such person or organization be added as an additional **insured** on this policy; and

2. Any other person or organization you are explicitly required to add as an additional **insured** under the contract or agreement described in Paragraph **1.** above.

Such contract or agreement must be executed and in effect prior to the performance of **your work** which is the subject of such contract or agreement.

Such person(s) or organization(s) is an additional **insured** only with respect to liability for **bodily injury** or **property damage** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Coverage D.1 – Contractors Pollution Legal Liability** and **Coverage D.4 – Microbial Substance Contractors Pollution Liability,** or personal injury or advertising injury under **SECTION I - COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** directly caused by:

a. Your acts or omissions; or
b. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional **insured** described in Paragraph **1.** or **2.** above.

However, the insurance afforded to such additional **insured** described above:

a. Only applies to the extent permitted by law; and
b. Will not be broader than that which you are required by the contract or agreement to provide for such additional **insured**, and
c. Will not extend beyond that which is provided to you in this policy.

A person's or organization's status as an additional **insured** under this endorsement ends when your operations for the person or organization described in Paragraph **1.** above are completed.

II. With respect to the insurance afforded to these additional **insureds**, the following additional exclusions apply:

This insurance does not apply to:

a. **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:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
(2) 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.

b. **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

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(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.

III. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION V – 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 described in Paragraph **I.1.**; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

IV. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION VI – REPORTING, DEFENSE, SETTLEMENT & COOPERATION**:

1. Duties -- Additional Insured

An additional **insured** must see to it that:

a. We are notified in writing as soon as practicable of an **occurrence** or offense which may result in a **claim** or **suit;**
b. We receive written notice of a **claim** or **suit** as soon as practicable; and
c. A request for defense and indemnity of the **claim** or **suit** will promptly be brought against any policy issued by another insurer under which the additional **insured** may be an insured in any capacity. This provision does not apply to insurance on which the additional **insured** is a **Named Insured**, if the contract or agreement requires that this coverage be primary and noncontributory.

V. SECTION VII – CONDITION 10. – Other Insurance is amended by the addition of the following which supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to a person(s) or organization(s) included as an additional **insured** under this endorsement provided that:

1. The additional **insured** person(s) or organization(s) is a **Named Insured** under such other insurance; and
2. You have agreed in writing in a contract or agreement, in effect during this **policy period**, that this insurance would be primary and would not seek contribution from any other insurance available to the additional **insured** person(s) or organization(s). Such contract or agreement must be executed and in effect prior to the performance of **your work** which is the subject of such contract or agreement.

However, this provision does not apply if the other insurance available to the person(s) or organization(s) included as an additional **insured** is Owners and Contractors Protective Liability, Railroad Protective Liability, or similar project-specific, primary insurance.

VI. This endorsement does not apply to an additional **insured** which has been added to this policy by an endorsement showing the additional **insured** in a **SCHEDULE** of additional **insureds**, and which endorsement applies to that designated additional **insured**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED -- OWNERS, LESSEES OR CONTRACTORS AUTOMATIC STATUS – COMPLETED OPERATIONS – COVERAGE A, D.1 & D.4

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

I. **SECTION III – WHO IS AN INSURED** is amended to include as an additional **insured**:

1. Any person or organization for whom you have performed operations when you and such person or organization have agreed in writing in a contract or agreement, in effect during this **policy period**, that such person or organization be added as an additional **insured** on this policy; and

2. Any other person or organization you are explicitly required to add as an additional **insured** under the contract or agreement described in Paragraph **1.** above.

Such contract or agreement must be executed and in effect prior to the performance of **your work** included in the **products-completed operations hazard** which is the subject of such contract or agreement.

Such person(s) or organization(s) is an additional **insured** only with respect to liability for **bodily injury** or **property damage** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Coverage D.1 – Contractors Pollution Legal Liability** and **Coverage D.4 – Microbial Substance Contractors Pollution Liability,** directly caused by **your work** performed for the additional **insured** described in Paragraph **1.** or **2.** above, and included in the **products-completed operations hazard**.

However, the insurance afforded to such additional **insured** described above:

a. Only applies to the extent permitted by law; and
b. Will not be broader than that which you are required by the contract or agreement to provide for such additional **insured**; and
c. Will not extend beyond that which is provided to you in this policy.

II. With respect to the insurance afforded to these additional **insureds**, the following additional exclusions apply:

This insurance does not apply to:

a. **Bodily injury** or **property damage** arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
(2) 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** involved the rendering of, or the failure to render any professional architectural, engineering or surveying services.

III. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION V – 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 described in Paragraph **I.1.**; or
2. Available under the applicable limits of insurance;
whichever is less.

This endorsement shall not increase the applicable limits of insurance.

IV. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION VI –**

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REPORTING, DEFENSE, SETTLEMENT & COOPERATION:

1. Duties -- Additional Insured

An additional **insured** must see to it that:

a. We are notified in writing as soon as practicable of an **occurrence** which may result in a **claim** or **suit;**

b. We receive written notice of a **claim** or **suit** as soon as practicable; and

c. A request for defense and indemnity of the **claim** or **suit** will promptly be brought against any policy issued by another insurer under which the additional **insured** may be an insured in any capacity. This provision does not apply to insurance on which the additional **insured** is a **Named Insured**, if the contract or agreement requires that this coverage be primary and noncontributory.

V. SECTION VII – CONDITION 10. – Other Insurance is amended by the addition of the following which supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to a person(s) or organization(s) included as an additional **insured** under this endorsement provided that:

1. The additional **insured** person(s) or organization(s) is a **Named Insured** under such other insurance; and

2. You have agreed in writing in a contract or agreement, in effect during this **policy period**, that this insurance would be primary and would not seek contribution from any other insurance available to the additional **insured** person(s) or organization(s). Such contract or agreement must be executed and in effect prior to the performance of **your work** included in the **products-completed operations hazard** which is the subject of such contract or agreement.

However, this provision does not apply if the other insurance available to the person(s) or organization(s) included as an additional **insured** is Owners and Contractors Protective Liability, Railroad Protective Liability, or similar project-specific, primary insurance.

VI. This endorsement does not apply to an additional **insured** which has been added to this policy by an endorsement showing the additional **insured** in a **SCHEDULE** of additional **insureds**, and which endorsement applies to that designated additional **insured**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF SUBROGATION
(TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US)
AUTOMATIC STATUS – COVERAGE A, B & D

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

I. The following is added to Paragraph **17. Subrogation** of **SECTION VII – CONDITIONS:**

We waive any right of recovery against any person(s) or organization(s) because of payments we make under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, and **COVERAGE D – CONTRACTORS POLLUTION LIABILITY** under this policy.

Such waiver by us applies only if:

1. The **insured** has agreed in writing in a contract or agreement with such person(s) or organization(s) to waive its right of recovery; and
2. The **insured** has waived its right of recovery against such person(s) or organization(s) prior to loss.

This waiver does not apply in any jurisdiction where such waiver is held to be illegal or against public policy or in any situation where the person(s) or organization(s) against whom subrogation is to be waived is found to be solely negligent.

This endorsement does not apply to any person(s) or organization(s) designated in a **SCHEDULE** of person(s) or organization(s) against whom rights of recovery have been waived.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO DESIGNATED PERSON OR ORGANIZATION

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

The following is added to **SECTION VII – CONDITIONS 2. Cancellation**:

SCHEDULE

Number of Days Advance Notice Of Cancellation:	Thirty (30) Days
Name and Address of Designated Person(s) or Organization(s):	Information required to complete this Schedule, if not shown above, will be provided to the Company by the Broker of Record immediately upon our request. Failure to furnish this information promptly, or providing incomplete or inaccurate information will relieve us of our obligations under this endorsement.
Additional Premium:	$0

In consideration of the payment of an additional premium, and notwithstanding anything contained in the policy to the contrary, it is understood and agreed that if we cancel this policy on or before the expiration date set forth in the Declarations, we will mail or deliver to the first **Named Insured** at the last known address, and the person(s) or organization(s) at the address designated in the **SCHEDULE** above, written notice of cancellation not less than the number of days shown in the **SCHEDULE** before the effective date of cancellation. Proof of mailing of notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall be the end of the **policy period**.

This endorsement shall not apply if:

1. We cancel due to non-payment of premium, or
2. The policy is non-renewed for any reason.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT - COVERAGE A – AUTOMATIC STATUS

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

SECTION V – LIMITS OF INSURANCE is amended by the addition of the following terms and conditions when you have agreed in writing in a contract or agreement, in effect during this **policy period**, with any person or organization for whom you are performing operations, that a per-project aggregate will apply:

I. For all amounts which the **insured** becomes legally obligated to pay as damages caused by **occurrences** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** which can be attributed only to **covered operations** at a single project:

1. A separate Per-Project Aggregate Limit applies to each project, and that limit is equal to the lesser of:
   a. The applicable General Aggregate Limit; or
   b. $2,000,000.
2. The Per-Project Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** except damages because of **bodily injury** or **property damage** included in the **products-completed operations hazard**, regardless of the number of:
   a. **Insureds**;
   b. **Claims** made or **suits** brought; or
   c. Persons or organizations making **claims** or bringing **suits**.
3. Any payments made under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages shall reduce the Per-Project Aggregate Limit for that particular project. Such payments shall not reduce the applicable General Aggregate Limit nor shall they reduce any other Per-Project Aggregate Limit for any other project.
4. The applicable limits for Each Occurrence, Damage To Premises Rented To You continue to apply. However, instead of being subject to the applicable General Aggregate Limit, such limits will be subject to the applicable Per-Project Aggregate Limit.
5. Regardless of the number of projects covered under this policy, the most we will pay under the terms and conditions of this endorsement is $5,000,000.

II. For all amounts which the **insured** becomes legally obligated to pay as damages caused by **occurrences** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** which cannot be attributed only to **covered operations**:

1. Any payments made under **SECTION I –COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages shall reduce the amount available under the General Aggregate Limit or the Products Completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Per-Project Aggregate Limit.

III. When coverage for liability arising out of the **products-completed operations hazard** is provided, any payments for damages because of **bodily injury** or **property damage** included in the **products-completed operations hazard** will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per-Project Aggregate Limit.

IV. If the applicable project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the particular project will still be deemed to be the same project.

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V. The provisions of **SECTION V – LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

VI. This endorsement does not apply to any Designated Construction Project(s) which has been specifically endorsed to this policy on a General Aggregate Limit endorsement showing the Designated Construction Project(s) in a **SCHEDULE**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIRST PARTY TRANSPORTATION POLLUTION LIABILITY COVERAGE FOR DESIGNATED VEHICLE(S)

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

SCHEDULE OF DESIGNATED VEHICLE(S)

All autos, aircraft, watercraft or rolling stock owned or operating by the insured.

I. In consideration of the payment of additional premium, it is understood and agreed that **SECTION I – COVERAGE D -- CONTRACTORS POLLUTION LIABILITY, 2. EXCLUSIONS APPLICABLE TO COVERAGES D AND E, b. Auto, Aircraft, Unmanned Aircraft**, **Watercraft Or Rolling Stock** is deleted in its entirety and replaced as follows:

2. EXCLUSIONS APPLICABLE TO COVERAGES D AND E

*Refer also to **SECTION II – SHARED EXCLUSIONS for additional exclusions applicable to COVERAGES D and E***

This insurance does not apply to damages, **loss, bodily injury, property damage, emergency remediation costs, microbial substances**, corporate reputation rehabilitation expense, crisis management expense, **claim(s)** and related **defense costs**:

b. Auto, Aircraft, Unmanned Aircraft, Watercraft Or Rolling Stock

Based upon or caused, in whole or in part by, or arising, directly of indirectly out of the ownership, maintenance, use or the entrustment to others of any **auto**, aircraft, **unmanned aircraft**, watercraft, or rolling stock owned or operated by or rented or loaned to any **insured**. Use includes operation and **loading or unloading**.

This exclusion applies even if the **claim(s)** 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** involved the ownership, maintenance, use or entrustment to others of any **auto**, aircraft, **unmanned aircraft,** watercraft, or rolling stock that is owned or operated by or rented or loaned to any **insured**.

However, this exclusion does not apply to **pollution conditions** arising out of the ownership, maintenance, use, operation, **loading or unloading** of any **auto**, aircraft, scheduled **unmanned aircraft**, watercraft, or rolling stock within the fixed boundaries of the site where your **covered operations** are being performed.

Also, this exclusion does not apply to **pollution condition(s)** arising out of the ownership, maintenance, use, operation, **loading or unloading** of the vehicles designated and described in the **SCHEDULE** of this endorsement that:

(1) Commences during the **transportation** of **your product** or wastes; and
(2) Results in **bodily injury**, **property damage** or **cleanup costs** during the **transportation** of **your product** or wastes.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTUAL LIABILITY - RAILROADS

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

SCHEDULE

Scheduled Railroad(s):	Designated Job Site(s):
Any Railroad when you and such Railroad have entered in a written contract or written agreement prior to loss.	Any jobsite where your work or professional services are performed during the policy term.

I. With respect to operations performed for, or affecting, a Scheduled Railroad at a Designated Job Site, definition number **27. Insured contract** in **SECTION IX – DEFINITIONS** is deleted and replaced by the following:

27. Insured contract means:

For **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY:**

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 to premises while rented to you or temporarily occupied by you with permission of the owner is not an **insured contract**;

b. A sidetrack agreement;

c. Any easement or license agreement;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

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.** 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 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;

(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 Paragraph **(1)** above and supervisory, inspection, architectural or engineering activities.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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ENDORSEMENT

This endorsement forms a part of the policy to which it is attached. Please read it carefully.

BUSINESS AUTO – ADDITIONAL INSURED
WHEN REQUIRED BY CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Section II - Liability Coverage A. - Coverage, 1. Who is an Insured, is amended to add:

d. Any person or organization to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into, excluding contracts or agreements for professional services, which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of your operations or premises owned by or rented to you. However, the insurance provided will not exceed the lesser of:

1. The coverage and/or limits of this policy; or

2. The coverage and/or limits required by said contract or agreement.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION

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.

A. The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

B. The following is added to the **Other Insurance** Condition in the Auto Dealers Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage and General Liability Coverages are primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

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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.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: MJK Construction Inc./Sunwest Engineering Constructors, Inc. **Endorsement Effective Date:** 12/01/25

SCHEDULE

Name(s) Of Person(s) Or Organization(s):
Any Principal wherein such waiver has been included before loss as part of a contractual undertaking by the Named Insured
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.

POLLUTION LIABILITY – BROADENED COVERAGE FOR COVERED AUTOS – BUSINESS AUTO AND MOTOR CARRIER COVERAGE FORMS

This endorsement modifies insurance provided under the following:

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.

A. Covered Autos Liability Coverage is changed as follows:

1. Paragraph **a.** of the **Pollution** Exclusion applies only to liability assumed under a contract or agreement.

2. With respect to the coverage afforded by Paragraph **A.1.** above, Exclusion **B.6. Care, Custody Or Control** does not apply.

B. Changes In Definitions

For the purposes of this endorsement, Paragraph **D.** of the **Definitions** Section is replaced by the following:

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any 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

2. Any 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".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. 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 the covered "auto"; or

b. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraphs **a.** and **b.** 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 a covered "auto" 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 a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

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(Ed. 4-84)

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

ANY PERSON OR ORGANIZATION FOR WHOM YOU ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT TO OBTAIN THIS WAIVER OF RIGHTS FROM US.

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STATE COMPENSATION INSURANCE FUND

ENDORSEMENT AGREEMENT
WAIVER OF SUBROGATION
BLANKET BASIS

HOME OFFICE
SAN FRANCISCO

ALL EFFECTIVE DATES AT 12:01 AM PACIFIC STANDARD TIME OR THE TIME INDICATED AT PACIFIC STANDARD TIME

9243819
RENEWAL

EFFECTIVE December 1, 2025 AT 12:01 AM.
AND EXPIRING December 1, 2026 AT 12:01 AM

Southern
0827005

SUNWEST ENGINEERING CONSTRUCTORS,

4780 CHEYENNE WAY
CHINO, CA 91710-5531

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.

THE ADDITIONAL PREMIUM FOR THIS ENDORSEMENT SHALL BE 2.00% OF THE TOTAL POLICY PREMIUM.

SCHEDULE

PERSON OR ORGANIZATION	JOB DESCRIPTION
ANY PERSON OR ORGANIZATION FOR WHOM THE NAMED INSURED HAS AGREED BY WRITTEN CONTRACT TO FURNISH THIS WAIVER	BLANKET WAIVER OF SUBROGATION

NOTHING IN THIS ENDORSEMENT SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS POLICY OTHER THAN AS ABOVE STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR LIMITATIONS IN THIS ENDORSEMENT

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO: November 25, 2025

2572

ENDORSEMENT AGREEMENT
CERTIFICATE HOLDERS' NOTICE

STATE COMPENSATION INSURANCE FUND

9243819
RENEWAL
SP
4-76-97-91
PAGE 1

HOME OFFICE
SAN FRANCISCO

EFFECTIVE DECEMBEBER 01, 2025 AT 12.01 A.M.

ALL EFFECTIVE DATES ARE AT 12:01 AM PACIFIC STANDARD TIME OR THE TIME INDICATED AT PACIFIC STANDARD TIME

SUNWEST ENGINEERING CONSTRUCTORS, INC.
4780 CHEYENNE WAY
CHINO, CA 91710

ANYTHING IN THIS POLICY TO THE CONTRARY NOTWITHSTANDING, IT IS AGREED THAT THIS POLICY SHALL NOT BE CANCELLED UNTIL,

30 DAYS

AFTER WRITTEN NOTICE OF SUCH CANCELLATION HAS BEEN PLACED IN THE MAIL BY STATE FUND TO CURRENT HOLDERS OF CERTIFICATE OF WORKERS' COMPENSATION INSURANCE.

NOTHING IN THIS ENDORSEMENT SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS POLICY OTHER THAN AS ABOVE STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR LIMITATIONS IN THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO:

2065

AUTHORIZED REPRESENTATIVE

PRESIDENT AND CEO

SCIF FORM 10217 (REV.4-2018)

OLO DP 217

FOLLOW FORM EXCESS 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 policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the **controlling underlying insurance**.

Other words and phrases that appear in **bold** in this Coverage Form have special meaning. Refer to Section **IV** - Definitions. Other words and phrases that are not defined under this Coverage Form but defined in the **controlling underlying insurance** will have the meaning described in the policy of **controlling underlying insurance**.

This policy is subject to the same representations and warranties as are contained in the application for any **controlling underlying insurance,** and the insurance provided under this Coverage Form will follow the same terms, conditions, agreements, exclusions, definitions and limitations that are contained in the applicable **controlling underlying insurance**, unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Form will apply. However, the coverage provided under this Coverage Form will not be broader than that provided by the applicable **controlling underlying insurance**.

There may be more than one **controlling underlying insurance** listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Form. In such a case, the terms, conditions, agreements, exclusions, definitions and limitations of the **controlling underlying insurance** applicable to the particular **event** for which a claim is made or suit is brought will apply.

SECTION I - COVERAGES

1. Insuring Agreement

a. We will pay on behalf of the insured the **ultimate net loss** in excess of the **retained limit** for **injury or damage** to which insurance provided under this Coverage Form applies, however, coverage under this policy will not be available unless and until the full amount of all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance. Where the **controlling underlying insurance** has the duty to defend, we will have the right and duty to defend the insured against any suit seeking damages for such **injury or damage** under this Coverage Form when the applicable limits of **controlling underlying insurance** have been exhausted through the payment of the underlying limits in full in accordance with the provisions of such **controlling underlying insurance**.

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for **injury or damage**.

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any **event** that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

(1) The amount we will pay for **ultimate net loss** is limited as described in Section II - 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 **defense costs**, judgments or settlements under this Coverage Form.

b. This insurance applies to **injury or damage** that is subject to an applicable **retained limit**. If any other limit, such as a sublimit, is specified in the **controlling underlying insurance**, this insurance does not apply to **injury or damage** arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Controlling Underlying Insurance.

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Furthermore, if any **controlling underlying insurance** shown in the Schedule of Controlling Underlying Insurance (**SCHEDULE**) attached hereto has a limit of liability:

(1) Greater than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the greater amount; or

(2) Less than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the amount shown in such Schedule of Controlling Underlying Insurance.

c. **(1)** If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur during its policy period in order for that coverage to apply, then this insurance will only apply to that **injury or damage** if it occurs during the policy period of this Coverage Form. If the **controlling underlying insurance** requires that the **event** causing the particular **injury or damage** takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place during the policy period of this Coverage Form.

(2) If any **controlling underlying insurance** is written on a claims-made or discovery basis, the following applies to the insurance provided by this Coverage Form which is excess over that underlying insurance:

If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will only apply to that **injury or damage** which occurs on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form. If the **controlling underlying insurance** requires, for a particular claim, that the **event** causing the particular **injury or damage** takes place on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form.

A claim for damages for such **injury or damage** must be first made against the insured during this policy period or any extended reporting period provided under this Coverage Form. A claim will be considered first made under this Coverage Form:

(1) When notice of such claim is received and recorded by any insured or by us, whichever comes first, if the **controlling underlying insurance** is written on a claims-made and recorded basis; or

(2) When notice of such claim, after being received by any insured, is reported to us in writing, if the **controlling underlying insurance** is written on any other claims-made basis.

d. Any additional insured under any policy of **controlling underlying insurance** will automatically be an additional insured under this insurance, but only to the extent consistent with the Construction Anti-indemnity Statute(s) held in the applicable jurisdiction. 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 lesser of the amount of insurance required by the contract or agreement, or the Each Occurrence Limit of this policy, less any amounts payable by any **controlling underlying insurance**.

Additional insured coverage provided by this insurance will not be broader than coverage provided by the **controlling underlying insurance**.

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Form. In addition, the exclusions applicable to any **controlling underlying insurance** apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Form.

Insurance provided under this Coverage Form does not apply to **Injury or damage**, costs and expenses, because of, caused by or arising out of, either directly or indirectly, in whole or in part, by:

a. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

(1) First-party physical damage coverage;

(2) No-fault coverage;

(3) Personal injury protection or auto medical payments coverage; or

(4) Uninsured or underinsured motorists' coverage.

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b. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable **controlling underlying insurance**.

c. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II - LIMITS OF INSURANCE

1. 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 number of vehicles involved;

c. Persons or organizations making claims or bringing suits; or

d. Limits available under any **controlling underlying insurance**.

2. The Limits of Insurance of this Coverage Form will apply as follows:

a. This insurance only applies in excess of the **retained limit**.

b. The Aggregate Limit is the most we will pay for all **ultimate net loss**, for all **injury or damage** including **defense costs** covered under this Coverage Form. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

However, this Aggregate Limit only applies to **injury or damage** that is subject to an aggregate limit of insurance under the **controlling underlying insurance**.

c. Subject to Paragraph **2.b.** above, the Each Occurrence Limit is the most we will pay for all **ultimate net loss** including **defense costs** under this insurance for all **injury or damage** arising out of any one **event**. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

3. If any **controlling underlying insurance** has a policy period that is different from the policy period of this Coverage Form then, for the purposes of this insurance, the **retained limit** will only be reduced or exhausted by **actual payment(s)** made in full by the **controlling underlying insurer** for **injury or damage** covered under this insurance.

4. The Limits of Insurance shown in the Declarations will not ever be reinstated.

SECTION III - CONDITIONS

The following conditions apply. In addition, the conditions applicable to any **controlling underlying insurance** are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the **controlling underlying insurer** or insured elects not to appeal a judgment in excess of the amount of the **retained limit**, we may do so at our own expense. We will also pay for taxable court costs, pre-and post-judgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section **II** - Limits Of Insurance.

2. Bankruptcy

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Form.

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the **controlling underlying insurer** will not relieve us of our obligations under this Coverage Form.

However, insurance provided under this Coverage Form will not replace any **controlling underlying insurance** in the event of bankruptcy or insolvency of the **controlling underlying insurer**. The insurance provided under this Coverage Form will apply as if the **controlling underlying insurance** were in full effect and recoverable.

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3. Duties In The Event Of An Event, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an **event**, regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

(1) How, when and where the **event** 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 **event**.

b. If a claim is made or suit is brought against any insured, you must:

(1) Immediately record the specifics of the claim or suit and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

c. You and any other insured involved 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 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 which may be liable to the insured because of **injury or damage** to which this insurance may also apply.

d. No insured will do or omit to do anything to prejudice our rights under this Coverage Form, and 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.

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable. At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any **controlling underlying insurance** and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Form.

5. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Form contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Form with our consent. No change in, modification of, or assignment of interest under this Coverage Form shall be effective except when made by written endorsement to this Coverage Form which is signed by our authorized representative. This Coverage Form shall become subject to any changes upon the effective date of the changes in the **controlling underlying insurance**, but only upon the condition that we agree to follow such changes by written endorsement attached hereto and the

Insured pays when due any additional premium required by us relating to such changes and / or agrees to any amendment of the provisions of this Coverage Form required by us relating to such changes.

7. Maintenance Of / Changes To Controlling Underlying Insurance

The insured warrants that the **retained limit**, where applicable, as shown in the Schedule of Controlling Underlying Insurance, shall be unimpaired as of the effective date of this policy.

Any **controlling underlying insurance** must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such **controlling underlying insurance** that results from **injury or damage** to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain **controlling underlying insurance**.

The Insured, not the Insurer, will bear the risk that any **controlling underlying insurance** is or may be uncollectible. This Coverage Form will not drop down for any reason, including, but not limited to, the uncollectibility (in whole or in part) of the **controlling underlying insurance**, even if such uncollectibility is due to the financial impairment or insolvency of the issuer of any **controlling underlying insurance**. Coverage under this policy will not be available unless and until all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance.

The first Named Insured must notify us in writing with full particulars as soon as practicable in the event:

a. Any **controlling underlying insurance** is cancelled, not renewed, replaced or otherwise terminated;

b. The limits or scope of coverage of any **controlling underlying insurance** is changed;

c. The aggregate limits of liability of any **controlling underlying insurance** become exhausted;

d. Any **controlling underlying insurance** is not maintained in full effect during the policy period; or

e. Any insurer issuing any **controlling underlying insurance** becomes subject to receivership, liquidation, dissolution, rehabilitation, or similar proceeding or being taken over by any regulatory authority.

8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Form.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the **ultimate net loss** that exceeds:

(1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Form; plus

(2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Loss Payable

Liability under this Coverage Form does not apply to a given claim unless and until:

a. The insured or insured's **controlling underlying insurer** has become obligated to pay the **retained limit;**

b. The full amount of the applicable **retained limit** described in **a.** above has been exhausted as a result of **actual payment** made in full by a **controlling underlying insurer**; and

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c. The obligation of the insured to pay the **ultimate net loss** in excess of the **retained limit** has been determined by a final settlement or judgment or written agreement among the insured, claimant, **controlling underlying insurer** (or a representative of one or more of these) and us, and first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

11. Legal Action Against Us

No person or organization has a right under this Coverage Form:

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 Form 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 Coverage Form 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, **controlling underlying insurer** and the claimant or the claimant's legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of **controlling underlying insurance** have been exhausted, in accordance with the provisions of **controlling underlying insurance**, we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Form of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Form, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

14. Claims-Made Extended Reporting Period

a. Any provisions under the **controlling underlying insurance** relating to an Extended Reporting Period for which a separate premium charge is made do not apply to this insurance, unless an Extended Reporting Period is purchased under this insurance.

b. An Extended Reporting Period, consistent with the terms, conditions and duration of any Extended Reporting Period available in accordance with the terms of any **controlling underlying insurance**, will be available for this Coverage Form by endorsement, for an additional charge, if:

(1) This policy is cancelled or not renewed; or

(2) This policy is renewed or replaced with insurance that:

i. Has a Retroactive Date later than the date shown in the **controlling underlying insurance**; or

ii. Does not apply to **injury or damage** on a claims-made basis.

c. If this policy and the **controlling underlying insurance** are cancelled or not renewed and an Extended Reporting Period has been provided under the **controlling underlying insurance**, then an Extended Reporting Period will be available for this Coverage Form. The Extended Reporting Period available under this Coverage Form will be consistent with the terms, conditions and duration of any Extended Reporting Period provided in accordance with the terms of the **controlling underlying insurance**.

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d. You must give us a written request for the Extended Reporting Period endorsement under this Coverage Form no later than the time allowed to purchase such endorsement under the **controlling underlying insurance**. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and any premium you owe us for coverage provided under this policy.

e. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

(1) The exposures insured;

(2) Previous types and amounts of insurance;

(3) Limits of Insurance available under this policy for future payment of damages; and

(4) Other related factors.

15. Notices

All notices under this policy shall be given as provided for in the **controlling underlying insurance**. In addition, all notices to us under this policy shall be sent to the address below or any substitute address as provided by us:

Berkley Environmental
Attention: Claims Department
101 Hudson Street, Suite 2500
Jersey City, New Jersey 07302

SECTION IV - DEFINITIONS

The definitions applicable to any **controlling underlying insurance** also apply to this insurance. In addition, the following definitions apply.

1. **Actual payment** means remittance in currency, not credits or debits, from a **controlling underlying insurer** to an insured or a claimant.
2. **Controlling underlying insurance** means any policy of insurance or self-insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
3. **Controlling underlying insurer** means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
4. **Defense Costs** means any reasonable and necessary fees charged by an attorney and designated by the company, and where the insured has the right to select independent counsel, the rates we would actually pay to counsel that we retain in the ordinary course of business in the defense of a similar claim or suit in the community where the claim or suit arose or is being defended, as well as other reasonable and necessary costs, including expert witness and court reporters, in connection with the investigation, adjustment, settlement, defense or appeal of a claim or suit. It does not include the salaries of our regular employees or supervisory counsel retained by us, or any cost or expense incurred by the insured in assisting in the investigation or defense of the claim or suit.
5. **Event** means an occurrence, offense, accident, act, discovery, claim or suit or other event, to which the applicable **controlling underlying insurance** applies.
6. **Injury or damage** means any injury or damage, covered in the applicable **controlling underlying insurance** arising from an **event**.
7. **Retained limit** means the available limits of **controlling underlying insurance** applicable to the claim.
8. **Ultimate net loss** means the amount covered by this Coverage Form, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
   a. **Defense costs**, settlements, judgments, binding arbitration; plus
   b. Other binding alternate dispute resolution proceeding entered into with our consent, plus
   c. Any first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

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FOLLOW FORM EXCESS LIABILITY COVERAGE FORM
SCHEDULE OF CONTROLLING UNDERLYING INSURANCE

Policy Number: FFX202766317

UNDERLYING POLICY TYPE	LIMITS OF INSURANCE	POLICY PERIOD	CARRIER & POLICY NUMBER
General Liability	$ 2,000,000 Each Occurrence Limit $ 2,000,000 Personal & Advertising Injury Limit $ 4,000,000 General Aggregate Limit (Other than Products/Completed Operations) $ 4,000,000 Products/Completed Operations Aggregate Limit $ 1,000,000 Employee Benefit Liability – Each Employee Limit $ 1,000,000 Employee Benefit Liability – Aggregate Limit	12/01/2025 to 12/01/2026	Nautilus Insurance Company ECP202766218
Pollution/Professional	$ 2,000,000 Contractors Pollution Liability Limit $ 1,000,000 Professional Liability Limit	12/01/2025 to 12/01/2026	Nautilus Insurance Company ECP202766218
Commercial Automobile	$ 1,000,000 Liability - Combined Single Limit	12/01/2025 to 12/01/2026	Key Risk Insurance Company BAP202766117
Employer's Liability – Coverage B	$ 1,000,000 BI by Accident - Each Accident Limit $ 1,000,000 BI by Disease - Policy Aggregate Limit $ 1,000,000 BI by Disease - Each Employee Limit	12/01/2025 to 12/01/2026	State Compensation Insurance Fund 9243819

The coverages and limits shown above are provided by the policy(ies) of controlling underlying insurance.

MJKCONS-01 ESQUIVELY

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/19/2026

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 License # 0E67768 IOA Insurance Services 130 Vantis Suite 250 Aliso Viejo, CA 92656	CONTACT NAME: Almie Valdez PHONE (A/C, No, Ext): (949) 297-5530 FAX (A/C, No): (949) 297-5960 E-MAIL ADDRESS: Almie.Valdez@ioausa.com
INSURED Sunwest Engineering Constructors, Inc. 4780 Cheyenne Way Chino, CA 91710	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : Nautilus Insurance Company — 17370 INSURER B : Key Risk Insurance Company — 10885 INSURER C : State Compensation Insurance Fund of CA — 35076 INSURER D : Great American Insurance Company — 16691 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	X	ECP202766218	12/1/2025	12/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG PRODUCTS LIABIL	$ 2,000,000 $ 100,000 $ 5,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $ Included
B	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY / SCHEDULED AUTOS HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY	X	X	BAP202766117	12/1/2025	12/1/2026	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 DED RETENTION $			FFX202766317	12/1/2025	12/1/2026	EACH OCCURRENCE AGGREGATE	$ 9,000,000 $ 9,000,000
C	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	9243819	12/1/2025	12/1/2026	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
D	Crime/EE Dishonesty			SAAE78692704	12/1/2025	12/1/2026		1,000,000

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

Professional Liability
Carrier: Nautilus - Policy #ECP202766218
Effective: 12/01/2025 to 12/01/2026
Each Claim: $1MIL - Aggregate: $2MIL - Ded: $5,000
Retroactive Date: 09/27/2003

Contractors Pollution
SEE ATTACHED ACORD 101

CERTIFICATE HOLDER

City of Redondo Beach
531 N. Gertrude Avenue
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
Elizabeth Lizeth, CIC

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AGENCY CUSTOMER ID: MJKCONS-01 ESQUIVELY

LOC #: 1

ADDITIONAL REMARKS SCHEDULE

AGENCY	License # 0E67768	NAMED INSURED
IOA Insurance Services		Sunwest Engineering Constructors, Inc. 4780 Cheyenne Way Chino, CA 91710
POLICY NUMBER		
SEE PAGE 1		
CARRIER	NAIC CODE	EFFECTIVE DATE: SEE PAGE 1
SEE PAGE 1	SEE P 1	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:
Carrier: Nautilus - Policy #ECP202766218
Effective: 12/01/2025 to 12/01/2026
Each Claim: $2MIL - Aggregate: $4MIL - Ded: $5,000
Occurrence Basis

Property - Leased/Rented - Replacement Cost
Carrier: Travelers Property Casualty Company of America
Policy #6303R122616
Effective: 12/01/2025 to 12/01/2026
$500,000 - Ded: $1,000

City of Redondo Beach is recognized as Additional Insured with respects to General Liability, Auto Liability, Contractors Pollution Liability on a Primary and Non-Contributory basis; Waiver of Subrogation applies to General Liability, Auto Liability, Workers' Compensation and Contractors Pollution Liability; Excess Liability follows liability forms; all applicable as required by written contract.

30 Day Notice of Cancellation with 10 Day Notice for Non-Payment of Premium in accordance with the policy provisions.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED -- OWNERS, LESSEES OR CONTRACTORS AUTOMATIC STATUS – ONGOING OPERATIONS – COVERAGE A, B, D.1 & D.4

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

I. SECTION III – WHO IS AN INSURED is amended to include as an additional **insured**:

1. 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, in effect during this **policy period**, that such person or organization be added as an additional **insured** on this policy; and

2. Any other person or organization you are explicitly required to add as an additional **insured** under the contract or agreement described in Paragraph **1.** above.

Such contract or agreement must be executed and in effect prior to the performance of **your work** which is the subject of such contract or agreement.

Such person(s) or organization(s) is an additional **insured** only with respect to liability for **bodily injury** or **property damage** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Coverage D.1 – Contractors Pollution Legal Liability** and **Coverage D.4 – Microbial Substance Contractors Pollution Liability,** or personal injury or advertising injury under **SECTION I - COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY** directly caused by:

a. Your acts or omissions; or
b. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional **insured** described in Paragraph **1.** or **2.** above.

However, the insurance afforded to such additional **insured** described above:

a. Only applies to the extent permitted by law; and
b. Will not be broader than that which you are required by the contract or agreement to provide for such additional **insured**, and
c. Will not extend beyond that which is provided to you in this policy.

A person's or organization's status as an additional **insured** under this endorsement ends when your operations for the person or organization described in Paragraph **1.** above are completed.

II. With respect to the insurance afforded to these additional **insureds**, the following additional exclusions apply:

This insurance does not apply to:

a. 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:
(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
(2) 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.

b. 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

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(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.

III. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION V – 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 described in Paragraph **I.1.**; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

IV. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION VI – REPORTING, DEFENSE, SETTLEMENT & COOPERATION**:

1. Duties -- Additional Insured

An additional **insured** must see to it that:

a. We are notified in writing as soon as practicable of an **occurrence** or offense which may result in a **claim** or **suit;**
b. We receive written notice of a **claim** or **suit** as soon as practicable; and
c. A request for defense and indemnity of the **claim** or **suit** will promptly be brought against any policy issued by another insurer under which the additional **insured** may be an insured in any capacity. This provision does not apply to insurance on which the additional **insured** is a **Named Insured**, if the contract or agreement requires that this coverage be primary and noncontributory.

V. SECTION VII – CONDITION 10. – Other Insurance is amended by the addition of the following which supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to a person(s) or organization(s) included as an additional **insured** under this endorsement provided that:

1. The additional **insured** person(s) or organization(s) is a **Named Insured** under such other insurance; and
2. You have agreed in writing in a contract or agreement, in effect during this **policy period**, that this insurance would be primary and would not seek contribution from any other insurance available to the additional **insured** person(s) or organization(s). Such contract or agreement must be executed and in effect prior to the performance of **your work** which is the subject of such contract or agreement.

However, this provision does not apply if the other insurance available to the person(s) or organization(s) included as an additional **insured** is Owners and Contractors Protective Liability, Railroad Protective Liability, or similar project-specific, primary insurance.

VI. This endorsement does not apply to an additional **insured** which has been added to this policy by an endorsement showing the additional **insured** in a **SCHEDULE** of additional **insureds**, and which endorsement applies to that designated additional **insured**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED -- OWNERS, LESSEES OR CONTRACTORS AUTOMATIC STATUS – COMPLETED OPERATIONS – COVERAGE A, D.1 & D.4

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

I. SECTION III – WHO IS AN INSURED is amended to include as an additional **insured**:

1. Any person or organization for whom you have performed operations when you and such person or organization have agreed in writing in a contract or agreement, in effect during this **policy period**, that such person or organization be added as an additional **insured** on this policy; and

2. Any other person or organization you are explicitly required to add as an additional **insured** under the contract or agreement described in Paragraph **1.** above.

Such contract or agreement must be executed and in effect prior to the performance of **your work** included in the **products-completed operations hazard** which is the subject of such contract or agreement.

Such person(s) or organization(s) is an additional **insured** only with respect to liability for **bodily injury** or **property damage** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Coverage D.1 – Contractors Pollution Legal Liability** and **Coverage D.4 – Microbial Substance Contractors Pollution Liability,** directly caused by **your work** performed for the additional **insured** described in Paragraph **1.** or **2.** above, and included in the **products-completed operations hazard**.

However, the insurance afforded to such additional **insured** described above:

a. Only applies to the extent permitted by law; and
b. Will not be broader than that which you are required by the contract or agreement to provide for such additional **insured**; and
c. Will not extend beyond that which is provided to you in this policy.

II. With respect to the insurance afforded to these additional **insureds**, the following additional exclusions apply:

This insurance does not apply to:

a. **Bodily injury** or **property damage** arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
(2) 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** involved the rendering of, or the failure to render any professional architectural, engineering or surveying services.

III. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION V – 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 described in Paragraph **I.1.**; or
2. Available under the applicable limits of insurance;
whichever is less.

This endorsement shall not increase the applicable limits of insurance.

IV. With respect to the insurance afforded to these additional **insureds**, the following is added to **SECTION VI –**

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REPORTING, DEFENSE, SETTLEMENT & COOPERATION:

1. Duties -- Additional Insured

An additional **insured** must see to it that:

a. We are notified in writing as soon as practicable of an **occurrence** which may result in a **claim** or **suit;**
b. We receive written notice of a **claim** or **suit** as soon as practicable; and
c. A request for defense and indemnity of the **claim** or **suit** will promptly be brought against any policy issued by another insurer under which the additional **insured** may be an insured in any capacity. This provision does not apply to insurance on which the additional **insured** is a **Named Insured**, if the contract or agreement requires that this coverage be primary and noncontributory.

V. SECTION VII – CONDITION 10. – Other Insurance is amended by the addition of the following which supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to a person(s) or organization(s) included as an additional **insured** under this endorsement provided that:

1. The additional **insured** person(s) or organization(s) is a **Named Insured** under such other insurance; and
2. You have agreed in writing in a contract or agreement, in effect during this **policy period**, that this insurance would be primary and would not seek contribution from any other insurance available to the additional **insured** person(s) or organization(s). Such contract or agreement must be executed and in effect prior to the performance of **your work** included in the **products-completed operations hazard** which is the subject of such contract or agreement.

However, this provision does not apply if the other insurance available to the person(s) or organization(s) included as an additional **insured** is Owners and Contractors Protective Liability, Railroad Protective Liability, or similar project-specific, primary insurance.

VI. This endorsement does not apply to an additional **insured** which has been added to this policy by an endorsement showing the additional **insured** in a **SCHEDULE** of additional **insureds**, and which endorsement applies to that designated additional **insured**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF SUBROGATION
(TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US)
AUTOMATIC STATUS – COVERAGE A, B & D

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

I. The following is added to Paragraph **17. Subrogation** of **SECTION VII – CONDITIONS:**

We waive any right of recovery against any person(s) or organization(s) because of payments we make under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, and **COVERAGE D – CONTRACTORS POLLUTION LIABILITY** under this policy.

Such waiver by us applies only if:

1. The **insured** has agreed in writing in a contract or agreement with such person(s) or organization(s) to waive its right of recovery; and

2. The **insured** has waived its right of recovery against such person(s) or organization(s) prior to loss.

This waiver does not apply in any jurisdiction where such waiver is held to be illegal or against public policy or in any situation where the person(s) or organization(s) against whom subrogation is to be waived is found to be solely negligent.

This endorsement does not apply to any person(s) or organization(s) designated in a **SCHEDULE** of person(s) or organization(s) against whom rights of recovery have been waived.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION TO DESIGNATED PERSON OR ORGANIZATION

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

The following is added to **SECTION VII – CONDITIONS 2. Cancellation**:

SCHEDULE

Number of Days Advance Notice Of Cancellation:	Thirty (30) Days
Name and Address of Designated Person(s) or Organization(s):	Information required to complete this Schedule, if not shown above, will be provided to the Company by the Broker of Record immediately upon our request. Failure to furnish this information promptly, or providing incomplete or inaccurate information will relieve us of our obligations under this endorsement.
Additional Premium:	$0

In consideration of the payment of an additional premium, and notwithstanding anything contained in the policy to the contrary, it is understood and agreed that if we cancel this policy on or before the expiration date set forth in the Declarations, we will mail or deliver to the first **Named Insured** at the last known address, and the person(s) or organization(s) at the address designated in the **SCHEDULE** above, written notice of cancellation not less than the number of days shown in the **SCHEDULE** before the effective date of cancellation. Proof of mailing of notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall be the end of the **policy period**.

This endorsement shall not apply if:

1. We cancel due to non-payment of premium, or
2. The policy is non-renewed for any reason.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT - COVERAGE A – AUTOMATIC STATUS

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

SECTION V – LIMITS OF INSURANCE is amended by the addition of the following terms and conditions when you have agreed in writing in a contract or agreement, in effect during this **policy period**, with any person or organization for whom you are performing operations, that a per-project aggregate will apply:

I. For all amounts which the **insured** becomes legally obligated to pay as damages caused by **occurrences** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** which can be attributed only to **covered operations** at a single project:

1. A separate Per-Project Aggregate Limit applies to each project, and that limit is equal to the lesser of:
- **a.** The applicable General Aggregate Limit; or
- **b.** $2,000,000.

2. The Per-Project Aggregate Limit is the most we will pay for the sum of all damages under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** except damages because of **bodily injury** or **property damage** included in the **products-completed operations hazard**, regardless of the number of:
- **a. Insureds**;
- **b. Claims** made or **suits** brought; or
- **c.** Persons or organizations making **claims** or bringing **suits**.

3. Any payments made under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages shall reduce the Per-Project Aggregate Limit for that particular project. Such payments shall not reduce the applicable General Aggregate Limit nor shall they reduce any other Per-Project Aggregate Limit for any other project.

4. The applicable limits for Each Occurrence, Damage To Premises Rented To You continue to apply. However, instead of being subject to the applicable General Aggregate Limit, such limits will be subject to the applicable Per-Project Aggregate Limit.

5. Regardless of the number of projects covered under this policy, the most we will pay under the terms and conditions of this endorsement is $5,000,000.

II. For all amounts which the **insured** becomes legally obligated to pay as damages caused by **occurrences** under **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** which cannot be attributed only to **covered operations**:

1. Any payments made under **SECTION I –COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages shall reduce the amount available under the General Aggregate Limit or the Products Completed Operations Aggregate Limit, whichever is applicable; and

2. Such payments shall not reduce any Per-Project Aggregate Limit.

III. When coverage for liability arising out of the **products-completed operations hazard** is provided, any payments for damages because of **bodily injury** or **property damage** included in the **products-completed operations hazard** will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Per-Project Aggregate Limit.

IV. If the applicable project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the particular project will still be deemed to be the same project.

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V. The provisions of **SECTION V – LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

VI. This endorsement does not apply to any Designated Construction Project(s) which has been specifically endorsed to this policy on a General Aggregate Limit endorsement showing the Designated Construction Project(s) in a **SCHEDULE**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIRST PARTY TRANSPORTATION POLLUTION LIABILITY COVERAGE FOR DESIGNATED VEHICLE(S)

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

SCHEDULE OF DESIGNATED VEHICLE(S)

All autos, aircraft, watercraft or rolling stock owned or operating by the insured.

I. In consideration of the payment of additional premium, it is understood and agreed that **SECTION I – COVERAGE D -- CONTRACTORS POLLUTION LIABILITY, 2. EXCLUSIONS APPLICABLE TO COVERAGES D AND E, b. Auto, Aircraft, Unmanned Aircraft**, **Watercraft Or Rolling Stock** is deleted in its entirety and replaced as follows:

2. EXCLUSIONS APPLICABLE TO COVERAGES D AND E

*Refer also to **SECTION II – SHARED EXCLUSIONS for additional exclusions applicable to COVERAGES D and E***

This insurance does not apply to damages, **loss, bodily injury, property damage, emergency remediation costs, microbial substances**, corporate reputation rehabilitation expense, crisis management expense, **claim(s)** and related **defense costs**:

b. Auto, Aircraft, Unmanned Aircraft, Watercraft Or Rolling Stock

Based upon or caused, in whole or in part by, or arising, directly of indirectly out of the ownership, maintenance, use or the entrustment to others of any **auto**, aircraft, **unmanned aircraft**, watercraft, or rolling stock owned or operated by or rented or loaned to any **insured**. Use includes operation and **loading or unloading**.

This exclusion applies even if the **claim(s)** 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** involved the ownership, maintenance, use or entrustment to others of any **auto**, aircraft, **unmanned aircraft,** watercraft, or rolling stock that is owned or operated by or rented or loaned to any **insured**.

However, this exclusion does not apply to **pollution conditions** arising out of the ownership, maintenance, use, operation, **loading or unloading** of any **auto**, aircraft, scheduled **unmanned aircraft**, watercraft, or rolling stock within the fixed boundaries of the site where your **covered operations** are being performed.

Also, this exclusion does not apply to **pollution condition(s)** arising out of the ownership, maintenance, use, operation, **loading or unloading** of the vehicles designated and described in the **SCHEDULE** of this endorsement that:

(1) Commences during the **transportation** of **your product** or wastes; and
(2) Results in **bodily injury**, **property damage** or **cleanup costs** during the **transportation** of **your product** or wastes.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTUAL LIABILITY - RAILROADS

Policy Number	Policy Effective Date	Policy Expiration Date	Endorsement Effective Date
ECP202766218	12/1/2025	12/1/2026	12/1/2025

This endorsement modifies insurance provided under the following:

ENVIRONMENTAL COMBINED POLICY

SCHEDULE

Scheduled Railroad(s):	Designated Job Site(s):
Any Railroad when you and such Railroad have entered in a written contract or written agreement prior to loss.	Any jobsite where your work or professional services are performed during the policy term.

I. With respect to operations performed for, or affecting, a Scheduled Railroad at a Designated Job Site, definition number **27. Insured contract** in **SECTION IX – DEFINITIONS** is deleted and replaced by the following:

27. Insured contract means:

For **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY:**

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 to premises while rented to you or temporarily occupied by you with permission of the owner is not an **insured contract**;

b. A sidetrack agreement;

c. Any easement or license agreement;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

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.** 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 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;

(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 Paragraph **(1)** above and supervisory, inspection, architectural or engineering activities.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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ENDORSEMENT

This endorsement forms a part of the policy to which it is attached. Please read it carefully.

BUSINESS AUTO – ADDITIONAL INSURED
WHEN REQUIRED BY CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Section II - Liability Coverage A. - Coverage, 1. Who is an Insured, is amended to add:

d. Any person or organization to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into, excluding contracts or agreements for professional services, which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of your operations or premises owned by or rented to you. However, the insurance provided will not exceed the lesser of:

1. The coverage and/or limits of this policy; or

2. The coverage and/or limits required by said contract or agreement.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY - OTHER INSURANCE CONDITION

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.

A. The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and

2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

B. The following is added to the **Other Insurance** Condition in the Auto Dealers Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage and General Liability Coverages are primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and

2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

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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.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: MJK Construction Inc./Sunwest Engineering Constructors, Inc. **Endorsement Effective Date:** 12/01/25

SCHEDULE

Name(s) Of Person(s) Or Organization(s):
Any Principal wherein such waiver has been included before loss as part of a contractual undertaking by the Named Insured
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.

POLLUTION LIABILITY – BROADENED COVERAGE FOR COVERED AUTOS – BUSINESS AUTO AND MOTOR CARRIER COVERAGE FORMS

This endorsement modifies insurance provided under the following:

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.

A. Covered Autos Liability Coverage is changed as follows:

1. Paragraph **a.** of the **Pollution** Exclusion applies only to liability assumed under a contract or agreement.

2. With respect to the coverage afforded by Paragraph **A.1.** above, Exclusion **B.6. Care, Custody Or Control** does not apply.

B. Changes In Definitions

For the purposes of this endorsement, Paragraph **D.** of the **Definitions** Section is replaced by the following:

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any 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

2. Any 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".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. 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 the covered "auto"; or

b. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraphs **a.** and **b.** 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 a covered "auto" 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 a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

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(Ed. 4-84)

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

ANY PERSON OR ORGANIZATION FOR WHOM YOU ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT TO OBTAIN THIS WAIVER OF RIGHTS FROM US.

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STATE COMPENSATION INSURANCE FUND

ENDORSEMENT AGREEMENT
WAIVER OF SUBROGATION
BLANKET BASIS

HOME OFFICE
SAN FRANCISCO

ALL EFFECTIVE DATES AT 12:01 AM PACIFIC STANDARD TIME OR THE TIME INDICATED AT PACIFIC STANDARD TIME

9243819
RENEWAL
Southern
0827005

EFFECTIVE December 1, 2025 AT 12:01 AM.
AND EXPIRING December 1, 2026 AT 12:01 AM

SUNWEST ENGINEERING CONSTRUCTORS,

4780 CHEYENNE WAY
CHINO, CA 91710-5531

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.

THE ADDITIONAL PREMIUM FOR THIS ENDORSEMENT SHALL BE 2.00% OF THE TOTAL POLICY PREMIUM.

SCHEDULE

PERSON OR ORGANIZATION	JOB DESCRIPTION
ANY PERSON OR ORGANIZATION FOR WHOM THE NAMED INSURED HAS AGREED BY WRITTEN CONTRACT TO FURNISH THIS WAIVER	BLANKET WAIVER OF SUBROGATION

NOTHING IN THIS ENDORSEMENT SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS POLICY OTHER THAN AS ABOVE STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR LIMITATIONS IN THIS ENDORSEMENT

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO: November 25, 2025

2572

ENDORSEMENT AGREEMENT
CERTIFICATE HOLDERS' NOTICE

STATE COMPENSATION INSURANCE FUND

9243819
RENEWAL
SP
4-76-97-91
PAGE 1

HOME OFFICE
SAN FRANCISCO

EFFECTIVE DECEMBEBER 01, 2025 AT 12.01 A.M.

ALL EFFECTIVE DATES ARE AT 12:01 AM PACIFIC STANDARD TIME OR THE TIME INDICATED AT PACIFIC STANDARD TIME

SUNWEST ENGINEERING CONSTRUCTORS, INC.
4780 CHEYENNE WAY
CHINO, CA 91710

ANYTHING IN THIS POLICY TO THE CONTRARY NOTWITHSTANDING, IT IS AGREED THAT THIS POLICY SHALL NOT BE CANCELLED UNTIL,

30 DAYS

AFTER WRITTEN NOTICE OF SUCH CANCELLATION HAS BEEN PLACED IN THE MAIL BY STATE FUND TO CURRENT HOLDERS OF CERTIFICATE OF WORKERS' COMPENSATION INSURANCE.

NOTHING IN THIS ENDORSEMENT SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS POLICY OTHER THAN AS ABOVE STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR LIMITATIONS IN THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO:

2065

AUTHORIZED REPRESENTATIVE

PRESIDENT AND CEO

SCIF FORM 10217 (REV.4-2018)

OLO DP 217

FOLLOW FORM EXCESS 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 policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the **controlling underlying insurance**.

Other words and phrases that appear in **bold** in this Coverage Form have special meaning. Refer to Section **IV** - Definitions. Other words and phrases that are not defined under this Coverage Form but defined in the **controlling underlying insurance** will have the meaning described in the policy of **controlling underlying insurance**.

This policy is subject to the same representations and warranties as are contained in the application for any **controlling underlying insurance,** and the insurance provided under this Coverage Form will follow the same terms, conditions, agreements, exclusions, definitions and limitations that are contained in the applicable **controlling underlying insurance**, unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Form will apply. However, the coverage provided under this Coverage Form will not be broader than that provided by the applicable **controlling underlying insurance**.

There may be more than one **controlling underlying insurance** listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Form. In such a case, the terms, conditions, agreements, exclusions, definitions and limitations of the **controlling underlying insurance** applicable to the particular **event** for which a claim is made or suit is brought will apply.

SECTION I - COVERAGES

1. Insuring Agreement

a. We will pay on behalf of the insured the **ultimate net loss** in excess of the **retained limit** for **injury or damage** to which insurance provided under this Coverage Form applies, however, coverage under this policy will not be available unless and until the full amount of all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance. Where the **controlling underlying insurance** has the duty to defend, we will have the right and duty to defend the insured against any suit seeking damages for such **injury or damage** under this Coverage Form when the applicable limits of **controlling underlying insurance** have been exhausted through the payment of the underlying limits in full in accordance with the provisions of such **controlling underlying insurance**.

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for **injury or damage**.

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any **event** that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

(1) The amount we will pay for **ultimate net loss** is limited as described in Section II - 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 **defense costs**, judgments or settlements under this Coverage Form.

b. This insurance applies to **injury or damage** that is subject to an applicable **retained limit**. If any other limit, such as a sublimit, is specified in the **controlling underlying insurance**, this insurance does not apply to **injury or damage** arising out of that exposure unless that limit is specified in the Declarations under the Schedule of Controlling Underlying Insurance.

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Furthermore, if any **controlling underlying insurance** shown in the Schedule of Controlling Underlying Insurance (**SCHEDULE**) attached hereto has a limit of liability:

(1) Greater than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the greater amount; or

(2) Less than the amount shown in such Schedule of Controlling Underlying Insurance, then this policy will apply in excess of the amount shown in such Schedule of Controlling Underlying Insurance.

c. **(1)** If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur during its policy period in order for that coverage to apply, then this insurance will only apply to that **injury or damage** if it occurs during the policy period of this Coverage Form. If the **controlling underlying insurance** requires that the **event** causing the particular **injury or damage** takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place during the policy period of this Coverage Form.

(2) If any **controlling underlying insurance** is written on a claims-made or discovery basis, the following applies to the insurance provided by this Coverage Form which is excess over that underlying insurance:

If the **controlling underlying insurance** requires, for a particular claim, that the **injury or damage** occur on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will only apply to that **injury or damage** which occurs on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form. If the **controlling underlying insurance** requires, for a particular claim, that the **event** causing the particular **injury or damage** takes place on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will apply to the claim only if the **event** causing that **injury or damage** takes place on or after the Retroactive Date shown in the **controlling underlying insurance** but before the end of the policy period of this Coverage Form.

A claim for damages for such **injury or damage** must be first made against the insured during this policy period or any extended reporting period provided under this Coverage Form. A claim will be considered first made under this Coverage Form:

(1) When notice of such claim is received and recorded by any insured or by us, whichever comes first, if the **controlling underlying insurance** is written on a claims-made and recorded basis; or

(2) When notice of such claim, after being received by any insured, is reported to us in writing, if the **controlling underlying insurance** is written on any other claims-made basis.

d. Any additional insured under any policy of **controlling underlying insurance** will automatically be an additional insured under this insurance, but only to the extent consistent with the Construction Anti-indemnity Statute(s) held in the applicable jurisdiction. 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 lesser of the amount of insurance required by the contract or agreement, or the Each Occurrence Limit of this policy, less any amounts payable by any **controlling underlying insurance**.

Additional insured coverage provided by this insurance will not be broader than coverage provided by the **controlling underlying insurance**.

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Form. In addition, the exclusions applicable to any **controlling underlying insurance** apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Form.

Insurance provided under this Coverage Form does not apply to **Injury or damage**, costs and expenses, because of, caused by or arising out of, either directly or indirectly, in whole or in part, by:

a. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

(1) First-party physical damage coverage;

(2) No-fault coverage;

(3) Personal injury protection or auto medical payments coverage; or

(4) Uninsured or underinsured motorists' coverage.

b. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable **controlling underlying insurance**.

c. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II - LIMITS OF INSURANCE

1. 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 number of vehicles involved;

c. Persons or organizations making claims or bringing suits; or

d. Limits available under any **controlling underlying insurance**.

2. The Limits of Insurance of this Coverage Form will apply as follows:

a. This insurance only applies in excess of the **retained limit**.

b. The Aggregate Limit is the most we will pay for all **ultimate net loss**, for all **injury or damage** including **defense costs** covered under this Coverage Form. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

However, this Aggregate Limit only applies to **injury or damage** that is subject to an aggregate limit of insurance under the **controlling underlying insurance**.

c. Subject to Paragraph **2.b.** above, the Each Occurrence Limit is the most we will pay for all **ultimate net loss** including **defense costs** under this insurance for all **injury or damage** arising out of any one **event**. **Defense costs** are part of, and not in addition to, the limits of insurance, and the payment of **defense costs** reduces the limits of insurance.

3. If any **controlling underlying insurance** has a policy period that is different from the policy period of this Coverage Form then, for the purposes of this insurance, the **retained limit** will only be reduced or exhausted by **actual payment(s)** made in full by the **controlling underlying insurer** for **injury or damage** covered under this insurance.

4. The Limits of Insurance shown in the Declarations will not ever be reinstated.

SECTION III - CONDITIONS

The following conditions apply. In addition, the conditions applicable to any **controlling underlying insurance** are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the **controlling underlying insurer** or insured elects not to appeal a judgment in excess of the amount of the **retained limit**, we may do so at our own expense. We will also pay for taxable court costs, pre-and post-judgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section **II** - Limits Of Insurance.

2. Bankruptcy

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Form.

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the **controlling underlying insurer** will not relieve us of our obligations under this Coverage Form.

However, insurance provided under this Coverage Form will not replace any **controlling underlying insurance** in the event of bankruptcy or insolvency of the **controlling underlying insurer**. The insurance provided under this Coverage Form will apply as if the **controlling underlying insurance** were in full effect and recoverable.

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3. Duties In The Event Of An Event, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an **event**, regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

(1) How, when and where the **event** 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 **event**.

b. If a claim is made or suit is brought against any insured, you must:

(1) Immediately record the specifics of the claim or suit and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or suit as soon as practicable.

c. You and any other insured involved 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 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 which may be liable to the insured because of **injury or damage** to which this insurance may also apply.

d. No insured will do or omit to do anything to prejudice our rights under this Coverage Form, and 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.

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable. At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any **controlling underlying insurance** and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Form.

5. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Form contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Form with our consent. No change in, modification of, or assignment of interest under this Coverage Form shall be effective except when made by written endorsement to this Coverage Form which is signed by our authorized representative. This Coverage Form shall become subject to any changes upon the effective date of the changes in the **controlling underlying insurance**, but only upon the condition that we agree to follow such changes by written endorsement attached hereto and the

Insured pays when due any additional premium required by us relating to such changes and / or agrees to any amendment of the provisions of this Coverage Form required by us relating to such changes.

7. Maintenance Of / Changes To Controlling Underlying Insurance

The insured warrants that the **retained limit**, where applicable, as shown in the Schedule of Controlling Underlying Insurance, shall be unimpaired as of the effective date of this policy.

Any **controlling underlying insurance** must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such **controlling underlying insurance** that results from **injury or damage** to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain **controlling underlying insurance**.

The Insured, not the Insurer, will bear the risk that any **controlling underlying insurance** is or may be uncollectible. This Coverage Form will not drop down for any reason, including, but not limited to, the uncollectibility (in whole or in part) of the **controlling underlying insurance**, even if such uncollectibility is due to the financial impairment or insolvency of the issuer of any **controlling underlying insurance**. Coverage under this policy will not be available unless and until all **controlling underlying insurance** has been exhausted by the **actual payment** by the **controlling underlying insurer** of the applicable **retained limit** as shown in the Schedule of Controlling Underlying Insurance.

The first Named Insured must notify us in writing with full particulars as soon as practicable in the event:

a. Any **controlling underlying insurance** is cancelled, not renewed, replaced or otherwise terminated;

b. The limits or scope of coverage of any **controlling underlying insurance** is changed;

c. The aggregate limits of liability of any **controlling underlying insurance** become exhausted;

d. Any **controlling underlying insurance** is not maintained in full effect during the policy period; or

e. Any insurer issuing any **controlling underlying insurance** becomes subject to receivership, liquidation, dissolution, rehabilitation, or similar proceeding or being taken over by any regulatory authority.

8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Form.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the **ultimate net loss** that exceeds:

(1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Form; plus

(2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

a. We will compute all premiums for this Coverage Form in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Form as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Loss Payable

Liability under this Coverage Form does not apply to a given claim unless and until:

a. The insured or insured's **controlling underlying insurer** has become obligated to pay the **retained limit;**

b. The full amount of the applicable **retained limit** described in **a.** above has been exhausted as a result of **actual payment** made in full by a **controlling underlying insurer**; and

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c. The obligation of the insured to pay the **ultimate net loss** in excess of the **retained limit** has been determined by a final settlement or judgment or written agreement among the insured, claimant, **controlling underlying insurer** (or a representative of one or more of these) and us, and first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

11. Legal Action Against Us

No person or organization has a right under this Coverage Form:

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 Form 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 Coverage Form 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, **controlling underlying insurer** and the claimant or the claimant's legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of **controlling underlying insurance** have been exhausted, in accordance with the provisions of **controlling underlying insurance**, we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Form of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the **controlling underlying insurance** had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Form, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

14. Claims-Made Extended Reporting Period

a. Any provisions under the **controlling underlying insurance** relating to an Extended Reporting Period for which a separate premium charge is made do not apply to this insurance, unless an Extended Reporting Period is purchased under this insurance.

b. An Extended Reporting Period, consistent with the terms, conditions and duration of any Extended Reporting Period available in accordance with the terms of any **controlling underlying insurance**, will be available for this Coverage Form by endorsement, for an additional charge, if:

(1) This policy is cancelled or not renewed; or

(2) This policy is renewed or replaced with insurance that:

i. Has a Retroactive Date later than the date shown in the **controlling underlying insurance**; or

ii. Does not apply to **injury or damage** on a claims-made basis.

c. If this policy and the **controlling underlying insurance** are cancelled or not renewed and an Extended Reporting Period has been provided under the **controlling underlying insurance**, then an Extended Reporting Period will be available for this Coverage Form. The Extended Reporting Period available under this Coverage Form will be consistent with the terms, conditions and duration of any Extended Reporting Period provided in accordance with the terms of the **controlling underlying insurance**.

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d. You must give us a written request for the Extended Reporting Period endorsement under this Coverage Form no later than the time allowed to purchase such endorsement under the **controlling underlying insurance**. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and any premium you owe us for coverage provided under this policy.

e. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

(1) The exposures insured;

(2) Previous types and amounts of insurance;

(3) Limits of Insurance available under this policy for future payment of damages; and

(4) Other related factors.

15. Notices

All notices under this policy shall be given as provided for in the **controlling underlying insurance**. In addition, all notices to us under this policy shall be sent to the address below or any substitute address as provided by us:

Berkley Environmental
Attention: Claims Department
101 Hudson Street, Suite 2500
Jersey City, New Jersey 07302

SECTION IV - DEFINITIONS

The definitions applicable to any **controlling underlying insurance** also apply to this insurance. In addition, the following definitions apply.

1. **Actual payment** means remittance in currency, not credits or debits, from a **controlling underlying insurer** to an insured or a claimant.
2. **Controlling underlying insurance** means any policy of insurance or self-insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
3. **Controlling underlying insurer** means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of Controlling Underlying Insurance.
4. **Defense Costs** means any reasonable and necessary fees charged by an attorney and designated by the company, and where the insured has the right to select independent counsel, the rates we would actually pay to counsel that we retain in the ordinary course of business in the defense of a similar claim or suit in the community where the claim or suit arose or is being defended, as well as other reasonable and necessary costs, including expert witness and court reporters, in connection with the investigation, adjustment, settlement, defense or appeal of a claim or suit. It does not include the salaries of our regular employees or supervisory counsel retained by us, or any cost or expense incurred by the insured in assisting in the investigation or defense of the claim or suit.
5. **Event** means an occurrence, offense, accident, act, discovery, claim or suit or other event, to which the applicable **controlling underlying insurance** applies.
6. **Injury or damage** means any injury or damage, covered in the applicable **controlling underlying insurance** arising from an **event**.
7. **Retained limit** means the available limits of **controlling underlying insurance** applicable to the claim.
8. **Ultimate net loss** means the amount covered by this Coverage Form, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
   a. Defense costs, settlements, judgments, binding arbitration; plus
   b. Other binding alternate dispute resolution proceeding entered into with our consent, plus
   c. Any first-party claim amount that we, at our sole discretion, agree in writing to be necessary and reasonable.

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FOLLOW FORM EXCESS LIABILITY COVERAGE FORM
SCHEDULE OF CONTROLLING UNDERLYING INSURANCE

Policy Number: FFX202766317

UNDERLYING POLICY TYPE	LIMITS OF INSURANCE	POLICY PERIOD	CARRIER & POLICY NUMBER
General Liability	$ 2,000,000 Each Occurrence Limit $ 2,000,000 Personal & Advertising Injury Limit $ 4,000,000 General Aggregate Limit (Other than Products/Completed Operations) $ 4,000,000 Products/Completed Operations Aggregate Limit $ 1,000,000 Employee Benefit Liability – Each Employee Limit $ 1,000,000 Employee Benefit Liability – Aggregate Limit	12/01/2025 to 12/01/2026	Nautilus Insurance Company ECP202766218
Pollution/Professional	$ 2,000,000 Contractors Pollution Liability Limit $ 1,000,000 Professional Liability Limit	12/01/2025 to 12/01/2026	Nautilus Insurance Company ECP202766218
Commercial Automobile	$ 1,000,000 Liability - Combined Single Limit	12/01/2025 to 12/01/2026	Key Risk Insurance Company BAP202766117
Employer's Liability – Coverage B	$ 1,000,000 BI by Accident - Each Accident Limit $ 1,000,000 BI by Disease - Policy Aggregate Limit $ 1,000,000 BI by Disease - Each Employee Limit	12/01/2025 to 12/01/2026	State Compensation Insurance Fund 9243819

The coverages and limits shown above are provided by the policy(ies) of controlling underlying insurance.

RESOLUTION NO. CC-2606-039

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DECLARING THE REPLACEMENT OF EQUIPMENT AT THE CITY FUEL ISLAND PROJECT AND ONGOING MAINTENANCE SERVICES AS "MAINTENANCE" AND EXEMPTING IT FROM BIDDING REQUIREMENTS PURSUANT TO SECTIONS 19 AND 19.1(a) OF THE CITY CHARTER OF REDONDO BEACH

WHEREAS, Section 19 of the City Charter of Redondo Beach ("Charter") mandates every contract for public works projects, including construction and improvements of public entities such as buildings, streets, utilities, and parks, that exceeds an expenditure of two hundred thousand dollars ($200,000) be awarded either to: (1) the lowest responsible bidder, with notice published in the official newspaper at least ten (10) days prior to bid opening; or (2) the best value design-build entity or best value design-build-operate entity following a proposal request; and

WHEREAS, Section 19.1(a) of the Charter provides an exception, allowing the City Council to forgo the bidding process for projects designated as "maintenance" or "repair," as determined by the City Council through ordinance or resolution; and

WHEREAS, the fuel island systems for distribution of unleaded and diesel fuel have components that require replacement and ongoing maintenance for upkeep and continuous, reliable operation; and

WHEREAS, the City of Redondo Beach ("City") fuel island, is critical to the efficient and cost effective fueling of City vehicles including, Police Department, Fire Department and Public Works vehicles; and

WHEREAS, the fuel island has aging and outdated components that no longer provide reliable service and the fuel island is no longer consistently meeting the needs of the City; and

WHEREAS, following approval of this resolution, the Public Works Department will bring forward an agreement for the replacement of equipment and ongoing maintenance of the fuel island equipment, to return the fuel island to its intended functionality; and

WHEREAS, the City recognizes the of this fuel island located at the Public Works Yard, 531 N. Gertruda Ave., Redondo Beach, CA 90277, as essential "maintenance" to restore its functionality, ensuring it remains a resource for the City fleet.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Pursuant to Section 19.1(a) of the City Charter of Redondo Beach, the City Council formally designates the replacement and ongoing maintenance of the City fuel island as "maintenance" and hereby exempts this project from the bidding requirements, including the requirements for publication, receiving bids, and awarding the contract to the lowest responsible bidder or best value design-build entity as prescribed in Section 19 of the City Charter of Redondo Beach.

SECTION 2. 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 9th day of June, 2026.

_____
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-2606-039 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 9th day of June, 2026, 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 #** 26-0690 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

APPROVE THE BUSINESS LICENSE TAX WAIVER APPLICATION REQUESTING AN EXEMPTION FROM COMPLIANCE WITH THE BUSINESS LICENSE TAX RATES ESTABLISHED IN REDONDO BEACH MUNICIPAL CODE SECTION 6-1.22, AS PER SECTION 6-1.08 OF THE CODE, SUBMITTED FOR THE CITY'S SUMMER READING KICKOFF AND JUNETEENTH CELEBRATION TO TAKE PLACE ON JUNE 13, 2026 AT CITY HALL

EXECUTIVE SUMMARY

City of Redondo Beach staff have submitted a business license tax waiver application for external vendors participating in the Summer Reading Kickoff and Juneteenth Celebration to take place on June 13, 2026 at Redondo Beach City Hall. The vendors covered by the waiver have been retained to create a lively, welcoming atmosphere, and to provide food services for families attending the event.

BACKGROUND

All entities conducting business within the City of Redondo Beach are required to comply with Section 6-1 of the Redondo Beach Municipal Code (RBMC) which establishes the process and fees associated with obtaining a Business License in the City of Redondo Beach.

Section 6-1.08(c) of the RBMC includes a means for entities to appeal to the City Council for a waiver exempting parties from payment of the appropriate tax when there is a community benefit. In the case of the Summer Reading Kickoff and Juneteenth Celebration, vendors participating in the event would normally be subject to projected tax of $133 and $218 respectively for the appropriate Business Licenses. There are two vendors named in the waiver application, both of which are food vendors and have provided the City with required Los Angeles County issued health permits and licenses.

Section 6-1.08(c) states, "Upon a written application to the Council, a person or organization may request an exemption from the business license requirements imposed by this chapter, and the Council may waive the provisions of this chapter if the Council finds and determines that the community benefit will be promoted by granting such an exemption."

The attached Application for Waiver of Business License Tax submitted by Assistant to the City Manager Jane Chung on behalf of the City requests a waiver for participating vendors. In the application describing the community benefit, Ms. Chung states that having food vendors will help

create a lively, welcoming atmosphere, and add convenience for families attending the event. This is a City-organized event.

COORDINATION

This item was prepared in coordination with the City Manager's Office.

FISCAL IMPACT

The fiscal impact depends on the total number of vendors participating in the event. Staff estimates that the total business license revenue that would go uncollected as a result of the waiver is less than $400.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Application - Waiver of Business License Tax - Summer Reading Kickoff and Juneteenth Celebration, June 13, 2026

Financial Services

415 Diamond Street, P.O Box 270
Redondo Beach, California 90277-0270
www.redondo.org

Phone: 310-318-0683
Fax: 310-697-3091

APPLICATION OR WAIVER OF BUSINESS LICENSE TAX

Pursuant to Section 6-1.08(c) of the Redondo Beach Municipal Code

Instructions

- **Complete and return this application** to blmail@redondo.org
- **Please submit** waiver request **four weeks prior to event date** to provide for sufficient time to place on the City Council Agenda for consideration.
- Please contact blmail@redondo.org or at the phone number listed in the form heading with questions.

Section 1: Applicant Information

Name of Event: City of Redondo Beach Summer Reading Kickoff and Juneteenth Celebration

Organization or Individual Business Name: City of Redondo Beach

Telephone Number:

Organization or Individual Business Address: 415 Diamond St Redondo Beach, CA 90277

Mailing Address 415 Diamond St. Redondo Beach, CA 90277
(If Different from Organization or Individual Business Address)

Applicant's Name City of Redondo Beach

Applicant's Address: 415 Diamond St Redondo Beach, CA 90277

Applicant's Relationship to Organization or Individual Business:

Email Address:

Describe Business or Activity for which wavier is requested:
Business License Tax Waiver

Date(s) of the Event: June 13, 2026

Event Hours: 12 PM - 3 PM

Location Address of the Event: 415 Diamond Street Redondo Beach, CA 90277

Organization or Individual Business website:

Please list below all the vendors that will participating in the event:

Crafting Vendors:

Food Booth Vendors (non food truck):
(Please note these vendors will be still be required to provide their Health Permit and Food Handler Certificates prior to event)

Maria's Catering Original Kettle Corn

Food Trucks:
(Please note these vendors will be still be required to provide their Health Permit and Food Handler Certificates prior to event)

The Fix on Wheels

Section 2: Waiver Request Statement

I request a waiver from the business license requirements as specified in Redondo Beach Municipal Code 6-1.08(c).

Section 3: Community Benefit Overview

Describe how your business or organization benefits the community, including charitable activities, community service programs, educational initiatives, and job fairs.
Attach additional documentation as needed.

Having a food vendor will help create a lively, welcoming atmosphere, and add convenience for families attending this event.

Section 4: Compliance with all Laws

I shall comply with all applicable federal, stale, and local laws, ordinances, and regulations related to this application.

Section 5: Supporting Documentation

Include any relevant supporting documents, such as evidence of business ownership or position, proof of community recognition, letters of support, or documentation of community benefits. lf a food vendor please provide a copy of the Public Health Permit or License, evidencing certification that the vendor is in compliance with the Los Angeles County Department of Public Health requirements.

Section 6: Duration of the Business License Waiver

Any business license wavier approved by City Council pursuant to this application shall only be for a short term, extending from June 13, 2026 to June 13, 2026.

Section 7: Signature and Acknowledgment

I declare under penalty of perjury that I am authorized to make this statement and that the information provided is complete and accurate to the best of my knowledge. I understand the City Council will make the final decision on this waiver request.

Signature: Janeychung

Print Name: City of Redondo Beach

Title: Assistant to the City Manager

Date: 5/28/26

Administrative Report

H.13., **File #** 26-0691 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE PURCHASE OF ONE 2026 VERMEER BC1000XL WOOD CHIPPER FROM RDO EQUIPMENT CO. FOR USE BY THE PUBLIC WORKS DEPARTMENT USING CALRECYCLE SENATE BILL (SB) 1383 LOCAL ASSISTANCE GRANT FUNDS FOR A TOTAL OF $58,533

EXECUTIVE SUMMARY

Staff recommends the purchase of one 2026 Vermeer BC1000XL wood chipper for use by the Public Works Department to recycle and reuse organic material generated in the City. The purchase will be made using California Department of Resources Recycling and Recovery (CalRecycle) Senate Bill (SB) 1383 funding, which supports organic waste material recycling programs in local jurisdictions. Competitive pricing for the vehicle was secured through the City's regular purchasing procedures.

BACKGROUND

The SB 1383 Local Assistance Grant Program, administered by the CalRecycle, provides funding to local jurisdictions to support implementation of SB 1383 requirements related to organic waste diversion, edible food recovery, and greenhouse gas emissions reduction. The grant is intended to assist jurisdictions in achieving compliance with state mandates by funding eligible projects, equipment, infrastructure, education, and outreach activities. The City has been awarded SB 1383 Local Assistance Grant funding and is authorized to use these funds for qualifying expenditures that advance its compliance efforts.

To further the City's organic waste recycling efforts, staff is proposing the purchase of a Vermeer BC1000XL wood chipper for $58,532.08 utilizing Local Assistance Grant funding. The recommended purchase will be used by the Parks Maintenance Division to process tree trimmings, brush, and other green waste generated through municipal maintenance activities into wood chips that can be reused as mulch or ground cover.

No General Fund contribution is required for the proposed purchase. The unit is a one-time purchase and will not be included in the Vehicle Replacement Schedule. However, general preventative maintenance will be provided by the Public Works Fleet Division.

If approved by the City Council, the equipment will be ordered and is anticipated to be delivered to the City in the next one-to-two months.

The equipment recommended for purchase has been selected through the City's regular purchasing

procedures. The procedures contain a number of competitive purchasing options including the use of a Piggyback Bid, which utilizes another public entity's recent Request for Proposal or Bid, or the Sourcewell Cooperative Purchasing Program. Cooperative purchasing programs provide valuable benefits to state and local governments. By attaching to national or regional cooperatives, an agency has immediate access to legitimately solicited contracts, guaranteed pricing, and delivery options without expending staff resources on the preparation of its own request for bids. Pricing is often attractive because of the purchasing power of these cooperatives. If approved, the recommended equipment in this report would be acquired via Sourcewell Master Vehicle Contract #010925-VRM.

COORDINATION

The Public Works Department coordinated this report with the Financial Services Department.

FISCAL IMPACT

Funding for the purchase of the equipment a total cost of $58,532.08 is available in the City's Intergovernmental Grant Fund. No additional appropriation is required to complete the purchase.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Quote - RDO Equipment Co.
- Sourcewell Master Vehicle Contract #010925-VRM

Investment Proposal (Quote)

RDO Equipment Co.
1300 Kona Drive
Rancho Dominguez CA, 90220
Phone: (310) 223-2400 - Fax: (310) 223-2424

WARNING
Warning: Cancer and Reproductive Harm.
For more Information go to:
www.P65Warnings.ca.gov

Proposal for:
CITY OF REDONDO BEACH
531 N GERTRUDA AVE,
REDONDO BEACH, CA, 90277
LOS ANGELES

Investment Proposal Date:	1/15/2026
Pricing Valid Until:	12/31/2026
Deal Number:	1982878
Customer Account#:	0686028
Account Manager:	Lance Barker
Phone:	1 (424) 349-1407
Fax:	
Email:	LBarker@rdoequipment.com

Comments

Sourcewell Contract #010925-VRM Tree Maintenance Equipment, Attachments, Accessories, and Related Services

Equipment Information

Quantity	Serial Number / Stock Number	Hours (approx.)	Status / Year / Make / Model / Additional Items	Cash Price
1	TBD TBD	0	New 2026 VERMEER BC1000XL	$59,326.00
			BC1000XL51VP BC1000XL 49HP DOM VALUE PACK. - TIER 4 FINAL DEUTZ	
			Freight in :	$1,595.00
			Prep / Reconditioning :	$650.00
			Customer Discount Sourcewell Contract	($8,306.00)
			Other DMV	$64.00
			Equipment Subtotal:	**$53,329.00**

Purchase Order Totals

Balance:	$53,329.00
CA STATE TAX:	$3,199.74
CA COUNTY TAX:	$133.32
CA SPECIAL TAX:	$1,866.52
Sales Tax Total:	$5,199.58
CA Tire Fee:	$3.50
Sub Total:	$58,532.08
Cash with Order:	$0.00
Balance Due:	**$58,532.08**

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MASTER AGREEMENT #RFP 010925
CATEGORY: Tree Maintenance Equipment, Attachments & Accessories
SUPPLIER: Vermeer Manufacturing Company dba Vermeer Corporation

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Vermeer Manufacturing Company dba Vermeer Corporation, 1210 Vermeer Road East, Pella, IA 50219 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

Article 1: General Terms

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.

2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.

3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.

4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about

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Sourcewell eligibility requirements and required documentation. Supplier will be responsible for ensuring sales are with Participating Entities.

5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on February 24, 2029, unless it is cancelled or extended as defined in this Agreement.

   a) **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.

   b) **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.

6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.

7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP #010925 to Participating Entities. In Scope solutions include:

   a) Tree cutting, trimming and removal equipment;
   b) Automated, remote, or robotic tree maintenance equipment;
   c) Stump cutters and grinders;
   d) Brush and limb chippers;
   e) Portable tree and brush incineration equipment;
   f) Vehicle and equipment attachments designed primarily for the use of tree and vegetation management, including but not limited to grapples, chainsaw bars, tree jacks, drum mowers, and grinders

8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.

10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.

11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcewell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.

12) **Open Market.** Supplier's open market pricing process is included within its Proposal.

13) Supplier Representations:

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i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.

ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.

iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.

14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the term of this Agreement.

15) **Debarment and Suspension.** Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Agreement. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time during the term of this Agreement.

16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Section, all references to "federal" should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier's Included Solutions with United States federal funds.

i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

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ii) **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must comply with all applicable Davis-Bacon Act provisions.

iii) **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies, materials, or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. Supplier

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certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of $150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Agreement it will comply with applicable requirements as referenced above.

vi) **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

vii) **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

viii) **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

ix) **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

x) **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

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xi) **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

xii) **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

xiii) **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Agreement or any purchase by an authorized user.

xv) **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. § 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Agreement or any purchase by a Participating Entity.

xvi) **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

xviii) **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

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xix) **PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** To the extent applicable, Supplier certifies that during the term of this Agreement it will comply with applicable requirements of 2 C.F.R. § 200.216.

xx) **DOMESTIC PREFERENCES FOR PROCUREMENTS.** To the extent applicable, Supplier certifies that during the term of this Agreement, Supplier will comply with applicable requirements of 2 C.F.R. § 200.322.

Article 2:
Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

1) **Authorized Sellers**. Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.

2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
   - Identify the applicable Sourcewell Agreement number;
   - Clearly specify the requested change;
   - Provide sufficient detail to justify the requested change;
   - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
   - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions offered, even for those items where pricing remains unchanged.

   A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Agreement and will be incorporated by reference.

3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
   - Maintenance and management of this Agreement;
   - Timely response to all Sourcewell and Participating Entity inquiries; and
   - Participation in reviews with Sourcewell.

   Sourcewell's Authorized Representative is its Chief Procurement Officer.

4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms,

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administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.

5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.

6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

   The Report must contain the following fields:
   - Participating Entity Name (e.g., City of Staples Highway Department);
   - Participating Entity Physical Street Address;
   - Participating Entity City;
   - Participating Entity State/Province;
   - Participating Entity Zip/Postal Code;
   - Sourcewell Participating Entity Account Number;
   - Transaction Description;
   - Transaction Purchased Price;
   - Sourcewell Administrative Fee Applied; and
   - Date Transaction was invoiced/sale was recognized as revenue by Supplier.

   If collected by Supplier, the Report may include the following fields as available:
   - Participating Entity Contact Name;
   - Participating Entity Contact Email Address;
   - Participating Entity Contact Telephone Number;

7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay an Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.

8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.

9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or

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remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.

10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.

11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.

12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.

13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.

14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.

16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.

17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

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18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.

19) **Grant of License.**
    a) **During the term of this Agreement:**
        i) **Supplier Promotion.** Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.

        ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.

    b) **Limited Right of Sublicense.** The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.

    c) **Use; Quality Control.**
        i) Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.

        ii) Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Each party may make written notice to the other regarding misuse under this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

    d) **Termination.** Upon the termination of this Agreement for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and

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Participating Entity to negotiate this term to within any transaction documents.

21) **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

a) **Commercial General Liability Insurance.** Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Agreement.

- $1,500,000 each occurrence Bodily Injury and Property Damage
- $1,500,000 Personal and Advertising Injury
- $2,000,000 aggregate for products liability-completed operations
- $2,000,000 general aggregate

b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

d) **Waiver of Subrogation.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Agreement or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

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e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

Article 3:
Supplier Obligations to Participating Entities

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.

2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.

4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

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5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.

6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.

7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.

8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

Sourcewell	Vermeer Manufacturing Company dba Vermeer Corporation
Signed by: Jeremy Schwartz C0FD2A139D06489...	DocuSigned by: Chad Tousey 04052E97E152483...
By: _____	By: _____
Jeremy Schwartz	Chad Tousey
Title: Chief Procurement Officer	Title: Corporate Account Manager
Date: 2/27/2025 | 9:06 PM CST	Date: 2/27/2025 | 3:13 PM PST

RFP 010925 - Tree Maintenance Equipment, Attachments, and Accessories

Vendor Details

Company Name:	Vermeer Corporation
Does your company conduct business under any other name? If yes, please state:	?
Address:	1210 E Vermeer Road Pella, Iowa 50219
Contact:	Chad Tousey
Email:	ctousey@vermeer.com
Phone:	641-629-6903
Fax:	641-629-6903
HST#:	42-0663191

Submission Details

Created On:	Tuesday November 26, 2024 21:41:17
Submitted On:	Thursday January 09, 2025 14:11:04
Submitted By:	Chad Tousey
Email:	ctousey@vermeer.com
Transaction #:	0c066024-ae0b-45c8-bebb-00754b59a37b
Submitter's IP Address:	155.190.17.7

Specifications

Table 1: Proposer Identity & Authorized Representatives (Not Scored)

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Table 1 Specific Instructions. Sourcewell requires identification of all parties responsible for providing Solutions under a resulting master agreement(s) (Responsible Supplier). Proposers are strongly encouraged to include all potential Responsible Suppliers including any corporate affiliates, subsidiaries, D.B.A., and any other authorized entities within a singular proposal. All information required under this RFP must be included for each Responsible Supplier as instructed. Proposers with multiple Responsible Supplier options may choose to respond individually as distinct entities, however each response will be evaluated individually and only those proposals recommended for award may result in a master agreement award. Unawarded entities will not be permitted to later be added to an existing master agreement through operation of Proposer's corporate organization affiliation.

Line Item	Question	Response *	
1	Provide the legal name of the Proposer authorized to submit this Proposal.	Vermeer Manufacturing Company (dba Vermeer Corporation)	*
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell? Y or N.	Y	*
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	MV Solutions	*
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Unique Entity ID: YDPEXR9BJCP6 CAGE: 11457	*
5	Provide your NAICS code applicable to Solutions proposed.	333112	
6	Proposer Physical Address:	1210 Vermeer Road East, Pella, IA 50219 U.S.A	*
7	Proposer website address (or addresses):	www.vermeer.com	*
8	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer):	Chad Tousey Corporate Account Manager 1210 Vermeer Road East, Pella, Iowa 50219 ctousey@vermeer.com sourcewell@vermeer.com 641-629-6903	*
9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Chad Tousey Corporate Account Manager 1210 Vermeer Road East, Pella, Iowa 50219 ctousey@vermeer.com sourcewell@vermeer.com 641-629-6903	*
10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Austin Ashbacher Corporate Account Sales Manager 1210 Vermeer Road East, Pella, Iowa 50219 aashbacher@vermeer.com 641-621-7522	*

Table 2A: Financial Viability and Marketplace Success (50 Points, applies to Table 2A and 2B)

Line Item	Question	Response *	

11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested Solutions.	Since its inception in 1948, Vermeer Corporation has grown from a one-person Iowa operation, to an international organization that manufactures agricultural, construction, environmental, and industrial equipment. Vermeer Corporation has been in the industry since it was founded in Pella, Iowa, in 1948. Gary Vermeer once said, "Find a need. Fill that need with a product built to last. And simply build the best!" This is a guiding principle for Vermeer. Stemming from this philosophy, Vermeer provides its customers with equipment through a dedicated independent, authorized dealer network offering sales, support, service, and parts. Vermeer is committed to its vision of "Equipped To Do More." In the early years and shortly thereafter, Vermeer developed many "firsts" including the world's first large round hay baler, tree spade, and stump cutter. Now more than 7 decades later, Vermeer Corporation is still developing new products and is an industry market leader in brush chippers, tub and horizontal grinding equipment, composting equipment, trommel screens, trenchers, directional drills and mini skid steers. As a leading trencher equipment manufacturer, Vermeer trenching equipment has been utilized on road construction and mining projects, within the equipment rental industry, and various other job applications. Vermeer corporate offices and manufacturing facilities are in Pella, Iowa, U.S.A., and have 150 dealerships in the US and Canada. This includes 137 dealerships covering all the United States and 13 dealerships that cover all of Canada. The Vermeer philosophy strongly reflects the Company's character, which encompasses the solid foundation built from decisions made in the past and planning for the organization's present and future. Vermeer's 4P philosophy, Principles, People, Products and Profit, is at the forefront of Vermeer. These principles steer the hub for Vermeer. Now, Vermeer is recognized within our industry as the company that "sets" the standards for quality and customer support.	*
12	What are your company's expectations in the event of an award?	In the event the Sourcewell evaluation team determines that Vermeer is a company that can provide great value to its members and because we believe Sourcewell has its own unique attributes, we would continue our efforts in promoting the overall program. This would include continuing our efforts to design, enhance and build quality products that offers the most value over the life cycle of any given product. We plan to enhance our efforts to promote the Sourcewell program, which we feel also provides great value to any existing or potential member. Vermeer would continue to put a strong focus on training; utilizing Sourcewell's assets (web training, promotional literature, contract support and the new Marketplace) and our assets (internal training links, education of sales representatives on the street with the assistance of Government Solutions Team (GST), encouraging dealers to attend Sourcewell Sales Accelerators, Academies, Universities and promoting Sourcewell at trade shows where Vermeer is exhibiting.	*
13	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION.	See Document: Financial Strength and Insurance	*
14	What is your US market share for the Solutions that you are proposing?	Brush Chippers: Greater than 35% Stump Cutters: Greater than 35% Compact Utility Loaders: Greater than 15% Articulated Compact Utility Loaders: Greater than 10%	*
15	What is your Canadian market share for the Solutions that you are proposing?	Brush Chippers: Greater than 35% Stump Cutters: Greater than 35% Compact Utility Loaders: Greater than 15% Articulated Compact Utility Loaders: Greater than 10%	*
16	Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.	None	*

17	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer the question that best applies to your organization, either a) or b). a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Vermeer Corporation is a manufacturer with production facilities in Pella, Iowa, and a wholly owned manufacturing subsidiary in Freeman, South Dakota. Vermeer products are sold, distributed, and supported by an independent, dedicated and authorized dealer network, a true extension of Vermeer's ideals and sales efforts. Vermeer's dealers are dedicated to Vermeer's full Product Line. This contrasts with most dealerships in our industry which represent multiple products from multiple manufacturers. Having "dedicated" dealerships provides greater benefits to the end users and to the members of Sourcewell. Each Dealer has multiple field sales personnel and technicians that specialize in this complicated machinery industry. Each dealer provides complete parts and service capabilities for all Vermeer equipment they sell. Each Dealership maintains an inventory of various units that are ready for delivery allowing for shorter delivery times. This is extremely beneficial when immediate needs arise, such as storm cleanup. The sales and service specialists are trained by Vermeer annually and network with each other, so all operate as one group, providing consistent value to our customers and Sourcewell members. The entire Vermeer dealership network has a limited number of independent principal owners and works directly with Vermeer Corporation. Vermeer Corporation's collaboration with their dealer network creates a relationship of professionalism and shared values.	*
18	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Vermeer holds a certificate of existence to do business in the state of Iowa, along with certificate of insurance. See Document: Financial Strength and Insurance	*
19	Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.	None	*

20	Describe any relevant industry awards or recognition that your company has received in the past five years.	January 2020 – January 2025 • Vermeer Recognized as a Gold Association of Equipment Manufacturers (AEM) Advocacy Award (2024) • VTX-600 - Top 20 Coolest Things Made in South Carolina (2024) • Mary Andringa Inducted Into HDD Hall of Fame (2024) • ZR5-1200 - Coolest Things Made in Iowa (2024) • The Vermeer VX75 vacuum excavator earns a spot in Equipment Today's Top 50 New Products (2024) • Prometheus Award Winner – UX/CS Achievement of the Year (2024) • Electrex Innovator of the Year: Collin Johnson (2024) • ENOVIA Champions Excellence Award Recipient: Nick Martens (2024) • Telly Awards for Vermeer Visual Content Studio (2024) • Forbes Top Mid-Size Employer (2022,2023) • Named Best Place to Work (250+ employees) and Best Supporter of Community Projects (250+ employees) in the Best of Red Rock Awards (2018, 2019, 2020, 2021, 2022) • Investments Eddy Awards (2021) • Equipment Dealer's Association Dealer Choice Award (2019, 2020) • Des Moines Register's Top 100 Workplaces in Iowa (2021, 2022) • Chair Emeritus Mary Andringa was Iowa Business Record's Women of Influence honoree (2020) • Chair Emeritus Mary Andringa receives the National Association of Women Business Owners Iowa Legacy Award and inducted into NAWBO Hall of Fame • Chair Emeritus Mary Andringa commissioned as Honorary Iowa Colonel of the Militia for contribution to community service • Third-Generation Shareholder Mindi Vanden Bosch receives the Red Rock Area Top 10 Young Professionals Award • Vermeer Corporation awarded 2021 Trade & Industry Magazine's CiCi (Corporate Investment/Corporation Impact Award in the Community Impact category for work following tornado • Red Rock Area Top 10 Under 40 Seth Williams (2020) • Vermeer security team members along with local first responders were honored with the American Heart Association's HeartSaver Hero Award for saving the life of Product Specialist II Kyle Newendorp (2020)	*
21	What percentage of your sales are to the governmental sector in the past three years?	2022: 4.7% 2023: 5.1% 2024: 5.8%	*
22	What percentage of your sales are to the education sector in the past three years?	2022: 1.2% 2023: 1.5% 2024: 1.8%	*
23	List all state, cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreement over the past three years?	State of Delaware (Adopted in 2024) $0 State of Iowa: $100K	*
24	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	None	*

Table 2B: References/Testimonials

Line Item 25. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Scottsdale	Josh Dukelow	480-312-5715	*
City of San Diego	Ralph Monroy	619-527-7577	*
City of Roseville	Tiffany Valdez	916-746-1109	*
City of Glendale	Connie Schneider	623-930-2868	

Table 3: Ability to Sell and Deliver Solutions (150 Points)

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	Factory product specialists and our dealership network consists over 500 sales reps in the United States and Canada. Vermeer and its dealers can sell and support our products across all of North America, Hawaii and the Caribbean. This entire group focuses on Vermeer products such as the Tree Maintenance equipment included in this RFP and overall customer support.	*
27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	Vermeer has 137 dealership locations in the United States, 13 dealership locations in Canada, each with numerous salespeople. With this dealership group, we can sell and support Vermeer's entire product line and our customers throughout all North America and Hawaii. The entire group in North America focuses their efforts on Vermeer products such as those included in this RFP and overall customer support. Between Vermeer Corporation and the Vermeer dealership network we have a sales force of over 500 individuals in the United States and Canada. See Document: Ability to Sell and Deliver Service-Warranty	*
28	Service force.	Vermeer Corporation has 75 factory service technicians and product specialists that work directly with customers and with our dealership network. Between this group of individuals and our dealership network of over 700 service technicians in the United States and Canada, we can service and support our products across the globe. This entire group focuses their efforts on Vermeer products and related services such as those included in this RFP. Additionally, each of these dealerships have multiple equipped service trucks that allow us to provide support and service for our products and customers in the field or at the Sourcewell member's facilities.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Since Vermeer relies on its network of authorized independent dealers to work closely with Sourcewell members to execute the terms of this agreement, Vermeer wishes to clarify that it may assign to those dealers certain of Vermeer's obligations under this agreement and/or engage those dealers as subcontractors to fulfill the same. Vermeer acknowledges and agrees that it will remain fully responsible for the performance of its authorized dealers with respect to all obligations assigned or subcontracted hereunder." Vermeer Corporation will utilize a Business-to-Government order process and funds flow. The Process Flow for Sourcewell orders will be structured to minimize the impact for both the sales team and our customers as indicated below: Customer contacts the local dealer or factory for Sourcewell for a contract purchase Determine if local agency is Sourcewell member If member – proceed If not a current member – assist agency with online membership application Dealer determines product specifications and supplies quote Pricing – percentage discount from catalog pricing Develop quote with: Machine pricing Freight Quote presented to local agency. Accepted – proceed to order process. Denied – Dealer does not proceed, seeks possible assistance from Vermeer Corporate & Sourcewell Dealer will use machine from current inventory or places an order and delivers when available.	*

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	All Vermeer personnel are trained, in their respective roles, so they can offer the best services and ultimately, the most value to our customers. Customers often tell us our exceptional service and on-going support is one thing that differentiates us in the industries we serve. Vermeer construction equipment parts have stood the test of time on work sites throughout the world. Serious contractors choose Vermeer tooling and accessories for good reason: Using quality Vermeer tooling helps increase production,job completion and efficiencies. Vermeer parts are backed by a proven distribution and service network. Vermeer is committed to building reliable equipment and backing it with an exclusive, worldwide network of knowledgeable service personnel. Vermeer dealer service technicians can participate in: Vermeer University training programs — an industry leading, field-proven educational training program Any Sourcewell member or customer can contact any Vermeer dealership for warranty, service or support Typically, a service representative is available at the point of contact to discuss a service concern or issue. Response times to begin service work can vary depending on seasons and daily workload, but often service work itself can be done within hours or shortly thereafter. Vermeer equipment parts are readily available to meet your service needs. To benefit our customers, each of our dealerships has a wide array of parts in stock around North America and the world. Vermeer equipment parts and accessories are precision engineered and manufactured to exacting tolerances to provide rugged, longer-lasting service in the field. Since 1948, our product support service teams have provided a level of experience and expertise that goes far beyond product knowledge, sales training and financing programs. Vermeer is the only utility equipment manufacturer that backs its products with an exclusive worldwide dealer organization. Vermeer service technicians are a group of dedicated experts who believe in lasting relationships and take the time to understand your working conditions and stand ready to provide service, parts or equipment maintenance on your job site, your facilities or at our dealerships. Vermeer is recognized as having one of the industry's best response times and overall product support.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	Vermeer is honored to have held a NJPA/Sourcewell contract since 2009. In the event of an award through this RFP, Vermeer will continue to eagerly place priority on serving and selling our quality Tree Maintenance products to the Sourcewell membership in the United States and Canada.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Vermeer has a very robust dealer presence throughout Canada. Through our dealers, Vermeer is capable and willing to provide products to all Sourcewell participating entities in Canada. Vermeer continues to see an increase in Canoe opportunities through our Sourcewell contracts and have put an emphasis on dealer training. We look forward to continuing this growth in Canada through Canoe with all of Vermeer's Sourcewell contracts.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	Vermeer is capable of serving all geographic areas in the United States and Canada. See Document: Ability to Sell and Deliver Service-Warranty	*
34	Identify any account type of Participating Entity which will not have full access to your Solutions if awarded an agreement, and the reasoning for this.	None	*
35	Define any specific requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	With store locations in both Anchorage, Alaska and Waipahu, Hawaii (just outside Honolulu), Vermeer Manufacturing Company is ready to serve the needs of customers working in these locations. Additionally, a store is in San Juan, Puerto Rico and the remainder of the Caribbean US Territories are easily supported via our Vermeer Industrial Dealer in Boynton Beach, Florida. The island of Guam is served via our Industrial Dealer that headquarters in Singapore but regularly does business on the island.	*
36	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Yes	*

Table 4: Marketing Plan (100 Points)

Line Item	Question	Response *	

37	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Vermeer's priority for marketing this contract will be to enable and empower our dealer sales force through education and awareness. Our dealers will be the primary source to build customers' awareness of this Sourcewell contract and procurement method. We have dedicated training programs and support efforts in place to continually improve our dealers' understanding, embracement, and success of our Sourcewell contracts. Digital marketing is also a priority for Vermeer. Since 2016, Vermeer has proudly included a section within our website dedicated to describing the benefits of (NJPA) Sourcewell, cooperative purchasing and promoting Vermeer's inclusion in the Sourcewell family of awarded vendors. We reference resources directly from Sourcewell to support this content, including the "The Sourcewell Advantage" video to quickly describe the benefits and to build awareness and comfort for the viewers. Additional digital marketing efforts include adding details of the benefits of utilizing Sourcewell into our geotargeting tactics. This gives us the ability to direct advertising on individual electronic devices (advertising you see on Facebook, Google, etc.) based on the location of the electronic device. An example of current geotarget locations include the 20 miles around specific dealerships. When someone comes within those 20 miles they will begin seeing Vermeer advertising on their cell phone. The advertising produced in the geotargeting marketing tactic will direct viewers back to the dedicated Sourcewell landing page on Vermeer.com. In developing the page content for Vermeer.com, we utilized strategic keywords based on common terminology around the cooperative buying process. By including this in our page copy, it will help to capture the audience searching for cooperative buying solutions on equipment buying and drive that search traffic to this page. https://www.vermeer.com/na/equipment/financing/government-solutions In addition to the dedicated page currently on Vermeer.com for Sourcewell information, Vermeer includes information on each specific product page for applicable models to direct customers back to the Sourcewell page on Vermeer.com. This will increase awareness of not only Sourcewell, but let customers know during their research phase that the model can be purchased through a Sourcewell contract. See Document: Marketing	*
38	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	As mentioned above, we have a significant Sourcewell presence on Vermeer.com and will continually monitor our effectiveness in driving traffic to our pages through search engine optimization (SEO). Our internal digital marketing team is continually increasing our search engine marketing efforts, and will begin adding more Sourcewell and public sector cooperative purchasing terms into our ad sets moving forward to further increase awareness. In addition, we will also use our primary social channels (Vermeer Environmental Facebook page with over 60,000 followers, Vermeer Industrial Instagram page with over 20,000 followers) to further drive awareness of our Sourcewell contract. We will continue to share customer's stories highlighting those customers that have utilized Sourcewell contracts to purchase their Vermeer equipment. We are also actively working on better aligning with our sales team to be alerted of products purchased through the Sourcewell contract so we can look for more opportunities to share more stories throughout the year. Within our blogs, we can tag these customer stories with Sourcewell terminology to make it easier to search for and raise awareness; then link to these stories to our informational page on Vermeer.com enhance credibility. As an example, Vermeer featured a customer story on our blog and shared to our Facebook page about the purchase of a horizontal grinder using a formerly NJPA, now Sourcewell contract. This post reached over 12,000 people, received over 130 likes and was shared 17 times. As we continue to hear of customers who take advantage of the Sourcewell opportunity with Vermeer, we will continue to endorse those stories on our social channels and utilize them as testimonials to the value of purchasing Vermeer equipment through Sourcewell.	*

39	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreement into your sales process?	Vermeer views Sourcewell as the industry leader within the Cooperative Purchasing industry, which is the role we desire Sourcewell to maintain. We look to Sourcewell to continue to build awareness and acceptance among public procurement professionals, and we appreciate the tradeshow presence that Sourcewell has been committed to providing. We also look to Sourcewell to keep the vendor community informed on pending legislation, as well as any legal challenges relating to cooperative purchasing across US and Canada. The information provided on sourcewell-mn.gov is a helpful resource for both members and vendors, and to promote our contract and display current information on a Vermeer landing page. The contract administrator and contract administration specialist roles at Sourcewell are invaluable to the vendor from the Contract Launch and VBM to the report requests and weekly membership updates. We look to the contract administrator for assistance when we need government-to-government conversations, additional training whether it be a University, Sales Accelerator event or a vendor training event. In additional to all the support provided through trade shows and overall passion for Sourcewell, Vermeer will do its part through utilizing these great people resources and building upon existing relationships. We will promote the services that they provide to our dealership network. We will utilize the Sourcewell marketing materials at applicable trade shows. At Vermeer, our Sourcewell contracts are placed as our main go-to-market strategy in the public sector. We have integrated Sourcewell into our company culture and continue to invest in training and support resources available to and for our dealers. Along with a dedicated internal governmental department, Vermeer has partnered with GST - Government Solutions Team, LLC as an additional support resource. GST specializes in providing factory sponsored, focused efforts to increase dealers' confidence and competency related to Sourcewell, and travels out in territories to encourage and mentor salespeople and governmental fleet customers about Sourcewell. GST helps support and creates partnerships our dealers. This also includes helping overcome customers' objections to using Sourcewell as a buying method. Our investment in GST is another example of Vermeer's commitment to doing all we can to make our Sourcewell contracts successful.	*
40	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Vermeer continues to explore the feasibility of implementing an E-procurement and E-Marketplace system.	*

Table 5A: Value-Added Attributes (100 Points, applies to Table 5A and 5B)

Line Item	Question	Response *	
41	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Vermeer provides product training for operation and maintenance on our entire product line. The training is standard and is included with each new product delivered. Local dealers will conduct overview sessions or one on one reviews with operators. New product introductions and training programs are performed on a regular basis, for both existing and prospective customers. Offering localized ongoing training and support is another benefit of having long term dedicated dealers and specialists throughout the United States and Canada.	*
42	Describe any technological advances that your proposed Solutions offer.	Vermeer is considered to be the innovator within the industry creating newer, more efficient products. We are continuously developing environmental and economic features in our products. Each product has its own features and benefits. Life cycle costs and safety are the key drivers used during the engineering and enhancement of all our products. Vermeer has designed many safety features into our products and makes them standard, not optional, features in all our products. The Vermeer website provides extensive product information and can be cross referenced by equipment type, i.e., construction or environmental and by industry like Tree Maintenance. This provides the members with information that is specific to their application and helps make the purchasing decision more efficient. A local Vermeer dealer can be located using the 'Dealer Locator" feature on www.verrmer.com.	*

43	Describe any "green" initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.	Energy Reduction and Waste Management in ingrained in the Vermeer culture and processes. An 870kW solar field was installed and in operation in 2016 which will provide approximately 5% of Vermeer's total electrical usage. Lighting technology has been upgraded in several locations to energy efficient LEDs as well as motion sensors and variable lighting depending on the time of day and natural light. Resource Conservation is achieved in three ways, Reduction, Reuse and Recycling. Multiple resource conservation initiatives have been implemented both internally and externally to positively impact each of these conservation mechanisms. At least 76% of Vermeer's waste is recycled. About 3000 pounds of organic waste is composted every month. Since a 2006 baseline year, Vermeer has reduced water usage by 40 percent. Pollution Prevention – Vermeer has implemented multiple layers of pollution prevention mechanisms across our campus to minimize risk of environmental pollution from our operations. Recent additions include: Our manufacturing and assembly factories have been upgraded with state-of-the-art steel cutting laser equipment and emission filtration devices which have resulted in a 42 percent decrease in particulate air emissions. All shot blasting of parts and machines is done in an enclosed area and controlled with pollution control equipment. Vermeer utilizes LEAN manufacturing principles and promotes Kaizen training and events to reduce waste and build efficiencies in the manufacturing process. Community Outreach – is the very essence of what environmental stewardship is about. Examples of Vermeer's Community outreach efforts include annual waste collection days during Earth Day for the local community. Environmental education grants Environmental Educational Tours and Programs (Teachers / Students / Community) Support volunteerism for disaster clean-up and recovery efforts Environmental Internships Partnerships with colleges for technical educational programs that benefit the environment. Product Innovation Vermeer is driven to support our customers, local communities, and global nations, with exciting new products that enable them to be successful in the current and newly emerging recycling and resource conservation markets such as: Bio-waste conversion to energy and ethanol Geothermal applications Wind energy Water quality Waste processing and composting Vermeer products are currently being used to install and maintain emerging alternative energy sources which reduce our reliance on fossil fuel power. The Vermeer line of organic recycling equipment – including whole tree chippers, horizontal and tub grinders, and compost tuners – process organic waste quickly and efficiently, so that it can be turned into useful end product, and our utility installation products help bring energy sources to the grid. Whole tree chippers and horizontal and tub grinders are being used to process wood waste into biomass for power generation facilities. From soil amendment to erosion control, compost is utilized in a variety of applications and plays an important role in today's world. Vermeer compost turners introduce oxygen into the compost pile, helping speed the decomposition process. Horizontal directional drills are being used to help install loops for residential geothermal heat pump systems, while trenchers and directional drills are helping to bring wind energy from the farm to the grid. For the installation of commercial solar fields, Vermeer offers a solution. in the PD10 pile driver for fast, easy installation of solar panels. Innovations in Vermeer products help reduce environmental impact. EcoIdleTM engine control system on select brush chippers on this RFP monitor engine inactivity to help reduce fuel consumption and noise. Vermeer puts environmental stewardship into the design and manufacturing of its products. Some recycled steel is being used in our products, and we're exploring ways to integrate more recycled plastics and rubber components. Vermeer has also made a conscious effort to begin incorporating engine hoods and shields made from recycled ABS plastic into some of our product designs. In addition, our manufacturing and assembly factories have been upgraded with state-of-the-art steel cutting laser equipment and emission filtration devices which have resulted in a 42 percent decrease in particulate air emissions. Future Goals – Our continued efforts to minimize waste and conserve natural resources will ensure our operations remain environmentally sustainable. The focus will be: Continue to focus on energy improvements to meet or exceed our 25% goal for reduction in electrical usage. Complete a water usage analysis and set new goals for reductions and reuse. Develop a longer-term sustainability process by reviewing and selecting a sustainability partner or tool to help plan and drive our next steps.

44	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	Small Spark Ignition (SSI) gasoline engines require EPA certification for evaporative emissions (unburned hydrocarbons – which is the loss of unburned gasoline vapor). SSI engines used by Vermeer are spark ignited engines of ≤19kW (25hp) or ≤30kW (40hp) if the engine displacement is <1000cc and EPA designated as Class II (non-handheld engine of ≥225cc displacement). Evaporative emissions certification does not apply to SSI engines using gaseous fuels such as Propane, Natural Gas, Hydrogen, etc., strictly gasoline only. This SSI option is included on the following models in this RFP: SC292 SC30TX SC362 SC382 BC700XL BC900XL	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Vermeer Corporation celebrates 7 decades of manufacturing. From modest beginnings, quality product innovations and demand has allowed the company to expand offering in more than 60 countries. Our full line is considered the innovator of quality products and safety within the industry. The reputation of the Vermeer brand allows for typically higher resale of used equipment bringing more value to the governmental agency. Vermeer's product support is among the best in the industry, enabling the equipment investment to last longer, again adding value. Vermeer implements a training program for customers helping to maintain a safe work environment for the operators. Vermeer is the only supplier that can offer such a wide variety of equipment	*
46	Describe any safety features your equipment and products offer such as emergency or auto-shut off capability, impact-resistant helmets, chainsaw breaks and chain catchers, blade guards, safety shields, heat-resistant and abrasion resistant ropes, emergency descent and rescue equipment, cut resistant gloves or clothing, etc.	Vermeer places a strong emphasis on safety across all its operations and products including the equipment offered in this RFP. Vermeer brush chippers come with several safety features and guidelines to ensure safe operation. Vermeer brush chippers are equipped with a bottom feed stop bar; a crucial safety feature designed to enhance operator safety while feeding material into the chipper. This bar is strategically located at the front of the feed table, allowing operators to shut off the feed mechanism if necessary. When the bottom feed stop bar is triggered, it stops only the feed roller, not the drum. he sensitivity settings of the stop bar can be adjusted to minimize unintended stops caused by material striking the bar. The Brush Chipper Safety Messages document outlines various warnings and precautions, such as reading the operator's manual and safety signs, wearing personal protective equipment (PPE), keeping spectators away, and being cautious of engine exhaust and pressurized fluids. Additionally, the Brush Chipper SEC (Safety Engineering Considerations) document provides guidance on the design, development, and enhancement processes of Vermeer brush chippers to ensure they meet safety standards. Vermeer stump cutters come with several safety features and guidelines to ensure safe operation. Enhancement processes of Vermeer stump cutters ensure they meet safety standards. The cutter wheel joystick has operator presence which prevents the machine from running unless a hand is present on the joystick. If the joystick is not being held, the cutter wheel will shutoff to prevent the operator from getting to it while in operation. Vermeer has produced several operation and safety videos for their stump cutters. These videos cover topics such as transporting and setting up the cutter, using proper PPE, and maintaining the cutting system. Vermeer compact utility loaders come with several safety features and guidelines to ensure safe operation. The operator presence does not allow the loader to operate if no one is physically active on the machine. Vermeer recommends safety measures, such as wearing eye protection, safety hard hats, safety shoes, hearing protection, and high-visibility clothing if working near traffic. It also emphasizes the importance of not wearing wristwatches or any jewelry, wearing gloves when handling hydraulic hoses and quick connects, and ensuring close-fitting clothing and confined long hair. Vermeer has produced several operation and safety videos for their articulated loaders. These videos cover topics such as transporting and setting up the loader, using proper personal protective equipment (PPE), and maintaining the machine. Additionally, it's important to follow the do's and don'ts for safely operating articulated loaders, such as being aware of power lines and underground utilities and using common sense by reading and understanding the manual and safety procedures.	

47	Describe any ergonomic features your products offer such as anti-vibration systems, balanced equipment design, rotating and adjustable seats, energy absorbent lanyards and harnesses, soft-grip and adjustable handles, back support padding, auto-tensioning systems, etc.	Vermeer Brush Chippers have the operator controls placed in an ergonomic position, so the operator is not having to bend over to use the machine. Larger chippers can also be operated with a remote control. Compact Loaders have “springier” platform that came out a couple of years ago. This allows comfort for the operator, especially if they must get on and off the loader consistently. If the operator is limited to the machine, the seat and optional cab of the articulated loaders is recommended. Vermeer’s larger stump cutters give the user an option to either work at the machine or with a remote. This limits them from having to always be in touch with the machine to operate.	
48	Describe the serviceability of the products included in your proposal (parts availability, warranty, and technical support, etc.).	Vermeer has a world class parts center based in Pella, Iowa that capable of shipping and expediting parts to all dealers when needed. Also, the dealer's stock a large selection of parts that can be shipped or delivered as needed to Sourcewell members. Vermeer has a standard warranty that comes with every machine along with the option to purchase an extended warranty and service plan to be managed and implemented between the dealership and member. Vermeer Telematics is an online tool that tracks machine productivity and manages jobsites. It enables fleet or operations managers to access real-time data about the GPS location, productivity (including idle times and fuel consumption), and maintenance requirements of their Vermeer equipment. The system sends alerts when a machine operates outside its expected GPS location and notifications for planned maintenance or service needs. Additionally, Vermeer Telematics records both machine idle times and estimated fuel consumption to help manage operating costs. See Attachment: Ability to Sell and Deliver Service-Warranty	

Table 5B: Value-Added Attributes

Line Item	Question	Certification	Offered	Comment	
49	Select any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation and a listing of dealerships, HUB partners or re-sellers if available. Select all that apply.		(•) Yes ( ) No	Vermeer has a business partner who is certified HUBZone and Small Business. With this program federal agencies can purchase and be compliant with the set aside parameters.	*
50		Minority Business Enterprise (MBE)	( ) Yes (•) No	None	*
51		Women Business Enterprise (WBE)	( ) Yes (•) No	None	*
52		Disabled-Owned Business Enterprise (DOBE)	( ) Yes (•) No	None	*
53		Veteran-Owned Business Enterprise (VBE)	( ) Yes (•) No	None	*
54		Service-Disabled Veteran-Owned Business (SDVOB)	( ) Yes (•) No	None	*
55		Small Business Enterprise (SBE)	(•) Yes ( ) No	Small Business Partner	*
56		Small Disadvantaged Business (SDB)	( ) Yes (•) No	None	*
57		Women-Owned Small Business (WOSB)	( ) Yes (•) No	None	*

Table 6A: Pricing (400 Points, applies to Table 6A and 6B)

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *	
58	Describe your payment terms and accepted payment methods.	Payment Terms are Net30. Cash, Credit, Financing and Leasing are available.	*
59	Describe any leasing or financing options available for use by educational or governmental entities.	A variety of leasing programs are available. This includes municipal leases as well as leases with different purchase options at the end of the term. Purchase Options using predetermined or fair market values can be used to customize payments to a member's budget and capital availability. Rates and terms can vary and be tailored to the members needs and qualifications.	*
60	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload all template agreements or transaction documents which may be proposed to Participating Entities.	Transaction documents will vary by dealer location, but typically a signed sales order and/or purchase order is acceptable.	*
61	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Since Vermeer dealers will be receiving payments directly from members, P-card procurement will be at their discretion and may vary from dealer to dealer.	*
62	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Vermeer offers Sourcewell members a discount up to 14% for the offering in the Tree Maintenance Equipment, Attachments, and accessories. There is a pricing list included with the RFP that incorporates the appropriate and stated discount for each unit and options for each model. The price list utilizes model numbers and sales codes rather than SKU numbers. In order to determine total price, the Vermeer dealer will utilize the discounted amount on the price list and provide freight and prep depending on the model. We will continue to work with Sourcewell to refine this method if needed. See document: Pricing	*
63	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Pricing is a percentage discount from list price ranging from 7% to 14% on equipment.	*
64	Describe any quantity or volume discounts or rebate programs that you offer.	Our dealership network has the authority to consider volume discounts, member loyalty and may offer additional discounts at their discretion. Please contact the appropriate Vermeer Dealer or the Vermeer Corporate Accounts Department to discuss.	*
65	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "non-contracted items". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Sourced Goods or Open Market Items are available to members through Vermeer dealers. The pricing for the goods and services will be based on fair market value and determined between the customer and dealer. These products should be complimentary to the Vermer equipment included in the Sourcewell purchase. These sourced or open item purchases will not be included on the Sourcewell sales reports.	*

66	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Equipment Parts- Vermeer Corporation at 1210 Vermeer Road East in Pella, Iowa is the sole source manufacturer of Vermeer Genuine Parts. The Vermeer dealership network is the sole source distributor for genuine Vermeer parts that are recommended for use on all equipment. The pricing should not exceed the suggested list price. There are some specific local and state taxes that might be included in the acquisition price from the dealer. Few examples are the following: RDO Pacific in Oregon has a state privilege tax of 0.5% on all towable equipment. RDO Vermeer Pacific in California, which is part of the Vermeer dealership network includes the following additional charges: CARB registration fee for any unit with a 50 hp engine and over. CARB is California Air Resources Board. This is government mandated. The dealership begins the registration process as soon as they can because the machine must sit until the registration process is complete or there is risk of being issued a citation. Tire tax of $1.75 per tire. This is required for anything with tires. Registration fee for units that must be licensed and plated. This is done as a courtesy to the customer. If a customer prefers to take responsibility for this on their own, then the dealer does not charge a registration fee. While Vermeer historically implements any price increases on an annual basis, volatility or changes in the procurement market like we experienced post-COVID can impact this schedule. A quote could include a pending or upcoming price increase if the machine is anticipated to be delivered after the increase is implemented as these costs are absorbed by our dealer network. These increases are capped at 4% per quarter and cannot be implemented more than 4 times in a 12-month period. This is consistent and included with our current contracts.	*
67	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	The freight cost for each piece of equipment is determined by the dealer based on the equipment size and distance from the manufacturing location. The member's final price should be determined by using the contract price of the equipment and dealer freight and prep. The freight and prep. This amount should be itemized separately and does not qualify for the model discount.	*
68	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	We have Vermeer dealerships covering Alaska, Hawaii, and Canada. The Vermeer dealer works with Vermeer Corporation’s logistics team to ship the product from the manufacturing plant to their location. The dealer then preps and delivers the equipment to the customer.	*
69	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Due to the nature of our product and business model, Vermeer is set up to distribute and deliver through the Vermeer dealership network. The service, longevity, and expertise of this dealership network along with the relationship with Vermeer Corporation is what makes it a unique distribution channel.	*
70	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.	Each dealer can qualify for funding from Vermeer Corporation for products sold and delivered to Sourcewell members. To receive this funding the dealer must submit paperwork to the Vermeer Corporate Accounts Department, stating the Sourcewell program was utilized and who was the purchasing member. This paperwork along with submitted equipment registration is used as an accounting tool and in our audit process. Vermeer Corporation provides current contract pricing and instructions on our internal dealer website and schedules training sessions, allowing Vermeer to educate the Vermeer Dealers in the proper use and promotion of the Sourcewell program. The dealer submissions are reviewed on a monthly basis and reported to Sourcewell along with the administrative fee.	*
71	If you are awarded an agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	Vermeer has a 15-year sales history with NJPA/Sourcewell, showing consecutive year-over-year growth. We assess our success by comparing it to the previous year's growth and tracking dealer engagement through quotes, sales, and training. Additionally, we use internal metrics to monitor purchases via Sourcewell or the bid process, helping us evaluate the effectiveness of our contract purchasing focus.	*

72	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	Vermeer Corporation proposes a 0.75% administrative fee to Sourcewell on monthly equipment sales. This aligns with our other contracts, and Vermeer will cover the entire fee without requiring dealers to contribute.	*

Table 6B: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments	
73	The pricing offered is as good as or better than pricing typically offered through existing cooperative contracts, state contracts, or agencies.	The pricing is better than if the member did not utilize a contract for purchasing or went to bid.	*

Table 7A: Depth and Breadth of Offered Solutions (200 Points, applies to Table 7A and 7B)

Line Item	Question	Response *	
74	Provide a detailed description of all the Solutions offered, including used Solutions if applicable, offered in the proposal.	Brush Chippers- Vermeer brush chippers are highly valued by municipalities, arborists, contractors, and tree care crews for their ability to efficiently clear wood debris and logs or limbs with small to medium diameters. They are built with exclusive features that promote easy operation, high efficiency, and operator safety. The SmartFeed feed-sensing control enhances productivity by optimizing efficient hardwood processing, while the Ecoldle™ engine control system saves fuel and reduces noise by automatically reducing engine speed after periods of inactivity. Stump Cutters- Vermeer stump cutters are known for their power, agility, and toughness, making them suitable for almost any tree stump removal project. They come with a range of horsepower options, from 25 to 115 hp (18.6-85.8 kW), and feature the exclusive AutoSweep® system, which sweeps away tree stumps one pass after another. Vermeer stump cutters are designed to provide faster, easier serviceability, and extended tooth life. They also have models with tracks that provide low ground bearing pressure, reducing the possibility of turf damage. Compact Utility Loaders- Vermeer mini skid steers, designed for professional landscapers and tree care contractors, fit into tight spaces and are lightweight. They feature a universal mounting plate for quick attachment hookup and offer a variety of attachments. With an operating capacity from 500 lb to 1600 lb (226.8 kg to 725.7 kg) and industry-leading safety features, these skid steers easily maneuver around tough worksites, reducing workloads efficiently. Articulated Utility Loaders- Vermeer offers a range of compact articulated loader models designed for diverse applications, such as tree care and landscaping. Articulated loaders are recognized for their exceptional maneuverability, efficient material handling capabilities, and minimal turf disruption. These features make them an excellent solution for addressing labor challenges at the job site. The ATX720 model is equipped with manual valves and switches to ensure straightforward operation, while the ATX530 model features an electric over hydraulic joystick for precise control.	*
75	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	None	*

Table 7B: Depth and Breadth of Offered Solutions

Indicate below if the listed types or classes of Solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
76	Tree cutting, trimming and removal equipment	(•) Yes ( ) No	Compact and Articulated Loaders ranging from 25hp - 57hp	*
77	Automated, remote, or robotic tree maintenance equipment	(•) Yes ( ) No	Remote options available on some Brush Chippers and Stump Cutters models	*
78	Stump cutters and grinders	(•) Yes ( ) No	Models ranging from 25hp - 115hp	*
79	Brush and limb chippers	(•) Yes ( ) No	Brush Chippers ranging from 25hp - 275hp	*
80	Portable tree and brush incineration equipment	( ) Yes (•) No	Vermeer does not supply incineration equipment, but brush chippers turn limbs and logs into wood chips.	*
81	Vehicle and equipment attachments designed primarily for the use of tree and vegetation management, including but not limited to, grapples, chainsaw bars, tree jacks, drum mowers, and grinders	(•) Yes ( ) No	Compact and Articulated Loader attachments	

Table 8: Exceptions to Terms, Conditions, or Specifications Form

Line Item 82. **NOTICE**: To identify any exception, or to request any modification, to Sourcewell standard Master Agreement terms, conditions, or specifications, a Proposer must submit the proposed exception(s) or requested modification(s) via redline in the Master Agreement Template provided in the “Bid Documents” section. Proposer must upload the redline in the “Requested Exceptions” upload field. All exceptions and/or proposed modifications are subject to review and approval by Sourcewell and will not automatically be included in the Master Agreement.

Do you have exceptions or modifications to propose?	Acknowledgement *
	( ) Yes (•) No

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.

2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.

3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.

4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as “Marketing Plan.”

- Pricing - Pricing.pdf - Thursday January 09, 2025 12:08:08
- Financial Strength and Stability - Financial Strength and Insurance.pdf - Thursday January 09, 2025 13:03:15
- Marketing Plan/Samples - Marketing.pdf - Thursday January 09, 2025 12:03:21
- WMBE/MBE/SBE or Related Certificates (optional)
- Standard Transaction Document Samples (optional)
- Requested Exceptions (optional)
- Upload Additional Document - Ability to Sell and Deliver Service.Warranty.pdf - Thursday January 09, 2025 12:06:11

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.

2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for award.

3. The Proposer certifies that:

(1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and

(3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.

4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.

5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.

6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.

7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

8. Proposer its employees, agents, and subcontractors are not:

1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf;
2. Included on the government-wide exclusions lists in the United States System for Award Management found at: https://sam.gov/SAM/; or
3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☑ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Chad Tousey, Corporate Account Manager, Vermeer Corporation

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

○ **Yes** ◉ **No**

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "**I have reviewed this addendum"** below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum 2 Tree Maintenance Eqpt Thu December 19 2024 01:52 PM	☑	2
Addendum 1 Tree Maintenance Eqpt Thu December 12 2024 10:39 AM	☑	1

Administrative Report

H.14., **File #** 26-0692 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2606-040, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASS SPECIFICATIONS FOR THE POSITION OF PUBLIC WORKS ADMINISTRATIVE MANAGER

EXECUTIVE SUMMARY

The Public Works Department's Budget includes a Public Works Administrative Manager position. The position (which replaced a vacant Sr. Management Analyst position) was approved by the City Council with Decision Package #8 as part of the FY 2025-26 Mid-Year Budget Review in order to more efficiently organize the Department's administrative functions. The proposed job specification was adapted from a similar role in the Police Department. Prior to initiating recruitment to fill the vacancy, the Official Book of Class Specifications must be updated to include the class specification for the position. The proposed class specification has been reviewed and approved by the Human Resources Department and the Redondo Beach City Professional & Supervisory Association, the bargaining unit representing the job class.

BACKGROUND

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 specifications are included to state the job duties, responsibilities, and desired qualifications. The Official Book of Class Specifications does not currently include a class specification for the Public Works Administrative Manager position. The inclusion of this updated class specification is recommended pursuant to Section 2-3.502 of Article 5 and Section 2-3.603 of Article 6, Chapter 3, Title 2 of the Redondo Beach Municipal Code, which authorizes the Mayor and City Council to set forth, from time to time, the class titles, and specifications for job classifications. This highly experienced position requires domain-specific knowledge of administrative practices, procedures, supervision, and technology essential to the Operations Division of the Public Works Department.

This position was recommended by staff and approved by the City Council, on March 17, 2026 as part of the Mid-Year Budget Review, to improve staff retention, respond to evolving service demands, more efficiently organize administrative functions within the Department, and to maximize use of increasingly available technology tools and solutions. The approved reorganization also included the elimination of a vacant Senior Management Analyst position.

Staff has prepared the job class specification to be commensurate with the duties, expectations, and requirements of other Administrative Manager positions in the City and has included the City's standard language and formatting. Prior to filling the Public Works Administrative Manager position, it is recommended that the updated class specification be approved by the City Council and included in the City's Official Book of Class Specifications.

COORDINATION

The job class specification for the Public Works Administrative Manager has been coordinated with the Public Works Department, Human Resources Department, and with representatives of the Redondo Beach City Professional & Supervisory Association.

FISCAL IMPACT

Funding for the position is included in the Public Work's Department's annual operating budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No. 2606-040 Amending the Official Book of Class Specifications adding the Class Specification for the Public Works Administrative Manager Position, including Class Specification

RESOLUTION NO. CC-2606-040

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASS SPECIFICATIONS TO INCLUDE THE POSITION OF PUBLIC WORKS ADMINISTRATIVE MANAGER

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 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, it is necessary to amend the Official Book of Class Specifications to reflect such action 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 updating the Class Specification for the position of Public Works Administrative Manager.

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 9th day of June, 2026.

_____
James A. Light, Mayor

APPROVED AS TO FORM: ATTEST:

_____ _____
Joy A. Ford, City Attorney 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-2606-040 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 9th day of June, 2026, 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 PUBLIC WORKS ADMINISTRATIVE MANAGER

See attached job specification.

City of Redondo Beach Approved:
Class Specification Resolution:

PUBLIC WORKS ADMINISTRATIVE MANAGER

DEFINITION

Under the direction of the Deputy Public Works Director, this position is accountable as a team member of the Public Works Department to achieve results in support of the City's mission, goals, policies and objectives. As a member of the management team, assists the Public Works Director in the administration and management of the Public Works Department; establishes division and program priorities, policies and procedures; manages clerical, technical and professional staff; and provides highly responsible and complex staff assistance to the Public Works Director. Performs work under general instructions, but within established policies and procedures; performs related duties as required to achieve successful results in support of the City's mission, goals, policies and objectives.

DUTIES, RESPONSIBILITIES AND EXPECTATIONS

The listed tasks are essential for this position and may include, but are not limited to the following:

- Plans, implements, directs, and coordinates the programs and activities of the Public Works Department's Administrative Division.
- Provides initiative as a leader to achieve positive, timely results for the organization.
- Supervises plans, prioritizes, assigns and evaluates the work of personnel.
- Assists in the preparation and administration of the Department budget; reviews, evaluates, develops and coordinates programs, policies and procedures for Department operations.
- Supervises, schedules, plans, trains and coordinates personnel and activities to ensure the safety of the public and outstanding internal and external customer service; ensures the equitable implementation of policies and procedures and performance standards.
- Conducts research on a variety of administrative issues; develops organizational and operational studies, audits and inspections of personnel, programs and equipment.
- Prepares or coordinates the application of grant proposals for various programs and projects; administers grant contract provisions.

- Oversees contract administration and negotiation activities; coordinates contract provisions with staff, vendors, consultants and other groups.
- Develops and prepares staff reports, ordinances, and complex analyses; prepares and presents reports to City Council, community groups and other agencies.
- Attends City Council, Commission, community and Department meetings and represents the Department and City as assigned; makes presentations at Commission and City Council meetings, and speaks at public events.
- May be required to work irregular hours including days, evenings and nights, including weekends and holidays; must be available for call-back and automatic return to work with a reasonable response time during off-duty hours for major emergencies, disasters, critical incidents and as otherwise required.
- Performs duties in conformance with Federal, State, County and City laws and ordinances and takes appropriate action; interprets and applies regulations, policies, procedures and precedents firmly, courteously, tactfully and impartially to achieve successful results in support of the Department's mission, goals and objectives.
- Communicates effectively both orally and in writing.
- Establishes and maintains effective working relationships and works cooperatively with co-workers, other members of the management team, City staff and the community.
- Understands and follows directions; coordinates activities with supervisors, co-workers, other City departments, and government agencies; maintains liaison with community groups.
- Coordinates and develops training programs; instructs, motivates, mentors and develops Department personnel.
- Holds co-workers accountable for doing their jobs and celebrates accomplishments and successes.
- Recommends, implements and maintains discipline and ensures adherence to Public Works Department and City rules and policies through coaching, counseling and mentoring.
- Delivers responsive internal and external customer service while solving problems and proactively creating sustainable solutions to issues.
- Conducts duties, responsibilities, tasks and assignments with a constructive, cooperative, positive, professional attitude and demeanor.

- Exercises tact, self-restraint and good judgment; takes initiative to achieve positive, timely results for the organization with diplomatic skills and ethical conduct; acts with courtesy and independent judgment; provides 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; delivers outstanding internal and external customer service; solve problems and communicate effectively with the public and fellow employees.

- Supports the City's corporate values of: openness and honesty; integrity and ethics; accountability; outstanding customer service; teamwork; excellence; and fiscal and environmental responsibility.

- Provides effective leadership to accomplish the administrative objectives of the City Manager and the policy goals of the City Council.

- Conducts regular performance evaluations of personnel, giving frequent and specific feedback about personnel performance; holding employee accountable for doing their jobs and celebrating accomplishments and successes.

- Performs other related duties as assigned.

CLASSIFICATION

The position is exempt from coverage under the Fair Labor Standards Act and the employee is a member of the Classified Service.

QUALIFICATIONS

The position requires knowledge of leadership, management practices, techniques and methods to accomplish the goals and objectives of the City Council by directing the right combination of people, resources, processes and time to successfully achieve results.

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. Additional occupationally related experience may be substituted for education on a year-for-year basis up to four (4) years.

The position requires at least three years of experience in a supervisory capacity. Relevant knowledge and experience in some or all of the following areas is desirable: prior experience with a public maintenance agency; skills and experience dealing with people, negotiations, finance, budgets, contract administration, goal setting, technology, communications and human resources; applicable Federal, State and local laws, codes and regulations; organizational development and training; and communications.

The position requires computer literacy with knowledge in the use of Microsoft Office and other specific task computer based tools; the ability to communicate using email programs; working knowledge of website and webpage design and content updates, and an understanding of and adherence to City policies for information technology.

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 position.

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.15., **File #** 26-0705 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: JOY A. FORD, CITY ATTORNEY

TITLE
APPROVE THE LEGAL SERVICES AGREEMENT WITH MEYERS NAVE

EXECUTIVE SUMMARY
This Agreement for Legal Services with Meyers Nave will update hourly fees and scope of legal services provided.

BACKGROUND
The City Attorney's office maintains a list of approved law firms and attorneys from which to select when special expertise is required on legal matters. Meyers Nave has been on the approved list since 2006. The City entered into a recent Legal Services agreement with Meyers Nave on May 9, 2023 but that agreement only covered real estate legal services. This new agreement would allow the provision of any legal services assigned by the City Attorney's office and update rates.

Meyers Nave is a full-service law firm, providing legal and regulatory experience in virtually all areas of law that impact public and private entities operating throughout California. Many of the firm's attorneys and practice groups receive local, state and national recognition for their results and expertise.

According to *Law360*, "Meyers Nave has flexed its muscle in the areas of the environmental law, labor and employment, land use, eminent domain and constitutional law. Meyers Nave's ability to get large projects completed, secure major litigation wins and resolve crises landed the firm a spot among *Law360's* California Powerhouses."

Meyers Nave's attorneys regularly try cases in state and federal courts, with a win record that includes numerous precedent-setting published appellate court decisions and landmark victories before the California Supreme Court. Meyers Nave's litigation skills are also demonstrated in successful administrative proceedings before a broad range of regulatory bodies. Meyers Nave's transactional attorneys have drafted, negotiated and completed a comprehensive scope of innovative contracts, agreements and other arrangements for public and private clients.

Staff recommends that the City Council approve the Legal Services Agreement with Meyers Nave.

COORDINATION
The Agreement has been approved by Meyers Nave and has been approved as to form by the City

Attorney's Office.

FISCAL IMPACT

This Agreement for Legal Services for Meyers Nave will update rates that have not been updated since 2023. Rates for Principals are $600, Of Counsel are $580, Sr. Associates are $480, Associates are $430, Paralegals are $225, and ESI Discovery Attorneys are $400.

Submitted by:

Joy A. Ford, City Attorney

ATTACHMENTS

- Agreement

AGREEMENT FOR LEGAL SERVICES
WITH
MEYERS NAVE

THIS AGREEMENT is made this 9th day of June, 2026, by the CITY OF REDONDO BEACH, a chartered municipal corporation, ("CITY"), and Meyers Nave, a Professional Corporation ("ATTORNEY").

RECITALS

The following recitals are a substantive part of this Agreement:

A. This Agreement is entered into pursuant to Redondo Beach City Council authorization on June 9, 2026.

B. The CITY is a chartered municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of the CITY.

C. ATTORNEY is qualified to do business, and is doing business, in the State of California. ATTORNEY represents it has the background, knowledge, experience and expertise necessary to provide the legal services set forth in this Agreement.

D. The CITY and ATTORNEY desire to enter into an Agreement for legal services upon the terms and conditions herein.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement**. This Agreement shall cover legal services rendered from June 9, 2026 and until terminated.

2. **Attorney's Services**. The services to be performed by ATTORNEY shall consist of any legal services as assigned by the City Attorney's Office.

3. **CITY's Services**. CITY agrees to:

   3.1. Make available to ATTORNEY any currently existing documents, data or information required for the performance of the services.

   3.2. Designate a representative authorized to act on behalf of CITY.

   3.3. Promptly examine and render findings on all documents submitted for staff review by the ATTORNEY.

4. **Compensation**. ATTORNEY shall be compensated as follows:

   4.1. Amount.

4.1.1. ATTORNEY shall receive compensation in the amounts noted below for all legal services rendered. These rates apply to all time spent on matters related to the representation, including but not limited to, research, drafting, meetings, correspondence, and court appearances.

For City matters:

Personnel	**Hourly Rate**
Principal	$600
Of Counsel	$580
Sr. Associate	$480
Associate	$430
Paralegal	$225
ESI Discovery Attorney	$400

For City matters that are subject to a Cost Recovery Agreement:

Personnel	**Hourly Rate**
Principal	$750
Of Counsel	$675
Sr. Associate	$600
Associate	$525
Paralegal	$275
ESI Discovery Attorney	$500

Rates adjust every June 1 (appropriate date, starting in 2027) by the greater of 5% or the relevant local CPI increase over the prior 12-month period, rounded to the nearest $5.

4.1.2. A reduced travel rate of half the applicable rate described in section 4.1.1 shall be applied for time spent in travel related to the case, excluding commuting to and from the primary office location.

4.1.3. Reasonable expenses, including airfare and lodging will be reimbursed. For air travel, economy class tickets are expected unless otherwise justified. In no event shall meals or mileage be reimbursed. Prior to incurring any travel expense, ATTORNEY must obtain CITY's prior written approval of the charge to ensure its reasonableness. Costs, such as court fees, litigation costs, messenger and delivery services, copy expense and other similar costs will be reimbursed.

4.1.4. Compensation under this Agreement is contingent upon the assignment of work by CITY, acceptance of the work by ATTORNEY, and subsequent approval of the submitted hourly billing statement by the City Attorney. No payment shall be made for work performed without prior authorization.

4.2. Payment.

4.2.1. Payments under this Agreement shall be made based on monthly invoices submitted by ATTORNEY. Each invoice must itemize the services rendered in detail, including the date, nature of the work, and time spent.

4.2.2. CITY agrees to pay the undisputed amount of each invoice within sixty (60) days of its receipt.

4.2.3. Invoices submitted to CITY for payment must be comprehensive and include the following details:

- Hourly rate charged.
- Number of hours worked, specifying the dates and duration of services rendered.
- Detailed description of the services performed, including the matter name or case reference.
- Itemization of all expenses incurred, with a clear description of each expense, the cost associated with it, and a subtotal of expenses.
- The total amount due, clearly stated.

4.2.4. All invoices must be accompanied by supporting documentation for each expense claimed. This includes, but is not limited to, receipts, billing statements, and any other relevant documents that substantiate the expenses.

4.2.5. Invoices must be itemized and detailed to provide a clear and transparent account of the services rendered and expenses incurred.

4.2.6. CITY reserves the right to request additional backup material or documentation for any charges or expenses billed by ATTORNEY. ATTORNEY is obliged to provide such material upon CITY's request.

4.2.7. ATTORNEY acknowledges that failure to attach all necessary supporting documentation may result in delayed payment or denial of the respective invoice until such documentation is provided and verified.

4.3. Records of Expenses.

4.3.1. ATTORNEY shall maintain accurate and detailed records of time spent and expenses incurred in connection with services under this Agreement for a period of five (5) years following the completion of the services.

4.3.2. Upon CITY’s request, ATTORNEY shall provide copies of these records. CITY shall have the right to audit these records to verify the accuracy of billing and expenses.

4.4. Hours. No specific number of hours of work is guaranteed. It is expected that

Attorney's services will be on an as needed basis depending upon the work load.

5. **Default and Termination**.

5.1. Default. If ATTORNEY fails or refuses to perform any of the provisions of this Agreement, and if the default is not cured within a period of five days after the CITY's written notice of default specifying the nature of the default, CITY may immediately terminate this Agreement by written notice to the ATTORNEY.

5.2. Convenience. The CITY has the option, at its sole discretion and without cause, of terminating this Agreement by giving fifteen (15) days written notice to the ATTORNEY. Upon termination of this Agreement, CITY will pay the ATTORNEY any compensation earned and unpaid up to the effective date of termination.

5.3. Post Termination. Upon termination of this Agreement:

5.3.1. ATTORNEY shall cease all services immediately, except as directed in writing by CITY to conclude pending matters.

5.3.2. ATTORNEY shall submit a final statement of services rendered and expenses incurred up to the termination date.

5.3.3. ATTORNEY shall promptly return all CITY documents, materials, and any other CITY property in their possession. ATTORNEY shall also ensure the secure return or destruction of confidential information, as directed by CITY.

5.3.4. ATTORNEY's duty to maintain the confidentiality of information, as stipulated in the Confidentiality Clause of this Agreement, shall persist beyond the termination of this Agreement.

5.3.5. ATTORNEY shall provide a concluding report to CITY, summarizing services rendered and highlighting any pending issues or areas requiring further attention.

5.3.6. Any disputes arising from or related to the services rendered under this Agreement shall be addressed through negotiation in good faith between the parties.

5.3.7. Obligations accrued prior to the termination of this Agreement shall survive its termination. This includes, but is not limited to, obligations pertaining to indemnification, confidentiality, and compliance with applicable laws.

5.3.8. ATTORNEY shall provide a list of any unresolved matters to CITY, and the parties shall mutually agree upon a method for resolution.

6. **Records and Work Product**.

6.1. Records Maintenance. ATTORNEY must maintain complete and accurate records with respect to costs, expenses, receipts, and other such information required by CITY

for services where compensation is based on hourly rates, subcontractor costs, or other direct costs. Records must be kept separate from other documents and maintained for five (5) years after final payment or as required by law.

6.2. Accessibility and Audit Rights. These records should be accessible to CITY upon request. CITY reserves the right to audit these records to verify billing and expenses. ATTORNEY agrees to provide any necessary supporting documentation.

6.3. Work Product Ownership. All documents or other information developed or received by ATTORNEY in the course and scope of work for the City shall be the property of CITY. ATTORNEY shall provide CITY with copies of these items upon demand or upon termination of this Agreement. No work product may be released by ATTORNEY without prior written approval by CITY.

6.4. Access for Inspection. CITY shall have free access to ATTORNEY's books, records, and all work, data, documents, proceedings, and activities related to this Agreement.

7. **Non-Liability of Officials and Employees of the CITY**. No official or employee of CITY shall be personally liable for any default or liability under this Agreement.

8. **Confidentiality**. ATTORNEY agrees to maintain the confidentiality of all confidential information obtained in the course of providing the services under this Agreement. This includes, but is not limited to, CITY's proprietary information, trade secrets, and any other information designated as confidential by CITY. ATTORNEY shall not disclose, disseminate, or use such confidential information, except as required for the performance of services under this Agreement or as required by law. This obligation of confidentiality shall survive the termination or expiration of this Agreement. Any breach of this confidentiality clause may result in immediate termination of this Agreement and potential legal action for damages.

9. **Non-Discrimination**. ATTORNEY covenants there shall be no discrimination based upon race, color, creed, religion, sex, sexual orientation, marital status, age, national origin, ancestry, AIDS, disability, or any other legally protected characteristic in any activity pursuant to this Agreement.

10. **Independent Parties**. Both parties to this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers of one another. Neither the CITY nor its officers or employees will have any control over the conduct of the ATTORNEY or any of the ATTORNEY's agents, employees, or subcontractors, except as otherwise provided in this Agreement.

11. **Defense and Indemnification**. ATTORNEY shall indemnify, defend, and hold harmless CITY, including but not limited to, its officials, officers, employees, agents, contractors, and volunteers against any or all loss, damages, liability, claims, suits, costs, expenses, and judgments, whatsoever, including reasonable attorney's fees, to the extent caused by the negligent or willful acts, errors or omissions of ATTORNEY or ATTORNEY's officers, agents, employees, or subcontractors, in the performance of services, activities or work conducted pursuant to this Agreement, excepting claims of professional negligence or malpractice.

12. **Insurance Requirements**. Prior to commencing work, the ATTORNEY must procure, maintain and pay for insurance against claims for injuries to persons or damage to property that may arise from or in connection with the performance of the legal services by

ATTORNEY or ATTORNEY's agents, representatives, employees or subcontractors for the duration of this Agreement. ATTORNEY must obtain insurance that, at a minimum, meets the requirements for insurance set forth in Exhibit A, Insurance Requirements.

13. **Compliance with Law**. ATTORNEY shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

14. **Nuisance**. ATTORNEY may not maintain, commit, or permit the maintenance or commission of any nuisance in connection with the performance of services under this Agreement.
15. **Conflict of Interest and Reporting**. ATTORNEY shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement unless such conflict is waived by CITY. ATTORNEY agrees to complete and file a California State Form 730 disclosure statement if required by the City Attorney.

    For avoidance of doubt, ATTORNEY shall promptly notify the CITY in writing upon becoming aware of any actual or potential conflict of interest arising from the provision of services under this Agreement. Such notice shall describe the nature of the potential conflict and the steps ATTORNEY proposes to take to mitigate the conflict.

    ATTORNEY shall implement reasonable measures designed to protect the CITY's confidential information and avoid conflicts of interest, including the assignment of separate attorneys or teams where appropriate and internal procedures in accordance with applicable ethical obligations and professional requirements, including but not limited to, the California Rules of Professional Conduct.

    The CITY retains the sole discretion to determine whether to consent to any potential conflict. Nothing in this Agreement shall be construed as a blanket waiver of conflicts of interest by the CITY. If the CITY determines that ATTORNEY's continued representation presents an unacceptable conflict of interest, the CITY may require ATTORNEY to withdraw from the affected matter.

16. **Notices**. Written notices to CITY and ATTORNEY shall be given by registered or certified mail, postage prepaid, email, or personally served, and addressed to the following parties:

    16.1. To CITY:

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

    16.2. To ATTORNEY:

    Meyers Nave
    707 Wilshire Blvd., 24th Floor
    Los Angeles, California 90017
    Attention: Amrit Kulkarni, Principal

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.

17. **Licenses, Permits, and Fees**. ATTORNEY, at its sole expense, shall obtain and maintain a current California State Bar License, and all permits, fees, or licenses as may be required by this Agreement during the term of this Agreement.

18. **Familiarity with Work**. By executing this Agreement, ATTORNEY warrants that: (1) he has investigated the work to be performed, (2) he has investigated the site of the work and is aware of all conditions there; and (3) he understands the difficulties, and restrictions of the work under this Agreement. Should ATTORNEY discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at ATTORNEY'S risk, until instructions are received from CITY.

19. **Standard of Care**. ATTORNEY agrees to provide all legal services, including services performed by any subcontractor, in a manner consistent with the level of care and skill ordinarily exercised by members of the ATTORNEY's profession currently practicing in the same locality under similar conditions.

20. **Time of Essence**. Time is of the essence in the performance of this Agreement.

21. **Limitations Upon Subcontracting and Assignment**.

    21.1. ATTORNEY may not assign, hypothecate, or transfer this Agreement or any interest therein directly or indirectly, by operation of law or otherwise without the prior written consent of CITY. Any attempt to do so without the CITY's consent will be null and void, and any assignee, hypothecatee or transferee acquires no right or interest by reason of such attempted assignment, hypothecation or transfer.

    21.2. The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of ATTORNEY or of any general partner or joint venture or syndicate member of ATTORNEY, if a partnership or joint venture or syndicate exists, which results in changing the control of the ATTORNEY, will be construed as an assignment of this Agreement. Control means 50% or more of the voting power of the corporation.

22. **Subcontractors**.

    22.1. If ATTORNEY proposes to have any subcontractor perform any part of the services, ATTORNEY must submit a request for approval in writing, describing the scope of work to be subcontracted, the name of the proposed subcontractor, and the total price or hourly rates used in preparing an estimated cost for the subcontractor's services. CITY, in its sole discretion, may grant or deny the request.

22.2. The ATTORNEY will be responsible for the quality of any subcontractor's work.

23. **Integration**. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties. Any preliminary negotiations and agreements of any kind or nature are merged into this Agreement. No oral agreement or implied covenant may be held to vary the provisions of this Agreement. This Agreement may be modified only by written agreement signed by CITY and ATTORNEY, and approved as to form by the City Attorney.

24. **Authority to Execute**. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement.

25. **Modification**. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified on provisions waived only by subsequent mutual written agreement executed by CITY and ATTORNEY.
26. **California Law**. This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Los Angeles County Superior Court.

27. **Interpretation**. This Agreement shall be interpreted as though prepared by both parties.

28. **Waiver**. A waiver of any breach of this Agreement may not be deemed a waiver of any subsequent breach of the same or any other term, covenant, or condition of this Agreement.

29. **Governing Law**. The laws of the State of California, without regard to any choice of law provisions, will govern this Agreement.

30. **Venue and Jurisdiction**. CITY and ATTORNEY agree that the Services will take place in Los Angeles County. Any litigation arising out of this Agreement may only be brought in the Superior Court of the County of Los Angeles, Southwest Judicial District. The parties agree that venue exists in either court, and each party expressly waives any right to transfer to another venue. The parties further agree that either court will have personal jurisdiction over the parties to this Agreement.

31. **Survival of Provisions and Obligations**. Any provision of this Agreement, which by its nature must be exercised after termination of this Agreement, will survive termination and remain effective for a reasonable time. Any obligation that accrued prior to termination of this Agreement will survive termination of this Agreement.

32. **Exhibits**. The following exhibit is incorporated by reference into this Agreement as though fully set forth herein.

    Exhibit A: Insurance Requirements

33. **Severability**. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, these parties have executed this Agreement on the day and year shown below.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light
Mayor

Date: _____

MEYERS NAVE

DocuSigned by:
Amrit Kulkarni
6CEB90342FAF48D...

By: _____
Name: Amrit Kulkarni
Title: Principal

Date: 6/5/2026 | 7:21 AM PDT

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

EXHIBIT A

INSURANCE REQUIREMENTS FOR ATTORNEYS

Without limiting ATTORNEY's indemnification obligations under this Agreement, ATTORNEY 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 ATTORNEY, its agents, representatives, or employees.

Minimum Scope of Insurance

Unless otherwise approved by the Risk Manager, coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

3. Workers' Compensation insurance as required by the State of California.

4. Employer's Liability Insurance.

5. Professional Liability Insurance shall be required if the ATTORNEY is providing a professional service regulated by the State (e.g., insurance agents, doctors, lawyers, architects, engineers, certified public accountants, etc.). However, some professions, such as software designers, claims administrators, or human resources professionals, should also carry Professional Liability insurance.

Minimum Limits of Insurance

Unless otherwise approved by the Risk Manager, ATTORNEY shall maintain limits no less than:

1. 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.

2. Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

3. Employer's Liability: $1,000,000 per accident for bodily injury or disease.

4. Professional Liability: Insurance appropriate to the ATTORNEY's profession with a limit of not less than $2,000,000 each claim and $4,000,000 in the annual aggregate.

5. If the ATTORNEY maintains higher limits than the minimums shown above, the City of Redondo Beach requires and shall be entitled to coverage for the higher limits maintained by the ATTORNEY. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Redondo Beach.

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 ATTORNEY shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

Unless otherwise approved by the Risk Manager, the general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement

1. 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 ATTORNEY. General liability coverage can be provided in the form of an endorsement to the ATTORNEY's insurance, or as a separate owner's policy.

2. 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 ATTORNEY.

3. For any claims related to this project, the ATTORNEY'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 ATTORNEY's insurance and shall not contribute with it.

4. 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.

5. 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 ATTORNEY'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.

Claims Made Policies

Unless otherwise approved by the Risk Manager, if the Professional Liability policy provides "claims made" coverage:

1. The Retroactive Date must be shown, and must be before the date of this Agreement or the start of work.

2. The insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of work.

3. If the policy is cancelled or not renewed, and not replaced with another "claims made" policy form with a Retroactive Date prior to the effective Agreement date, the ATTORNEY must purchase "extended reporting" coverage for a minimum of 5 years after completion of work.

Verification of Coverage

ATTORNEY 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

ATTORNEY 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

ATTORNEY 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 or Human Resources Director.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/1/2026

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 Acrisure West Insurance Services, LLC 1950 W Corporate Way #1 Anaheim CA 92801-5373 License#: 6009644	**CONTACT NAME:** Shawn Royle **PHONE (A/C, No, Ext):** 8585719030 **FAX (A/C, No):** 858-571-9010 **E-MAIL ADDRESS:** sroyle@acrisure.com
INSURED MEYENAV-02 Meyers Nave, A Professional Corporation 1999 Harrison Street, 9th Fl. Oakland CA 94612	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** Old Republic Union Insurance Company 31143 **INSURER B :** Bridgeway Insurance Company 12489 **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 563826245 **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)	$
								$
A	☐ **UMBRELLA LIAB** ☐ OCCUR			ORPRO 21 10004064	5/1/2026	5/1/2027	EACH OCCURRENCE	$ 5,000,000
	X **EXCESS LIAB** X CLAIMS-MADE						AGGREGATE	$ 5,000,000
	☐ DED ☐ RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						☐ PER STATUTE ☐ OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ **(Mandatory in NH)**	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
B	Lawyers Professional Liability			7GA7PL0002214-01	5/1/2026	5/1/2027	Per Claim Aggregate	5,000,000 5,000,000

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

Deductible: $100,000 Per Claim/$200,000 Aggregate
Retro Active Date: Full Prior Acts

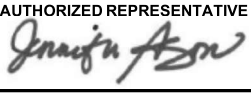
CERTIFICATE HOLDER

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, CA 90277
Attention: City of Attorney

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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CERTIFICATE OF LIABILITY INSURANCE

5/1/2027

DATE (MM/DD/YYYY): 5/29/2026

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 DBA Lockton Insurance Brokers, LLC in CA CA license #0F15767 8110 E Union Ave., Ste. 100 Denver CO 80237 denver-certs@lockton.com	**CONTACT NAME:** **PHONE (A/C, No, Ext):** **FAX (A/C, No):** **E-MAIL ADDRESS:**
INSURED 1491388 Meyers Nave, a Professional Corporation 1999 Harrison St., 9th Floor Oakland CA 94612	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** Hartford Fire Insurance Company — 19682 **INSURER B :** Trumbull Insurance Company — 27120 **INSURER C :** ACE American Insurance Company — 22667 **INSURER D :** Hartford Casualty Insurance Company — 29424 **INSURER E :** --- SEE ATTACHMENT --- **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 23580544 **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 X LOC OTHER:	Y	N	72UUNBL5S4E	5/1/2026	5/1/2027	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 $ 1,000,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
B	**AUTOMOBILE LIABILITY** ANY AUTO OWNED AUTOS ONLY X HIRED AUTOS ONLY SCHEDULED AUTOS X NON-OWNED AUTOS ONLY	Y	N	72UENBX1TZ2	5/1/2026	5/1/2027	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Comp/Coll Ded.	$ 1,000,000 $ XXXXXXX $ XXXXXXX $ XXXXXXX $ 1,000
D	X **UMBRELLA LIAB** X OCCUR **EXCESS LIAB** CLAIMS-MADE DED RETENTION $	N	N	72RHUBN1WN6	5/1/2026	5/1/2027	EACH OCCURRENCE AGGREGATE SIR	$ 10,000,000 $ 10,000,000 $ 10,000
E	**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	N	72 WE AR7AWY	5/1/2026	5/1/2027	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	Cyber	N	N	D03724608	5/1/2026	5/1/2027	$4M Single Limit, $4M Aggregate Retention: $25K	

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

Additional Named Insured: Meyers Nave Riback Silver & Wilson A Professional Corp. The City, its officers, elected and appointed officials, employees, and volunteers are additional insureds to the extent provided by the policy language or endorsement issued or approved by the insurance carrier. Insurance provided to Additional Insured(s) is primary and non-contributory as per the attached endorsements or policy language.

CERTIFICATE HOLDER

23580544
City of Redondo Beach
City Attorney's Office
Attn: City Attorney
415 Diamond Street
Redondo Beach CA 90277

CANCELLATION See Attachments

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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Workers Compensation Carriers

Carrier	NAIC #
1. Twin City Fire Insurance Company	29459
2. Sentinel Insurance Company Ltd	11000
3. Hartford Fire Insurance Company	19682

City of Redondo Beach City Attorney's Office Attn: City Attorney
415 Diamond Street
Redondo Beach CA 90277

To whom it may concern:

In our continuing effort to provide timely certificate delivery, Lockton Companies is transitioning to *paperless delivery* of Certificates of Insurance, thus this is your final hard-copy delivery.

To ensure electronic delivery for future renewals of this certificate, we need your email address. Please contact us via one of the methods below, referencing Certificate ID 23580544.

- Email: mountainwestedelivery@lockton.com
- Phone: 303-728-8060

If you received this certificate through an internet link where the current certificate is viewable, we have your email and no further action is needed.

In the event your mailing address has changed, will change in the future, or you no longer require this certificate, please let us know using one of the methods above.

The above inbox and phone number is for automating electronic delivery of certificates only. Please do NOT send future certificate requests to this inbox or contact the phone number below with email updates.

Thank you for your cooperation and willingness in reducing our environmental footprint.

Lockton Companies

(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 Coverage Part.

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 the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which such insured is also a named insured under another policy or would be a named insured under such policy but for its termination or 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;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. 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 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:

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.

5. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

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 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;

(9) 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 Sub-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(s) or organization(s) 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(s) or organization(s).

(2) With respect to the insurance afforded to these additional insureds this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

c. Lessors Of Land Or Premises

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.

With respect to the insurance afforded these additional insureds the following additional exclusions apply: This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

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:

(1) In connection with your premises; or

(2) In the performance of your ongoing operations performed by you or on your behalf. With respect to the insurance afforded 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 by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(3) Any manager, if you or the additional insured is a limited liability company;

(4) Any "executive officer" or insurance manager, if you or the additional insured is a corporation;

(5) Any trustee, if you or the additional insured is a trust; or

(6) Any elected or appointed official, if you or the additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

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 Coverage Part 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. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of 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 or similar coverage for "your work";

(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 **I -** Coverage A - Bodily Injury And Property Damage Liability;

(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 **j.** of Section **I -** Coverage **A** - Bodily Injury And Property Damage Liability;

(6) When You Are Added As An Additional Insured To Other Insurance

Any 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 Additional An Insured To This Insurance

Any 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 or written agreement 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

1. BROAD FORM INSURED

A. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

(1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.

(2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:

(a) That is a partnership or joint venture,

(b) That is an "insured" under any other policy,

(c) That has exhausted its Limit of Insurance under any other policy, or

(d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

B. Employees as Insureds

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Lessors as Insureds

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:

(1) The agreement requires you to provide direct primary insurance for the lessor and

(2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

D. Additional Insured if Required by Contract

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

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The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

(1) During the policy period, and

(2) Subsequent to the execution of such written contract, and

(3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

(2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

(a) The limits of insurance specified in the written contract or written agreement; or

(b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

(3) Additional Insureds 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, 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 or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM , SUIT OR LOSS - OF SECTION IV BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

E. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

(4) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract or written agreement 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 **(3)** and (4) 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 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, by the method described in Other Insurance 5.d.

2. AUTOS RENTED BY EMPLOYEES

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:

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Administrative Report

H.16., **File #** 26-0710 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: JANE CHUNG, ASSISTANT TO THE CITY MANAGER

TITLE

AUTHORIZE THE MAYOR TO SIGN A LETTER OF OPPOSITION TO THE CALIFORNIA TWO-THIRDS VOTE REQUIREMENT FOR SPECIAL TAXES AND CHARTER CITY REAL ESTATE TRANSFER TAX PROHIBITION INITIATIVE (INITIATIVE 25-0006A1), WHICH, IF APPROVED, WOULD AMEND THE CALIFORNIA CONSTITUATION TO INCREASE THE VOTE REQURIEMENT TO APPROVE LOCAL SPECIAL TAXES AND INVALIDATE ANY PROPERTY RELATED LOCAL SPECIAL TAXES APPROVED BY LESS THAN TWO-THIRDS VOTE

AUTHORIZE THE MAYOR TO SIGN A LETTER OF SUPPORT TO SENATE BILL 922, WHICH, IF APPROVED BY THE STATE, WOULD ALLOW FOR CITIES TO RECOVER STREET MAINTENANCE AND REPAIR COSTS CAUSED BY HEAVY ESSENTIAL PUBLIC SERVICE VEHICLES

EXECUTIVE SUMMARY

Consistent with the Legislative Action Platform, draft position letters are to be presented to the City Council whenever practical. Therefore, staff is providing the draft position letters for Initiative 25-0006A1 and Senate Bill (SB) 922 for City Council consideration.

BACKGROUND

California Two-Thirds Vote Requirement for Special Taxes and Charter City Real Estate Transfer Tax Prohibition Initiative (Initiative 25-0006A1)

Initiative 25-0006A1, also known as the “Local Taxpayer Protection Act to Save Proposition 13,” is a statewide ballot measure eligible for the November 2026 ballot. The measure was submitted by proponents associated with the Howard Jarvis Taxpayers Association, an organization that has historically supported limiting taxation and expanding voter approval requirements for new taxes. Initiative 25-0006A1 proposes amendments to the California Constitution that would change how state and local taxes are defined, approved, and implemented.

Under current law, local governments may adopt general taxes with majority voter approval and special taxes with two-thirds voter approval. Charter cities may also enact certain taxes such as property transfer tax under their local authority. At the state level, tax increases require a two-thirds vote of the Legislature but do not require statewide voter approval. Fees and charges are generally allowed if they reflect the reasonable cost of providing a service and are not considered as taxes under Proposition 26.

Initiative 25-0006A1 would make several significant changes to these rules. It would require two-thirds voter approval for all local special taxes regardless of how there were placed on the ballot, prohibit state and local governments from imposing taxes on ownership, sale, or transfer of real property except for the existing statewide Documentary Transfer Tax (DTT), and expand the definition of "tax" to include certain charges currently treated as fees, such as use fees, regulatory fees, property charges. The measure would also require state tax increases to receive two-thirds approval of both houses of the Legislature and statewide voter approval, restrict the delegation of taxing authority to agencies or special districts, and require all tax measures to specify their duration, rate, and use of revenues. Initiative 25-0006A1 would apply retroactively by invalidating state and local taxes, fees, and charges adopted after January 1, 2022, if they do not meet the measure's requirements.

According to the California Legislative Analyst's Office (LAO), Initiative 25-0006A1 could result in major reductions in local government revenues. The LAO identities two primary sources of fiscal impact: (1) the invalidation of certain existing local taxes, particularly property transfer tax adopted by charter cities, and (2) the higher voter approval thresholds required for future special taxes. As of January 2025, 26 California charter cities have established their own real property transfer taxes, including Redondo Beach. When a charter city adopts its own transfer tax, the county retains all the revenue from the statewide DTT ($1.10 cents per $1,000 of property value or 0.11%) and the charter city receives all revenue generated by its local rate above the statewide DTT rate.

For the City of Redondo Beach, Initiative 25-0006A1 would directly impact the City's Real Property Transfer Tax (RPTT), which was enacted by the City Council in 1967 (Ordinance CC-075). Under Redondo Beach Municipal Code Title 8, Chapter 7 "Real Property Transfer Tax," the City's RPTT is set at $1.10 per $500 of property value, or $2.20 per $1,000 (0.22%). This tax currently generates approximately $2-3 million annually in General Fund Revenue. If Initiative 25-0006A1 is approved, the City's RPTT would be invalidated, requiring a reversion to the lower statewide DTT rate. This change would significantly reduce the City's transfer tax revenue and result in a substantial reduction in general fund resources that support a range of municipal services, including public safety, emergency response, infrastructure maintenance, parks and recreation, and general City operations.

The California State Senate Governance and Finance Committee and the Assembly Revenue and Taxation Committee have scheduled a Joint Initiative Hearing on Initiative 25-0006A1 on Wednesday, June 10, 2026.

<u>Senate Bill (SB) 922 (Laird)</u>
Local governments commonly recover street maintenance costs caused by heavy public service vehicles through service fees or franchise agreements, ensuring these costs do not fall on the General Fund. SB 922 clarifies that only weight-based charges are prohibited and reaffirms that service-related fees may be used to address roadway impacts from essential public service operations. The City of Redondo Beach receives about $350,000 annually in vehicle road impact fees from its solid waste hauler, which supports the Citywide Slurry Seal Program and Residential Street Rehabilitation Program. Losing this revenue would hinder progress toward improving the City's Pavement Condition Index (PCI), which is already strained by rising construction costs.

The City Council approved a letter of support for SB 922 on March 17, 2026. As the bill has advanced to the State Assembly Local Government Committee, the City's state legislative lobbyists

request this updated letter to ensure the City's support is communicated.

If the City Council approves the draft position letters for Initiative 25-0006A1 and SB 922, staff will disseminate the letter to locally elected Legislators and upload it to the State's new electronic portal, which automatically distributes letters to offices of the appropriate elected officials and committee(s) of jurisdiction.

COORDINATION

The City Manager's Office prepared the draft position letters and the administrative report.

FISCAL IMPACT

There is no fiscal impact associated with authorizing the Mayor to sign the position letters and the work required to produce them is funded as part of the FY 2025-26 Budget for the City Manager's Office.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Initiative 25-0006A1 Position Letter
- SB 922 (Laird) Position Letter

REDONDO BEACH

Office of the Mayor
415 Diamond Street
Redondo Beach, CA 90277

Tel: 310.697.3653
Redondo.org

June 9, 2026

The Honorable Juan Carrillo
Chair, Assembly Local Government Committee
1020 N Street, Room 157
Sacramento, CA 95814

The Honorable Mike Gipson
Chair, Assembly Revenue and Taxation Committee
1020 N Street, Room 167A
Sacramento, CA 95814

RE: <u>Initiative 25-0006A1 — "Local Taxpayer Protection Act to Save Proposition 13"</u>
Notice of OPPOSITION

Dear Chair Carrillo and Chair Gipson,

The City of Redondo Beach respectfully opposes Initiative 25-0006A1, the "Local Taxpayer Protection Act to Save Proposition 13," sponsored by the Howard Jarvis Taxpayers Association. As the Assembly Local Government Committee and Assembly Revenue and Taxation Committee convene a joint informational hearing on this measure, City of Redondo Beach urges the Legislature to recognize the significant threat this initiative poses to city fiscal stability, local voter-approved revenues, and the essential services Californians rely on daily.

Eligible for the November 2026 statewide ballot, Initiative 25-0006A1 would make sweeping and permanent changes to the California Constitution by restricting how local governments may adopt certain taxes and by limiting the types of taxes local governments may impose related to real property. Specifically, the measure would:

1. Require all local special taxes to receive two-thirds voter approval.
2. Prohibit local governments from imposing most taxes related to real property, such as property transfer taxes.
3. Most concerning, the initiative would invalidate existing taxes, including decades of locally approved measures, that do not comply with its new constitutional requirements.

For cities, the fiscal consequences would be severe. Cal Cities' fiscal analysis estimates that Initiative 25-0006A1 could reduce local government revenues by approximately $2 billion to $3 billion annually statewide beginning two years after enactment. The Legislative Analyst's Office similarly projects an annual loss of up to two billion dollars in local government revenues, primarily due to the invalidation of charter city property

transfer taxes and certain parcel taxes passed with less than two-thirds voter approval.

The largest share of the initiative's losses would fall directly on cities. Estimates show that eliminating the 27 locally adopted property transfer taxes would reduce city revenues by over $2 billion annually across affected cities, even after accounting for replacement with the much lower statutory Documentary Transfer Tax allowed under state law. The proportional impact on city general-purpose revenues would vary significantly by jurisdiction, ranging from 1% to more than 25% of general-purpose city revenues. Losses of this magnitude would significantly destabilize local budgets and could require cities to reduce services, delay infrastructure projects, or reduce staffing and operational capacity.

For the City of Redondo Beach, Initiative 25-0006A1 would have a substantial and immediate fiscal impact. The measure would invalidate the City's locally enacted Real Property Transfer Tax (RPTT), which has served as a reliable and longstanding source of General Fund revenue since its adoption in 1967. The City's RPTT generates approximately $2 to $3 million annually, supporting essential municipal services and ongoing operational needs. If the initiative is approved, the City would be limited to collecting only the statewide Documentary Transfer Tax, resulting in a significant loss of revenue that would directly affect the City's ability to maintain core public services, including police and fire protection, emergency response, infrastructure maintenance, parks and recreation, and general government operations.

These impacts come at a time when cities across California are facing rising operational costs, increasing service demands, infrastructure and facility needs, and ongoing housing and homelessness challenges. The City of Redondo Beach is concerned that the initiative would override local municipal decisions, disrupt long-term financial planning, and undermine the City's ability to provide reliable, high-quality services to its residents. The City urges the Legislature to consider the significant consequences this measure would impose on local governments and the communities they serve.

These revenues are not abstract budget figures. For many cities, property transfer taxes are a major, longstanding source of locally controlled revenue that supports police and fire protection, emergency response, homelessness programs, housing initiatives, infrastructure maintenance, parks and recreation, libraries, and other community programs. Many property transfer taxes are general-purpose revenues,

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which give cities the flexibility to maintain balanced budgets, respond to changing community needs, and protect core services.

Initiative 25-0006A1 would also invalidate a number of voter-approved special taxes adopted by citizen initiative with less than two-thirds voter approval. This includes approximately $300 million in annual losses from parcel taxes across local governments, schools, and special districts. These revenues fund services such as fire services, infrastructure maintenance, libraries, childcare, schools, and environmental protection.

At a time when cities are facing rising costs, increasing service demands, infrastructure needs, housing and homelessness challenges, and public safety obligations, Initiative 25-0006A1 would significantly restrict local fiscal flexibility. Revenue reductions of this magnitude cannot be absorbed through minor administrative efficiencies alone.

The City of Redondo Beach is deeply concerned that the measure would override local voter decisions and disrupt long-term planning for public services and capital investments. Cities budget, hire employees, maintain infrastructure, and deliver services based on revenues approved by their residents. Retroactively invalidating decades-old revenues would create significant uncertainty for cities and the communities they serve.

For these reasons, the City of Redondo Beach opposes Initiative 25-0006A1 and implores the Legislature to recognize the severe and lasting consequences this measure would have on cities and the residents they serve. We also urge that any legislative discussion related to this measure, property transfer taxes, or local revenue authority include meaningful engagement with cities before any proposal moves forward that could permanently alter local fiscal authority or threaten the services Californians depend on.

Sincerely,

James A. Light
Mayor, City of Redondo Beach

REDONDO BEACH

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Redondo.org

June 9, 2026

The Honorable Juan Carrillo
Chair, Assembly Local Government Committee
1020 N Street, Room 157
Sacramento, CA 95814

RE: **SB 922 (Laird) Vehicles: local agency charges: use of streets or highways.**
Notice of SUPPORT *(As amended on March 11, 2026)*

Dear Chair Carrillo,

The City of Redondo Beach **supports** SB 922, which would provide needed clarity regarding a local agency's ability to recover the cost of maintaining and repairing streets used in the delivery of essential public services.

Cities are responsible for maintaining most local streets and roads. Heavy service vehicles, including garbage, recycling, and green waste collection trucks, regularly travel on local streets and contribute to pavement wear and deterioration. Historically, cities have addressed these impacts through service-related rates, fees, or franchise arrangements tied to the provision of those services. Recently, a court decision has created uncertainty regarding these long-standing practices. As a result, cities are facing increased legal challenges to existing service-related fees, placing street maintenance funding at risk and creating uncertainty for local governments attempting to responsibly manage and maintain their transportation infrastructure.

SB 922 would help address this uncertainty by clarifying that restrictions on local charges apply only to weight-based charges imposed for the privilege of using streets or highways. The bill further makes clear that fees for the provision of public services may recover the cost of street maintenance and repair associated with providing such services. This clarification would help reduce unnecessary litigation and allow cities to continue maintaining safe and reliable local streets.

For these reasons, the City of Redondo Beach supports SB 922. If you have any questions, please do not hesitate to contact me at James.Light@redondo.org.

Sincerely,

James A. Light
Mayor, City of Redondo Beach

Administrative Report

J.1., **File #** 26-0701 **Meeting Date:** 6/9/2026

TITLE

For eComments and Emails Received from the Public

Administrative Report

L.1., **File #** 26-0588 **Meeting Date:** 6/9/2026

To: **MAYOR AND CITY COUNCIL**

From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

CONTINUED PUBLIC HEARING TO CONSIDER THE FISCAL YEAR 2026-27 PROPOSED BUDGET AND 2027-31 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

PROCEDURES:

a. Reconvene the Public Hearing;
b. Take testimony;
c. Receive and file Budget Response Reports; and,
d. Continue the Public Hearing to June 16, 2026.

EXECUTIVE SUMMARY

On May 14, 2026, City staff published the FY 2026-27 Proposed Budget and the 2027-2031 Five-Year Capital Improvement Program. On May 19, 2026, the City Manager introduced the proposed Budget, provided Council the opportunity to request additional Budget Response Reports (BRRs), and identified June 2, 2026 as the date of the first Public Hearing to discuss the Budget. On June 2, 2026, the City Council focused on the proposed operating budget, received reports from Department Heads, asked questions of staff, took public comment, and continued the Public Hearing to June 9, 2026. The June 9 discussion is scheduled to focus on the City's 2027-2031 Capital Improvement Program (CIP).

BACKGROUND

The Proposed Budget establishes the resources to support the City's work program for the following fiscal year. The Budget is designed to be consistent with the City Council's Strategic Plan and adopted financial principles. The Budget emphasizes core services that are essential to the City's mission.

The City Manager's Budget Message describes the Budget development process, the projected financial outlook for the coming fiscal year, and summarizes the Budget's proposed revenues and expenditures. It also presents recommended Decision Packages - additions or reductions to the base budget that are not contractually obligated or the result of annual personnel allocation updates - and details their financial impact.

The Financial Summaries section provides an overview of all City funds, including estimated beginning and ending fund balance, with proposed changes, and a detailed schedule of interfund transfers. The Revenue and Expenditure summaries provide further details for each of these

sections, including multi-year views.

The Department Sections of the Budget identify each Department's mission, staffing level, annual expenses, core services, and future year goals.

The proposed General Fund Budget is summarized in the table below:

FY 2026-27 General Fund Summary	
Estimated Beginning Fund Balance	**$1,385,358**
Operating Budget	
Proposed Revenues and Transfers In	125,358,157
Proposed Expenditures and Transfers Out	(127,929,960)
	(2,571,803)
Decision Packages (net)	
Ongoing	2,162,633
One-time	(421,300)
	1,741,333
Structural Operating Budget Excess/(Deficit)	**(830,470)**
Additional Payments & Sources of Funds	
Vacancies	2,941,535
Unfunded Accrued Liability	(3,496,423)
Additional Payments Excess/(Deficit)	**(554,888)**
Est Year-End General Fund Balance with Recommendations	**$ 0**

Consistent with past practice, the second budget hearing in June focuses on the City's CIP, which identifies the capital investment recommended over the next five-year period to meet the City's policy goals and ensure good stewardship of the community's existing infrastructure. The CIP identifies the projects, their estimated costs, and the financing methods proposed to implement the City's capital investment goals, in addition to the maintenance of new and existing infrastructure.

The Proposed CIP identifies a plan to fund existing projects and, with new projects, addresses health and safety issues, legislative mandates, and Mayor and City Council strategic priorities. The City leverages available grant and restricted funding to the greatest extent possible to maximize resources in support of capital projects. Although the CIP uses a five-year planning period, only the first year of that period is appropriated in the annual budget adoption process.

The proposed FY 2026-27 CIP proposes $130.3 million of new appropriations (of which $92.9 million is associated with Measure FP for new Police Department and Fire Department facilities) split between 32 previously approved projects and 10 new projects. The Proposed CIP also includes $69.1 million of carryover funding for 79 previously approved projects. Together, this brings the total FY 2026-27 CIP list to 89 projects, with an overall budget of approximately $199.4M.

The FY 2026-27 project breakout is as follows:

Type	Carryover Funding	FY 2027 New Appropriations	Total
Drainage Improvements	5,366,632	3,285,500	8,652,132
General Improvements	1,081,947	270,000	1,351,947
Park Improvements	2,597,586	1,155,000	3,752,586
Public Facility Improvements*	11,945,438	102,297,934	114,243,372
Sewer Improvements	3,831,050	3,585,000	7,416,050
Street Improvements	32,283,638	16,510,029	48,793,667
Waterfront Improvements	12,043,247	3,200,000	15,243,247
Total	**$69,149,538**	**$130,303,463**	**$199,453,001**

* FY 2027 New Appropriations total Includes Measure FP spending

Presentation of the CIP this year moved to a software based digital book that more closely resembles the way the operating budget is presented. While generally the format change is considered a big improvement, staff continues to add context, timelines and forecasting to the project sheets in response to feedback from the Mayor and Council. An exhibit containing samples of the revised project sheets are attached, with the aim of engendering further discussion to improve project understanding and expectations for the coming year and project lifetime. Staff intends to publish a revised CIP book following adoption of the FY 2026-27 budget that reflects the finalized and fully updated project sheets.

In addition to the staff proposed CIP model, City Council often seeks additional capital project information by requesting Budget Response Reports (BRRs). These offer detailed information on significant operational and capital budget issues that are of interest to the City Council that the proposed budget documents do not specifically address.

This report includes a table of contents listing the BRRs requested to date and their status of preparation. There are 49 total BRRs, of which 18 were presented on June 2, 2026, with an additional 22 included with this report. Staff will submit the remaining BRRs either as Blue Folder items/ supplemental material on June 9, or as part of the final scheduled budget hearing on June 16. The published Budget Response Reports are available for review at www.redondo.org/budget <http://www.redondo.org/budget>.

Adoption of the Budget by City Council is anticipated at the last scheduled public hearing on June 16, 2026, where the Council will also consider proposed adjustments to the City's Master Fee Schedule and the FY 2026-27 Appropriations Limit (GANN Limit), presented as separate items under Public Hearing and Consent calendars, respectively.

COORDINATION

All City Departments participated in the development of the FY 2026-27 City Manager's Proposed Budget and Five-Year CIP. Multiple City Commissions provided input during the preparation of the proposed Budget. The Budget and Finance Commission reviewed the budget document initially at a special meeting on May 26, 2026, and is scheduled for a second review on June 11, 2026, to prepare recommendations for the City Council. The Planning Commission reviewed and approved the Five-

Year Capital Improvement Program for General Plan conformity on May 21, 2026. This and other Commission feedback will be included as Budget Response Report #47.

FISCAL IMPACT

The Proposed FY 2026-27 Budget is balanced as proposed and has been developed to guide all City operations. The FY 2027-2031 CIP is a planning document, with only the first year of the five-year plan appropriated as part of the FY 2026-27 Budget.

APPROVED BY:
Mike Witzansky, City Manager

ATTACHMENTS

- Project Sheet Revision Samples
- FY 2026-27 Budget Response Reports: Table of Contents and Reports for June 9, 2026

Exhibit: CIP Project Sheet Updates

In response to feedback from the Mayor and City Council, staff is working on updates to the Capital Improvement Program (CIP) Project sheets to provide more descriptive detail, with a goal to ensure transparency and utility for the Mayor and Council and the public. Given the use of a new platform (ClearGov) this year in presenting the CIP Budget, staff is looking for feedback from the Mayor and Council on additional information or elements that would be helpful in understanding the document and its intended purpose. Staff anticipates an iterative process as parties get familiar with the format, and updates to the presentation of the document can be made going forward, prior to publishing a final adopted CIP book.

The following sample project pages include examples of the different types of projects that are included in the program. Different project types dictate in part which information is most germane and most helpful. These types include:

- One-time funded projects
- Multi-year phased projects
- Ongoing maintenance projects
- Ongoing phased projects

This is not an exhaustive list, but is intended to be illustrative of different types of projects that would have varying degrees of detail given their intended purpose. For example, one-time funded projects are typically straightforward in their request and schedules are subject to staff resources and time. Multi-year phased projects tend to be more complex and often grant funded projects with specific scopes. Ongoing maintenance projects have an overarching goal, but specific work is dependent on issues that arise or specific needs. Lastly, ongoing phased projects are routine projects that are designed and constructed on an ongoing basis (e.g. residential rehabilitation).

Staff appreciates input from the Mayor and Council in order to provide a document that is optimized for the purposes of CIP modeling and budget adoption.

Perry Park Fencing

Overview

Department PUBLIC WORKS

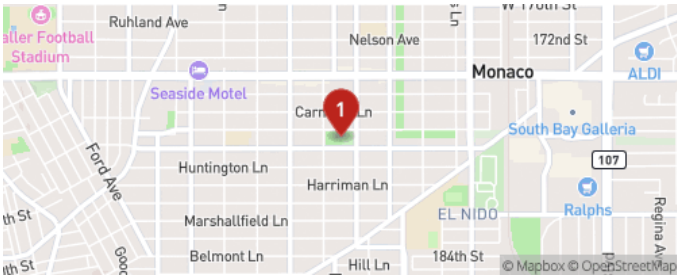
Project Type Park Improvements

Project Number 31040

Evaluation Criteria (3) Completes an Existing Project

Project Location

2301 Grant Avenue



Description

This project will replace the existing fencing along the baseball field and other sports fields at the park to enhance safety and playability of these popular recreational fields. Staff anticipates completing this work by FY 2027 Q2.

Details

Project Manager: Mike Klein, Deputy Public Works Director

Project Owner/Operator: Mike Klein, Deputy Public Works Director

Initial Funding Year: FY 25-26

Capital Cost

Detailed Breakdown

Category	FY2027
Construction	$71,866
Total	**$71,866**

Funding Sources

Detailed Breakdown

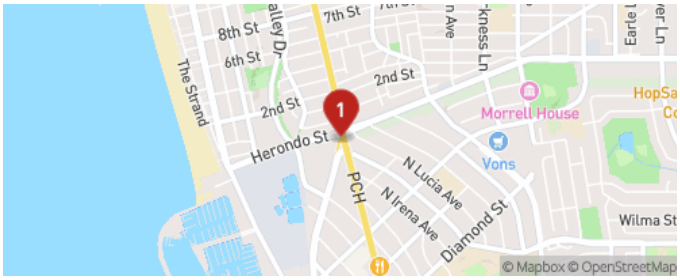
Category	Historical Budgeted
254-Subdivision Park Trust	$71,866
Total	**$71,866**

Repainting King Harbor Gateway Sign

Overview

Department	PUBLIC WORKS
Project Type	Street Improvements
Project Number	41400
Evaluation Criteria	(6) Implements Strategic Plan Goal

Project Location



Description

This project will repaint and modernize the King Harbor Gateway Sign. The sign is located at a main entry to the City and has fallen into disrepair and is in need of a refresh.

Details

Project Manager: Mike Klein, Deputy Public Works Director

Project Owner/Operator: Mike Klein, Deputy Public Works Director

Initial Funding Year: FY 23-24

Estimated Implementation Schedule: Construction FY 26-27

Capital Cost

Detailed Breakdown

Category	FY2027
Construction	$169,000
Total	**$169,000**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	Total
300-Capital Projects	$134,000	$35,000	**$169,000**
Total	**$134,000**	**$35,000**	**$169,000**

Fulton Playfield Infiltration Project

Overview

Department GENERAL ENGINEERING

Project Type Drainage Improvements

Project Number 60280

Evaluation Criteria (2) State and Federal Mandates, (6) Implements Strategic Plan Goal

Project Location

529 Earle Lane



Description

The Fulton Playfield Multi-Benefit Infiltration Project (Project) was identified as a critical project as part of the Beach Cities Watershed Management Group EWMP update. Fulton Playfield is a 1.25-acre open green space in the City of Redondo Beach. The Project will enhance an existing underground flood control basin managed by Los Angeles County Flood Control District (LACFCD) by modifying the inlet structure and adding infiltration drywells.

Anticipated Schedule:

- Plans and Specifications approved (April 21, 2026)
- Procurement completed by Q1 FY2027.
- Construction to begin in Q3 FY2027.

Details

Project Manager: Ashwini Bhide, Civil Engineer

Initial Funding Year: FY 22-23

Project Owner/Operator: Lauren Sablan, City Engineer

Capital Cost

Detailed Breakdown

Category	FY2027	FY2028	FY2029	Total
Construction	$6,930,869	$0	$0	**$6,930,869**
Construction Management	$700,000	$0	$0	**$700,000**
Construction/Maintenance	$50,500	$50,500	$50,500	**$151,500**
Total	**$7,681,369**	**$50,500**	**$50,500**	**$7,782,369**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	FY2028	Total
217-Measure W	$3,422,231	$2,453,500	$1,906,638	**$7,782,369**
Total	**$3,422,231**	**$2,453,500**	**$1,906,638**	**$7,782,369**

Pickleball Courts - Aviation

Overview

Department GENERAL ENGINEERING

Project Type Park Improvements

Project Number 31002

Evaluation Criteria (6) Implements Strategic Plan Goal

Project Location



Description

The Aviation Park Pickleball Courts project will construct stand-alone pickleball courts in the open field adjacent to the existing gymnasium building. It is imagined the facility will eventually include multiple courts, benches/bleachers, perimeter fencing, lighting, surrounding flatwork and landscaping, and technology to allow online reservation and court access capabilities. The project will likely be delivered through a design build contract, and potentially phased, so that the courts can be open for play as soon as possible. It is anticipated additional funding will be required for all the build out of the amenities.

Anticipated Schedule:

- Design begins in FY2027.
- Construction begins in FY2028.

Details

Project Manager: Sean Chotikasatien, Civil Engineer

Initial Funding Year: FY 24-25

Project Owner/Operator: Elizabeth Hause, Community Services Director

Capital Cost

Detailed Breakdown

Category	FY2027	FY2028	Total
Construction	$0	$1,000,000	**$1,000,000**
Design	$95,000	$0	**$95,000**
Total	**$95,000**	**$1,000,000**	**$1,095,000**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	Total
254-Subdivision Park Trust	$595,000	$500,000	**$1,095,000**
Total	**$595,000**	**$500,000**	**$1,095,000**

Seaside Lagoon

Overview

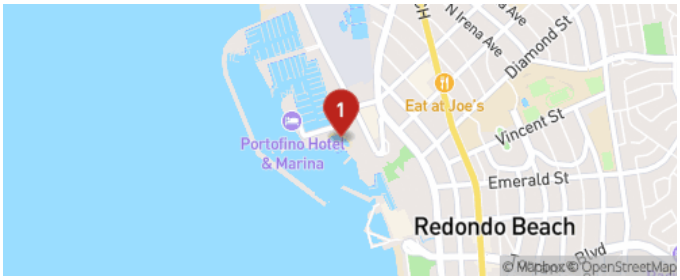
Department WATERFRONT & ECONOMIC DEV

Project Type Waterfront Improvements

Project Number 70790

Evaluation Criteria (6) Implements Strategic Plan Goal, (7) Supports Economic Development, (4) Operating Savings

Project Location



Description

This multi-phase project will improve Seaside Lagoon as a key waterfront recreational amenity by modernizing the lagoon facilities, reducing costs and environmental impacts, improving public open space, supporting year-round access and maintaining opportunities for swimming, events and community use.

Anticipated Schedule:

- Complete Entitlements and complete Design in Q1 FY2027.
- Procurement in late Q2 FY2027.
- Construction from late Q3 FY2027 through late Q3 FY2028 (12 months).

Details

Project Manager: Elizabeth Hause, Community Services Director; Katherine Buck, Acting Waterfront and Economic Development Manager

Project Owner/Operator: Elizabeth Hause, Community Services Director

Initial Funding Year: FY 21-22

230-Intergovernmental Grant Source: State Department of Parks and Recreation

Capital Cost

Detailed Breakdown

Category	FY2027	FY2028	Total
Construction	$2,000,000	$6,000,000	**$8,000,000**
Construction Management	$200,000	$686,854	**$886,854**
Design	$2,000,000	$0	**$2,000,000**
Total	**$4,200,000**	**$6,686,854**	**$10,886,854**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	Total
230-Intergovernmental Grants	$7,185,975	$0	**$7,185,975**
254-Subdivision Park Trust	$0	$3,000,000	**$3,000,000**
300-Capital Projects	$271,022	$0	**$271,022**
600-Tidelands	$429,857	$0	**$429,857**
Total	**$7,886,854**	**$3,000,000**	**$10,886,854**

Sidewalk Improvements & Repairs

Overview

Department PUBLIC WORKS

Project Type Street Improvements

Project Number 41270

Evaluation Criteria (1) Health and Safety Issue, (2) State and Federal Mandates, (3) Completes an Existing Project, (4) Operating Savings

Description

The project supports the City's sidewalk grinding efforts along with ongoing repairs and replacement of sidewalks. FY 2027 will focus on sidewalks around City Parks and schools.

Details

Project Manager: Mario Carranza, Streets/Sewer Manager

Project Owner/Operator: Mike Klein, Deputy Public Works Director

Initial Funding Year: FY 20-21

Estimated Implementation Schedule: Construction ongoing

Capital Cost

Detailed Breakdown

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	$500,000	$500,000	$500,000	$500,000	$500,000	**$2,500,000**
Total	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$2,500,000**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	FY2028	FY2029	FY2030	FY2031	Total
202-State Gas Tax	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	**$3,000,000**
300-Capital Projects	$4,862	$0	$0	$0	$0	$0	**$4,862**
Total	**$504,862**	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$500,000**	**$3,004,862**

Pier Deck & Piling Structure Repairs

Overview

Department GENERAL ENGINEERING

Project Type Waterfront Improvements

Project Number 70350

Evaluation Criteria (1) Health and Safety Issue, (4) Operating Savings, (7) Supports Economic Development

Project Location



Description

This ongoing project will repair pier structure including decking, pilings, braces, and pertinent over-water utilities pursuant to maintenance inspections and various issues and concerns identified.

Details

Project Manager: Geraldine Trivedi, Civil Engineer

Project Owner/Operator: Lauren Sablan, City Engineer

Initial Funding Year: 20+ Years

Estimated Implementation Schedule: Ongoing

Capital Cost

Detailed Breakdown

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	$325,000	$200,000	$200,000	$200,000	$200,000	**$1,125,000**
Total	**$325,000**	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$1,125,000**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	FY2028	FY2029	FY2030	FY2031	Total
300-Capital Projects	$153,160	$200,000	$0	$0	$0	$0	**$353,160**
600-Tidelands	$23,909	$0	$200,000	$200,000	$200,000	$200,000	**$823,909**
Total	**$177,069**	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$1,177,069**

Residential Street Rehabilitation

Overview

Department	GENERAL ENGINEERING
Project Type	Street Improvements
Project Number	40190
Evaluation Criteria	(3) Completes an Existing Project, (4) Operating Savings

Description

This is an ongoing project to resurface and repair residential streets citywide based on the pavement management study and Council direction. Identified streets for this project can be found on page 135 of the 2023 Pavement Management Program* (PMP), with the list of streets beginning on Appendix E (page 123).

Completed Work:

- Design completed for 2020 PMP Year 2 (Cycle 2, Phase 5) and design commenced for 2023 PMP Year 1 (Cycle 2, Phase 6) in January 2026.
- Construction awarded for 2020 PMP Year 3 in Spring 2026.

Anticipated Schedule:

- Complete construction of 2020 Year 3 and complete design of 2023 Year 1 in Fall 2026.
- Award 2023 Year 1 construction and begin design of 2023 Year 2 (Cycle 2, Phase 7) in Winter 2026.
- Complete construction of 2023 Year 1 and complete design of 2023 Year 2 in Summer 2027.
- Award 2023 Year 2 construction and begin design of 2023 Year 3 (Cycle 2, Phase 8) in Winter 2027.
- Complete 2023 Year 2 construction and complete design of 2023 Year 3 in Fall 2028.
- Award 2023 Year 3 construction in Spring 2029.
- Complete construction of 2023 Year 3 in Fall 2029.

*The PMP document also includes streets for the Citywide Slurry Seal project.

Details

Project Manager: Daniel Gruezo, Civil Engineer

Initial Funding Year: FY 00-01

Project Owner/Operator: Lauren Sablan, City Engineer

Supplemental Attachments

2023 Pavement Management Program Implementation

Play Surface Replacement

Overview

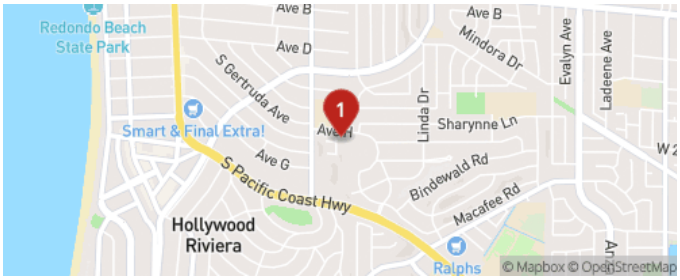
Department PUBLIC WORKS

Project Type Park Improvements

Project Number 30800

Evaluation Criteria (1) Health and Safety Issue, (3) Completes an Existing Project, (4) Operating Savings

Project Location



Description

This project will replace the rubberized play surface at the various parks that include playgrounds. Massena Parkette will be the focus in FY 26-27 and any others as funding allows.

Details

Project Manager: Mike Klein, Deputy Public Works Director

Project Owner/Operator: Mark Garlock, Urban Forestry Manager

Initial Funding Year: FY 22-23

Estimated Implementation Schedule: Construction began in FY 22-23 and is continuous.

Capital Cost

Detailed Breakdown

Category	FY2027
Construction	$113,000
Total	**$113,000**

Funding Sources

Detailed Breakdown

Category	Historical Budgeted	FY2027	Total
250-Park & Rec Facilities Fees	$0	$75,000	**$75,000**
300-Capital Projects	$8,000	$30,000	**$38,000**
Total	**$8,000**	**$105,000**	**$113,000**

CITY OF REDONDO BEACH

BUDGET RESPONSE REPORTS

FY 2026-27 BUDGET

The following is a list of Budget Response Reports delivered along with the FY 2026-27 Proposed Budget. A glossary with full Department names is at the end of the document.

#	Dept	Question	Submitted
1	FS	What changes or corrections have been made to the FY 2026-27 Proposed Budget and CIP since its initial publishing on May 16, 2026?	
2	Police	What is the status of Sworn personnel staffing in the Police Department?	June 2
3	Police	What is the status of Civilian personnel staffing in the Police Department?	June 2
4	Police	How is the Police Department addressing traffic enforcement and safety on residential streets and the enforcement of truck routes, and what are the costs associated with these efforts?	June 2
5	Police	What is the status of collected revenues for parking meters, parking permits, and parking citations? Can these fees be adjusted? Would additional Municipal Services Officers improve City parking enforcement and, if so, at what cost?	June 9
6	Police	What technology platforms does the Police Department use to increase transparency and build trust, and what are the plans for the evolution of these programs to meet changing needs?	June 9
7	Police	How does the Police Department's Wellness Program support employee health and morale, what are the plans for the evolution of these programs to meet changing needs, and what are the anticipated long-term benefits of investing in this initiative?	June 2
8	CS	What special events were designated as Signature Events and received City subsidy in Fiscal Year 2025-26?	June 2
9	CS	What was the cultural and entertainment rental activity at the RBPAC in FY 2025-26, and what rental activity is expected in FY 2026-27?	June 2

#	Dept	Question	Submitted
9A	CS	What was the cultural and entertainment rental activity at the RBPAC in FY 2025-26, and what rental activity is expected in FY 2026-27? How does this compare to anticipated spending?	
10	CS/FS	What is the status of the John Parsons Art Fund?	
11	HR	What is the City's FY 2025-26 reporting on vacancies under AB 2561?	June 2
12	PW	How does the City's Vehicle and Heavy Equipment Replacement Program work and what City vehicles and equipment are scheduled for replacement by the Public Works Department in the 2026-27 Fiscal Year?	June 9
13	IT	How does the City's Information Technology Equipment Replacement Program work, and what equipment is recommended for replacement in the 2026-27 Fiscal Year?	June 2
14	PW	What is the cost to clean the Esplanade? Can dry ice be used to improve the level of cleanliness and, if so, at what cost? How does the annual sidewalk cleaning cost along the Esplanade compare to the cost of similar services in other areas of the City?	June 9
15	Fire	What is the cost for Firefighter Personal Protective Equipment replacement, and what is the cost to replace the City's Auto-Pulse devices?	June 2
16	PW	What is the cost associated with the LEA follow-up work for Dominguez Park, and what funding is available/proposed in the Budget for these efforts?	June 9
17	CS	What is the cost to add an ADA lift to the Teen Center stage and what is the cost for an electric wheelchair for Wilderness Park?	June 9
18	PW	What is the cost of a parking study for Aviation Boulevard south of Artesia, and would this support the creation of a bike lane?	June 9
19	PW	What are the options and associated costs for parkway landscaping on the medians at Flagler and Ripley and South Juanita and Camino Real?	June 9
20	PW	What options exist to make improvements to Ensenada Parkette, including the addition of a shade structure, and what are the costs?	June 9
21	Fire	How have Harbor Patrol operations changed/improved since the addition of the dedicated Harbor Master position? What additional improvements are planned in the coming year?	June 2

#	Dept	Question	Submitted
22	PW	What would be the cost to add concrete benches at Heritage Court, similar to those at Franklin Park?	June 9
23	CS	How will the proposed Community Services Department Senior Management Analyst position in Decision Package #29 improve Department operations, and how will it be used to enhance citywide special event coordination?	June 2
24	Police	How does the City utilize Automated License Plate Readers (ALPRs)? Is new ALPR technology available to further enhance police operations?	June 2
25	CM/FS	What Measure FP Activity and Costs do we anticipate for FY 2026-27?	June 9
26	CD	What is the process, cost, impact, and benefit of obtaining state/federal historic status for Wilderness Park?	June 2
27	FS/ CD	What is the City's current process for considering waivers for business licenses, including the annual fiscal impact of the current process? What is the process to update the City's Municipal Code to more effectively license special events? What steps could the City take to streamline the processing of business license applications and what funding sources are available to support the cost of business license administration?	
28	CS/ PW/ IT	What process/opportunities are there for pickleball court construction/development at Aviation Park, including possible public private partnership? Can court fees be collected for use of the future pickleball court facility, if so, how would they be collected and what is the estimated amount of revenue? What pickleball court amenities can be constructed with the current CIP allocation? What additional funding would be needed to support the installation of court night lighting and new technology/hardware for automated court reservation/use?	June 9
29	PD/ Fire/ CM	What is the cost to incorporate the new City logo on Police and Fire vehicles?	June 2
30	PW	What is the cost to replace/improve the fencing at Dominguez Park, Perry Ellison Play Field, and Alta Vista Park along Juanita Ave?	June 9
31	FS/ CA	What spending is planned in the FY 2026-27 Budget for homeless services? What are the funding sources?	
32	WED/ FS	What is the status of the Harbor Tidelands Fund and Harbor Uplands Fund? What activities / revenue, and / or capital items are included in the FY 2026-27 Budget?	June 2

#	Dept	Question	Submitted
33	CS	What is the status of the Seaside Lagoon, including operating balance, anticipated maintenance, attendance, and events?	
34	CS	What use of community services facilities is projected in FY 2025-26?	
35	PW	What is the cost to update (as efficiently as possible) the City's monument entry and wayfinding signs with the current brand logo?	June 9
36	PW	What is the cost to close the Southbound Lane onto Irena from Torrance Blvd, and to add a cul de sac on Opal?	June 9
37	PD	What is the cost to purchase and provide staff support and training for a new Vapor Wake dog, and what potential funding sources could be used?	June 2
38	CS	What is the cost to update the RBPAC panel/tile in the main lobby with the new City logo?	June 2
39	HR	What are the implications of increasing the Self-Insured Retention limit for general liability insurance from $500,000 to $1,000,000?	June 9
40	CS	What is the background/purpose of the new Special Event Street Use/Encroachment Fee in Decision Package #3, and the new Dominquez Park, Wilderness Park and Veterans Park fees in Decision Package #'s 6, 7, and 8? What is the estimated value of the Street Use Fee for typical annual events?	
41	CS	What are the options and costs to staff two attendants at Wilderness Park rather than one?	June 9
42	PW	What are the options and costs to install retractable bollards at Artesia and Green and Vanderbilt and Green (around the North Redondo Beach Farmer's Market)?	June 9
43	PW	What are the options and costs for realigning the Ripley / Ives / Mackay intersection?	June 9
44	PW	How much traffic calming funding is available to support projects at crossing guard sites that will not be staffed in FY 2026-27? What specific traffic calming improvements can be implemented before the start of the next school year?	June 9
45	PD	What is the status of the Police Department's Drone as a First Responder Program, and what are the plans for the evolution of the program to meet changing needs?	June 2
46	PD	How does the Police Department's Pier and Marine Enforcement Unit operate/deploy to support Pier and Harbor safety?	June 9

#	Dept	Question	Submitted
47	FS	What written correspondence and/or motions have Commissions provided to the City Council regarding the FY 2026-27 Proposed Operating Budget and 2027-2031 Capital Improvement Program?	
48	FS/ WED	What options are available to audit leases in the Harbor area on a cost recovery basis?	
49	PW	What is the cost to modify the pickleball court at Dale Page Park to address the uneven court surface?	June 9

Department Glossary

Dept. Abbreviation	Full Name
CCO	City Clerk's Office
CT	City Treasurer
CA	City Attorney
CM	City Manager
IT	Information Technology
HR	Human Resources
FS	Financial Services
PD	Police Department
FD	Fire Department
LIB	Library
CS	Community Services
CD	Community Development
WED	Waterfront and Economic Development
PW	Public Works

CITY OF REDONDO BEACH
Budget Response Report

#02

June 2, 2026

Question:
What is the status of sworn personnel staffing in the Police Department?

Response:
The status for sworn personnel staffing in the Police Department is shown in the following table. The Police Department is currently budgeted for 98 sworn personnel.

Position	Authorized	Frozen	Vacant	Filled
Chief of Police	1	0	0	1
Police Captain	3	0	0	3
Police Lieutenant	6	0	0	6
Police Sergeant	15	0	0	15
Police Officer	73	0	5	68
Total	**98**	**0**	**5**	**93**

The Police Department currently has 93 sworn positions filled, which includes three trainees in the field training program and one recruit in a basic training academy. In addition, three sworn employees are out due to military deployments or other long-term leave (greater than 30-days).

The Police Department currently has eight entry level applicants in various stages of the background process including one pre-service applicant who does not need to attend a basic academy. One entry level police officer applicant was given a conditional offer of employment and is slated to attend the next academy scheduled to start on June 22, 2026.

Recruitment has been a consistent challenge for most organizations in the industry, and the Police Department is not exempt from these conditions. The Police Department continues to evaluate its marketing, messaging, and resource deployment to attract, identify, and recruit talent to the organization. This includes forming outreach teams comprised of personnel who attend events and represent the Police Department to prospective applicants rather than relying on the traditional, passive approach of evaluating applicants that apply to the organization.

Two significant structural changes occurred since last fiscal year. First, the authorization of an over-hire for an additional Captain position expired in December 2025. Following the retirement of Captain Michael Martinez in December 2025, this over-hire is no longer necessary and is not requested for FY 2026-27.

Second, a Sergeant position previously assigned to the Quality of Life Unit has been reassigned to the Personnel and Training unit to oversee Department training, compliance, and scheduling. When Code Enforcement was transferred to the Police Department in 2020, a dedicated Sergeant was necessary to support the new personnel during the transition and expansion. Since that time, this resource resulted in the maturation of the program, which can now be adequately supported within the existing Special Operations Bureau chain of command. Reassigning the Sergeant position to the Personnel and Training unit supports needed improvements to a function that is critical for a Unit with limited average tenure.

CITY OF REDONDO BEACH
Budget Response Report

#03

June 2, 2026

Question:
What is the status of civilian personnel staffing in the Police Department?

Response:
The current staffing status for civilian personnel in the Police Department is shown in the following tables:

Administrative Services

Position	Authorized	Vacant	Filled
Executive Assistant	1	0	1
Senior Management Analyst	1	0	1
Analyst	2	0	2
Total	**4**	**0**	**4**

All Administrative Services positions are currently filled.

Community Service Officers

Position	Authorized	Vacant	Filled
CSO III	3	0	3
CSO II (Jailers)	10	1	9
Total	**13**	**1**	**12**

CSO II (Jailer) has one vacancy. One candidate is currently in the background investigation process.

Communications Unit

Position	Authorized	Vacant	Filled
Public Safety Communications Manager	1	0	1
Communications Supervisors	4	0	4
Communication Dispatchers	9	3	6
Total	**14**	**3**	**11**

There are currently three vacancies for Communications Dispatcher. Six dispatch candidates are in backgrounds, with one conditional offer sent out, pending testing. Dispatch trainee applications continue to be accepted. One retired Dispatch Supervisor has returned as a part-time employee on a 960-hour annual schedule to assist with the current shortages in the Communications Dispatch Center.

Records Unit

Position	Authorized	Vacant	Filled
Police Records Manager	1	0	1
Lead Police Services Specialist	2	0	2
Police Services Specialist	6	0	6
Administrative Specialist	1	0	1
Office Specialist III	1	0	1
Total	**11**	**0**	**11**

All positions in the Records Unit are currently filled.

Investigations Division

Position	Authorized	Vacant	Filled
Administrative Specialist	1	0	1
Crime Analyst	1	0	1
Police Identification Technician	1	0	1
Total	**3**	**0**	**3**

All civilian positions in the Investigations Division are currently filled.

Community Services Unit

Position	Authorized	Vacant	Filled
Municipal Services Supervisor	2	0	2
Municipal Services Officer	7	1	6
Parking Meter Technician	1	0	1
Senior Code Enforcement Officer	1	1	0
Code Enforcement Officer	2	0	2
Administrative Specialist	1	0	1
Social Media Content Creator	1	0	1
Total	**15**	**2**	**13**

The Senior Code Enforcement position became vacant in April 2026 with the promotion of the employee to the second Municipal Services Supervisor position, which was authorized as part of the FY 2025-26 budget process. Testing to fill the Senior Code Enforcement position is currently in progress. Interviews were conducted on May 20, 2026 to fill the vacant Municipal Services Officer position.

The Social Media Content Creator is a new position authorized as part of the FY 2025-26 approved budget and has been filled since July 2025.

CITY OF REDONDO BEACH
Budget Response Report

#04

June 2, 2026

Question:

How is the Police Department addressing traffic enforcement and safety on residential streets and the enforcement of truck routes, and what are the costs associated with these efforts?

Response:

The Police Department, in coordination with the Public Works Department, is committed to improving traffic safety and reducing illegal truck traffic through a comprehensive approach that includes grant funding, community engagement, targeted enforcement, and public education. The following outlines the key measures currently in place to enhance safety on residential streets.

Grant Opportunities

- The Traffic Unit has secured a grant from the California Office of Traffic Safety (OTS) to support enforcement and education efforts.

- The Selective Traffic Enforcement Program (STEP) Grant provides $179,000 to reimburse overtime costs associated with traffic enforcement strategies aimed at reducing collisions and improving roadway safety. This funding supports initiatives such as DUI/CDL checkpoints targeting impaired drivers, DUI saturation patrols in high-incidence areas, and primary collision factor enforcement focused on violations that commonly lead to crashes, including speeding, distracted driving, and stop sign or red-light violations. The grant also supports joint enforcement operations with neighboring agencies and public education efforts promoting roadway safety, including bicycle and e-bike law compliance.

Traffic Complaint Hotline/Comcate

- The Police Department maintains a Traffic Complaint Hotline and utilizes the City's Comcate system that allows residents to report concerns such as speeding, reckless driving, and problematic intersections. This system enables the Traffic Unit to identify high-risk locations and deploy enforcement resources accordingly. Complaints are routinely reviewed and enforcement strategies are adjusted based on reported data. On average, approximately 16 locations Citywide are active on the hotline list at any given time.

Educational Messaging and Speed Awareness

- To reinforce safe driving behavior, the Police Department utilizes multiple educational tools. Digital message boards are deployed throughout the City to provide reminders about traffic laws and safety concerns. There are 14 operational fixed radar speed feedback signs Citywide that encourage compliance with posted speed limits, along with four portable radar trailers that are rotated through various neighborhoods. In addition, the Police Department uses social media platforms to share safety messaging, legal updates, and reminders promoting responsible driving.

Stealth Stat Device

- The Police Department utilizes the Stealth Stat system, a mobile data collection device that records vehicle speeds without alerting drivers. This tool allows officers to analyze speeding trends, validate community complaints, and determine where focused enforcement is most needed. This data-driven approach enhances the Police Department's ability to target high-risk areas effectively.

Drive Slow Redondo Campaign

- The "Drive Slow Redondo" campaign was developed by the Community Services Unit at the direction of the City Council to promote safe driving in residential neighborhoods. The campaign features a student-designed logo depicting a snail with the slogan *#DriveSlowRedondo*. Since its launch, the campaign has expanded through ongoing social media promotion, community outreach, and visible messaging such as banners and yard signs placed throughout the City. Additional outreach efforts and potential partnerships are planned to further reinforce safe driving behaviors.

Commercial Vehicle Enforcement

- The Police Department continues to enhance commercial vehicle enforcement efforts to regulate truck traffic within city limits. The Police Department has partnered with the California Highway Patrol (CHP) to conduct periodic, specialized enforcement operations. These efforts have resulted in more than 102 citations issued to commercial drivers and over fifty vehicle inspections conducted by CHP personnel to ensure compliance with safety and weight regulations. The next joint traffic enforcement operation with the CHP is scheduled for June 4, 2026, and will focus on illegal commercial vehicles/trucks along Palos Verdes Boulevard.

Bicycle and E-Bike Safety Initiatives

- Bicycles and e-bikes continue to represent an area of concern within the traffic safety category. In 2025, the Police Department responded to 64 collisions involving bicycles and e-bikes, of which 42 involved e-bikes specifically, underscoring their growing presence and associated risks. In response, the Police Department has maintained a proactive approach to education and prevention.

- During the year, personnel conducted 12 bicycle and e-bike safety rodeos in partnership with the Redondo Unified School District, providing hands-on safety training to more than 400 students. Additionally, traffic personnel delivered four bicycle and e-bike safety presentations, reaching over 100 individuals in the community. These efforts reflect an ongoing commitment to reducing collisions through targeted education and outreach.

- The Police Department has implemented several initiatives to improve e-bike safety and ensure compliance with traffic laws. Enforcement efforts have increased, with citations issued for violations such as riding without a helmet, ignoring traffic controls, improper lane use, and reckless operation. In calendar year 2025, traffic personnel issued 212 citations to bicycle and e-bike riders. Digital signage has also been deployed to reinforce awareness of e-bike regulations.

- In addition to enforcement, the Police Department continues to implement a positive reinforcement program in which compliant riders receive gift cards and a QR code linking to an educational safety video. Outreach efforts include community meetings, safety seminars, and collaboration with the Redondo Beach Unified School District to educate students. The Police Department also works with the City Attorney's Office on a bicycle diversion program through the Los Angeles County courts and coordinates with neighboring South Bay cities on joint enforcement and the distribution of consistent safety messaging.

<u>Red Light Camera Program Research & SB 720</u>

- Red-light camera programs have been implemented by some regional cities to improve safety by deterring violations that are a common cause of collisions. Comparable programs, such as the one in Culver City, have shown measurable reductions in red-light violations. In 2023, Culver City's program generated approximately $3.5 million in revenue, offsetting operational costs of about $1.3 million.

- Redondo Beach has 108 signalized intersections and has recorded 60 red-light-related collisions since 2020. Higher occurrence locations include Pacific Coast Highway at Torrance Boulevard and Aviation Boulevard at Grant Avenue.

- A vendor such as Redflex Traffic Systems offers a program structure costing approximately $5,500 per camera, per month, with no upfront installation costs. The fee includes equipment and operational support. Program effectiveness would depend on administrative capacity for citation processing and legal enforcement. If implemented effectively, such a program could reduce collisions while generating revenue to sustain operations. However, it should be noted, that some cities have experienced difficulty processing the citations and administering them through court challenge.

- Senate Bill 720 ("Safer Streets Act") was signed by the Governor on October 13, 2025 and authorizes local jurisdictions to implement automated traffic enforcement programs to improve roadway safety and reduce traffic violations. The legislation requires that revenue generated from civil penalties associated with the program be used first to cover program administration and operating costs and that any remaining funds be dedicated to safer streets initiatives such as pedestrian, bicycle and roadway safety projects. SB 720 includes transparency, reporting, and public accountability requirements to ensure the program is focused on enhancing public safety, rather than generating revenue.

The Police Department remains committed to a comprehensive and balanced approach to traffic safety that integrates enforcement, education, engineering, and community engagement. Through the strategic use of grant funding, targeted enforcement, public outreach, and interagency collaboration, the Police Department continues to work toward safer streets for all users, including motorists, cyclists, and pedestrians.

In addition to grant-funded initiatives, the Police Department supports ongoing traffic enforcement operations through its regular operating budget and maintains a fully staffed Traffic Division comprised of eight total personnel: one Sergeant, six Motorcycle Officers, and one dedicated traffic enforcement Patrol Officer, along with one Traffic Accident Investigator in the Investigations Unit. The total annual cost of the traffic unit is $2,316,183.

CITY OF REDONDO BEACH
Budget Response Report

#05

June 9, 2026

Question:

What is the status of collected revenues for parking meters, parking permits, and parking citations? Can these fees be adjusted? Would additional Municipal Services Officers improve City parking enforcement and, if so, at what cost?

Response:

The Municipal Services Unit of the Police Department oversees parking meters, parking permits, and parking citations. All three currently generate a combined $5.3M in General Fund revenue, with recent adjustments as detailed below.

Parking Meters – $3.4M Annually

There is a total of 743 parking meters, serving 1,325 parking spaces in the City. This includes the additional 89 parking spaces on Herondo Street between North Pacific Coast Highway and North Francisca Avenue, which were authorized by the City Council in FY 2025-26, and completed in April 2026.

Prior to July 1, 2024, the hourly parking meter rate was $1.50. The rate was put in place in 2014 and remained unchanged for 10 years. As part of the FY 2024-25 budget process, staff submitted a budget response report that analyzed the hourly parking rates in other jurisdictions. Based on that analysis, the City Council approved an increase to the City's rate to $1.75 per hour for FY 2024-25, and to $2.00 per hour in FY 2025-26. This cumulative $0.50 per hour increase over the last two fiscal years has resulted in a sustained $1.029M increase in General Fund revenue compared to prior fiscal years.

For FY 2026-27, Decision Package #2 requests an additional $0.25 increase to the hourly parking meter rate, which would bring it to $2.25 per hour. This rate is below the hourly rates charged by Hermosa Beach and Manhattan Beach, which range from $2.50 per hour to $3.50 per hour, depending on location and proximity to the beach. The $0.25 per hour increase complies with Coastal Commission policy, which limits rate increases to no more than 50% over a consecutive three-year period. If approved, the increase is anticipated to generate an additional $401,081 of ongoing General Fund revenue.

The $0.25 per hour increase is also proposed for the Pier parking structure and other pay stations in the Harbor area and is expected to generate an additional $46,000 and $223,000 for the Harbor Tidelands Fund and Harbor Uplands Fund, respectively.

Parking Permits – $382,000 Annually

The City offers several types of parking permits including a Parking Meter Permit, Riviera Village Employee Parking Permit, and a Preferential Parking Permit.

- Parking Meter Permit and Riviera Village Employee Parking Permit - $327,000 Annually:

  The City's parking meter permit program provides a convenient and cost-effective way for members of the public to utilize City parking meters, by allowing permit holders to park in designated spaces for a flat annual fee without having to make individual meter payments. The Riviera Village employee parking permit is available to individuals working in Riviera Village businesses and allows parking in designated spaces. The annual permits run from November 1st through October 31st of the following year.

  From 2013 through 2024, the annual parking meter permit cost was $110, and the Riviera Village employee permit was $60. As part of the FY 2024-25 budget, which included a comparison of the permit fees in other cities, the annual meter permit fee was increased from $110 to $175, and the Riviera Village employee permit from $60 to $70. The new fees resulted in a nominal reduction to the total number of meter permits sold, from approximately 1,800 down to 1,700, but a positive 43% increase in total revenue. The number of Riviera Village employee permits sold remained consistent at approximately 400 per year.

  As part of the FY 2025-26 budget process, the City Council approved an additional increase to the annual parking meter permit fee to $195. To date, this has not affected the number of permits sold. The expected year end count is roughly 1,700 permits, consistent with last year's total.

  The fee increases over the last two fiscal years have resulted in an additional $126,324 of ongoing General Fund revenue. The parking meter and Riviera Village employee permits generate $327,000 of General Fund revenue annually. If the City Council were to increase the fees again, it could generate an additional $1,700 for every dollar added to the parking meter permit, and $400 for every dollar added to the Riviera Village employee permit, based on the current number of permits sold.

  To illustrate the value of the permits, parking at a meter one day a week, for four hours, at the proposed $2.25 per hour rate, would cost $468 per year. An annual parking meter permit therefore offers a significant savings for individuals who frequently visit areas in the City that have metered parking.

- Preferential Parking Permits - $55,000 Annually:
  Preferential Parking zones are subject to the provisions set forth in Redondo Beach Municipal Code (RBMC) Title 3, Chapter 7, Article 17 "Preferential Parking" and established by resolution of the City Council to benefit adjacent residents. The zones are designated based on findings that certain conditions impede the

availability of reasonable and convenient on-street parking for area residents. The City Council has designated 10 Preferential Parking Zones, and permits are issued and renewed on a calendar year basis.

As part of the FY 2025-26 budget, the City Council increased the permit fee from $16 to $35 for non-coastal zone areas, and to $50 for coastal zone areas. While this resulted in a decreased number of permits sold from 2,780 last year to 1,878 this year, it still generated approximately $21,000 in additional General Fund revenue compared to the previous year.

Parking Citations – $1.6M Annually

The City's Municipal Services Officers issue approximately 36,000 parking citations annually. Citation fees vary depending on the type of violation and have been adjusted annually over the last two fiscal years as part of the Police Department's Master Fee Schedule updates. Citation revenue is projected to reach $1.6M in FY 2025-26. The two most common citations are for street sweeping and parking meter violations. The street sweeping citation fee is $55 and the parking meter citation fee is $79.

Additional Municipal Services Officers

The Municipal Services Unit is currently staffed with 7 full-time Municipal Services Officers (MSO), 2 Municipal Services Supervisors, and up to 5 part-time MSOs. There is currently 1 MSO vacancy for which recruitment is underway.

The MSOs perform parking enforcement animal control functions. The main focus for parking enforcement is the street sweeping routes during the weekdays, followed by parking meter enforcement during late afternoons, evenings, and weekends. MSOs also respond to parking enforcement complaints and animals control calls.

Additional full-time MSOs would allow for the creation of a dedicated mid-shift meter enforcement detail, enabling the assigned MSO to focus solely on meter enforcement without being interrupted by additional calls for service.

The fully loaded cost of a full-time MSO is $112,303 per year. Two additional full-time MSOs would allow one MSO to be assigned to parking meter enforcement 7-days a week, for a full shift, and allow for the issuance of approximately 4,500 additional parking meter citations per year. At the current citation fee of $79, this would generate $355,500 in additional revenue. This would fully offset the cost of two MSOs ($224,606) and generate an estimated $130,894 to help support administrative overhead expenses.

Towing Fees

Another option for generating additional General Fund revenue is increasing the administrative fee charged for towing vehicles. The current fee is $139, which is lower than rates charged in surrounding cities.

Manhattan Beach	$209
Hermosa Beach	$284
Torrance	$206
Palos Verdes	$168

The Municipal Services Unit tows approximately 600 vehicles per year. Increasing the administrative fee by $25, to $164, would generate an additional $15,000 in General Fund revenue annually.

CITY OF REDONDO BEACH
Budget Response Report

#06

June 9, 2026

Question:

What technology platforms does the Police Department use to increase transparency and build trust, and what are the plans for the evolution of these programs to meet changing needs?

Response:

The Police Department utilizes technology to continually evaluate service delivery, enhance public access to information, gather community feedback, support public safety messaging, and strengthen community trust. As community expectations evolve, the Police Department continues to move beyond the traditional use of individual technology systems as standalone sources of information and toward a broader public safety framework that uses public-facing transparency resources, community feedback, and operational data to help inform resource allocation, policy development, and service-delivery decisions.

Public-Facing Transparency

The Police Department maintains a Police Transparency webpage that provides the public with centralized access to key policies, reports, dashboards, and accountability documents. The webpage includes links to Department demographics, officer-involved shooting information, use-of-force information, the Automatic License Plate Reader (ALPR) policy, the Concealed Carry Weapon (CCW) policy, Senate Bill (SB) 978 documents (policies, procedures, training materials, and operating standards), SB 1421 documents (peace officer personnel records involving serious use-of-force incidents and sustained misconduct findings), the Police Department Policy Manual, Assembly Bill (AB) 481 documents (military equipment), surveys (community feedback and public perception tools), AB 2761 documents (reporting and transparency related to jail deaths), the Jail Procedure Manual, Unmanned Aerial Support (UAS)/Drone as First Responder (DFR) flight record information, a Coyote Dashboard, and a Citation Dashboard.

The web resources serve as an important focal point for public trust because it allows residents to access a large amount of information directly, rather than relying on individual public records requests or staff explanations. As community expectations evolve, the Police Department continues to improve the transparency page by adding additional information and making these resources easier to navigate.

Community Feedback and Customer Service

The Police Department uses SPIDR Tech as a customer service feedback platform. SPIDR Tech sends text or email surveys to individuals who call the Communications Center and allows the Department to receive feedback related to response time, communication, and call resolution. Approximately 20% of customers engage through the survey process, resulting in more than 1,000 customer responses annually. This feedback provides the Police Department with a measurable way to evaluate service quality following police contacts. Rather than relying on formal complaints, commendations, or anecdotal feedback, SPIDR Tech allows the Department to identify trends, recognize positive performance, and address areas needing improvement.

The Police Department also uses Zencity to gather broad community feedback through geolocated surveys distributed through social media advertisements and social media posts. These surveys help identify public safety concerns, community priorities, and resident perceptions.

Together, SPIDR Tech and Zencity provide complementary feedback. SPIDR captures feedback from individuals who recently interacted with the Police Department, while Zencity provides broader sentiment data from the community. The Police Department will continue to use these tools to better understand resident expectations and adjust services, messaging, and outreach accordingly.

Digital Communication and Social Media Engagement

Social media has become one of the Police Department's primary tools for public communication, and relationship-building. The Police Department uses social media to distribute safety messaging, legal updates, traffic safety reminders, event information, recruitment content, emergency information, and community-oriented stories that help residents better understand who the Department is and how it serves the community.

The Police Department's social media strategy is particularly valuable when paired with in-person outreach and education campaigns. For example, Traffic and Community Services Unit personnel use public messaging to highlight and support traffic safety, e-bike education, and neighborhood speed awareness efforts to promote responsible driving.

The Police Department also conducts bicycle and e-bike safety outreach, including safety rodeos, school partnerships, safety presentations, educational messaging, and positive reinforcement for compliant riders. These efforts are supported through social media and transparency platforms like the Department webpage so residents can see not only enforcement outcomes, but also the prevention, education, and partnership work that forms a vital part of a comprehensive public safety response.

The Police Department maintains a Traffic Complaint Hotline and utilizes the City's Comcate system that allows residents to report concerns such as speeding, reckless driving, and problematic intersections. In addition to enforcement, digital message boards are deployed throughout the City to provide reminders about traffic laws and safety

concerns, complementing the 21 fixed speed feedback signs that encourage compliance with posted speed limits.

Operational Technology with Transparency Controls

The Police Department uses several operational technology platforms that support public safety while also requiring clear public explanation, policy controls, and transparency. These include the Axon body-worn camera system, the DFR program, ALPR systems, Racial and Identify Profiling Act (RIPA) reporting tools, and data aggregation platforms.

The Police Department's DFR program provides real-time situational awareness during calls for service and allows officers to make better-informed decisions. In addition to making the policy publicly accessible, each flight is logged on a public dashboard to provide the transparency that is central to maintaining community support for this valuable program.

The Police Department utilizes the Axon body-worn camera system as one of its most important transparency and accountability tools. The Police Department has used body-worn cameras for more than a decade, and these recordings have played a critical role in meeting the public's expectation that police activity can be independently reviewed when questions or concerns are raised. Axon recordings frequently provide definitive evidence of what occurred during police contacts, helping the Police Department evaluate and recognize positive officer performance, respond to complaints, support criminal investigations, and provide objective information.

The Police Department uses ALPR technology through Motorola Vigilant and Flock Safety to identify stolen vehicles and individuals wanted for crimes. The Department's transparency webpage includes a public link to the ALPR policy to illustrate the clear rules governing use, access, data retention, and oversight.

The Police Department also utilizes Veritone to support RIPA compliance by facilitating required demographic reporting for vehicle and pedestrian stops. In addition, Peregrine Technology further supports accountability and efficiency by aggregating data from separate systems into centralized search and dashboard functions, which is central to viewing information as a complete picture to assess performance and resource allocation instead of analyzing individual, siloed streams.

As these technologies evolve, the Police Department continues to pair operational use with public education. This includes clearly explaining what each of the tools do, what they do not do, how they are governed, and how they improve service delivery while protecting community trust.

Evolution of Programs

The Police Department's technology strategy focuses on integration, accessibility, and measurable outcomes. Planned areas of evolution include:

1. Continuous monitoring of the Police Transparency webpage so residents can more easily locate policies, dashboards, surveys, and accountability documents.

2. Expanding the use of dashboards and public-facing data summaries that explain Department activity in a format accessible to the general public.
3. Using SPIDR Tech, Zencity, Comcate, traffic complaints, and community meeting feedback together to identify recurring concerns and evaluate Department efforts in addressing them.
4. Developing recurring social media campaigns tied to specific community priorities, such as traffic safety, e-bike safety, burglary prevention, fraud prevention, recruitment, homelessness outreach, school safety, emergency preparedness, and special event safety.
5. Using Community Services Unit outreach events as opportunities to explain Police Department programs, answer questions, and direct community members to public-facing transparency resources.
6. Continuing to evaluate emerging technologies to ensure they improve service delivery, support accountability, and remain consistent with community expectations.

The Police Department uses technology to support a modern public safety model built around transparency, engagement, responsiveness, and public trust. Platforms such as SPIDR Tech, Zencity, social media, the Police Transparency webpage, Axon body-worn cameras, UAS/DFR resources, ALPR systems, RIPA reporting tools, data dashboards, and community outreach programs allow the Police Department to communicate more effectively, receive feedback, preserve objective records, and make information more accessible to the public.

The next phase of this work is not simply adding more technology, but further integrating existing tools, improving public access to information, using feedback to guide decision-making, and communicating Police Department efforts in a way that helps residents understand both what their Police Department is doing and how these efforts safeguard and improve quality of life in the City.

CITY OF REDONDO BEACH
Budget Response Report

#07

June 2, 2026

Question:

How does the Police Department's Wellness Program support employee health and morale, what are the plans for the evolution of these programs to meet changing needs, and what are the anticipated long-term benefits of investing in this initiative?

Response:

The Police Department's Wellness Program is designed to support the overall health, resiliency, and morale of Department employees by addressing the unique physical and mental demands associated with law enforcement. Recognizing that employees are routinely exposed to high-stress situations, traumatic incidents, irregular schedules, and physically demanding environments, the Police Department has made employee wellness a continued organizational priority.

The Police Department's approach focuses on creating sustainable wellness opportunities (see below) that improve quality of life, both on and off duty, while strengthening organizational culture, operational readiness, and employee retention.

Physical Wellness

- The Police Department continues to offer in-house Brazilian Jiu-Jitsu (BJJ) training instructed by Department personnel. These sessions provide employees with opportunities to improve physical conditioning, build confidence, reduce stress, and strengthen practical defensive tactics skills in a supportive team environment. In addition to the physical benefits, the program has also become an important outlet for camaraderie and peer support among participating employees.

Mental Wellness

- The Police Department continues to partner with Sharp Performance to provide mental performance coaching focused on improving resiliency, focus, stress management, and decision-making under pressure. Employees participate in individualized coaching sessions designed to provide practical tools that can be applied both professionally and personally.

- Additionally, the Police Department offers access to Firstgevity, an app-based wellness platform designed specifically to support long-term health and performance. The program provides employees with tools and resources aimed

at reducing injuries, lowering stress, improving sleep quality, enhancing nutrition, and building overall longevity, both on duty and at home.

- The accessibility and flexibility of both app-based formats allow employees to engage with wellness resources at their own pace and based on their individual needs.

Team Morale and Camaraderie

- Building strong relationships and maintaining employee morale remain critical components of the Police Department's wellness efforts. The Police Department has partnered with the Jimmy Miller Memorial Foundation (JMMF), widely recognized as a leader in the developing field of Ocean/Surf Therapy.

- JMMF's First Responder Ocean Therapy Program (FROPOWR) combines therapist-led group discussions with the challenge of learning how to surf and participate in other ocean-based activities. The program was specifically developed to support police, fire, medics, and dispatch personnel and intentionally emphasizes performance optimization, wellness, and resiliency. This initiative provides employees with a unique opportunity to decompress, connect with peers, improve coping skills, and build trust in a non-traditional environment outside of the workplace.

Long-Term Benefits

- Investing in employee wellness is a long-term investment in both organizational effectiveness and public safety. Employees who are physically healthier and mentally resilient are better equipped to make sound decisions, effectively manage stressful incidents, and maintain professionalism during challenging situations.

- Continued investment in wellness initiatives improves morale, strengthens employee retention, reduces burnout, decreases injury-related absences, and enhances overall job satisfaction. Programs that encourage peer connection and healthy coping mechanisms additionally contribute to a stronger organizational culture and improved teamwork across divisions and ranks.

Future Plans

- The Police Department intends to continue evaluating and refining wellness initiatives to ensure programs remain responsive to the evolving needs of Department employees. Future goals include expanding wellness partnerships within the local community and identifying additional opportunities that support both physical and mental well-being.

- One area currently being explored is a partnership with a local Pilates studio interested in opening its doors to first responders. The Police Department believes programs focused on mobility, injury prevention, flexibility, and recovery would

provide meaningful benefits to employees working in physically demanding assignments.

- The Police Department will also continue supporting existing wellness efforts, including Brazilian Jiu-Jitsu training, Sharp Performance coaching, Firstgevity resources, and participation opportunities through the Jimmy Miller Memorial Foundation. Through continued investment in wellness programming, the Police Department aims to strengthen employee resiliency, improve workplace morale, and support a healthy, sustainable workforce for years to come.

Cost allocation of current wellness initiatives

Wellness Platform	Annual Cost
Sharp Performance	$50,000
Firstgevity	$18,912
Total Cost	**$68,912**

CITY OF REDONDO BEACH
Budget Response Report

#08

June 2, 2026

Question:

What special events were designated as Signature Events and received City subsidy in Fiscal Year 2025-26?

Response:

Special events that take place on public property are categorized three ways, as a Signature Event, a City-initiated event, or an "other" event. Signature Events are those designated by the Mayor and City Council as having community benefit and receive subsidized support and/or staff assistance in order to produce a successful event. Each event receives various levels of support, which are determined by their specific needs and event details. The list of Signature Events and the amount of support for each are reviewed annually by the City Council as part of the budget process. In FY 2025-26, a total of $45,000 was allocated to support the following Signature Events:

EVENT	SUBSIDY AMOUNT	TOTAL CITY FEES (before subsidy)
Halloween Trick or Treat Stroll	$2,500	$4,037
Riviera Village Holiday Stroll	$2,500	$4,801
Christmas Boat Parade	$2,500	$0
Redondo Beach Super Bowl Sunday 10K	$10,000	$33,481
Springfest	$10,000	$6,889
LA Kings 5K & Hydrocephalus LA Walk	$5,000	$16,967
Riviera Village Summerfest	$10,000	TBD
*King Harbor Sea Fair	$2,500	TBD

*A FY 2025-26 Special Event Application has not been received.

Events that do not receive a City subsidy are required to pay the full cost of all applicable special event fees. Continuation of the above fee waivers (signature event subsidies) in the listed amounts has been included in the proposed Budget. Any modification to these amounts, or the number of events subsidized, would need to be accounted for in the final budget motion.

CITY OF REDONDO BEACH
Budget Response Report

#09

June 2, 2026

Question:

What was the cultural and entertainment rental activity at the RBPAC in FY 2025-26, and what rental activity is expected in FY 2026-27?

Response:

By the end of the 2025-26 Fiscal Year, the Redondo Beach Performing Arts Center (RBPAC) will have been utilized for a total of 178 days. Of that total, the facility will have been used by fee-paying clients (Renters) for 153 days and used without charge for City events and activities for 25 days. The 153 rental days included 46 unique clients and 71 unique events.

At the conclusion of FY 2025-26, staff estimate total facility revenue to be approximately $1,084,330. However, some minor variability in the final revenue amount may occur due to fluctuations in actual event durations for upcoming events, which can affect total charges. It is important to note that three large dance competitions unexpectedly cancelled during FY 2025-26 for various reasons, resulting in an estimated revenue loss of approximately $110,000. Despite these cancellations, approximately 80% of the anticipated revenue was recovered through last-minute bookings and a three-day film shoot during Springfest.

During the North Redondo Beach Business Association's (NRBBA) annual Springfest event, the parking lot adjacent to the RBPAC is utilized to support event operations, which eliminates standard rental activity at the facility during that period. For the 2026 event, this included a total of nine days, consisting of six weekdays and two weekend days. During this timeframe, the City was unable to accommodate one potential RBPAC rental opportunity, which would have resulted in $28,000 of estimated revenue. However, a last-minute three-day film shoot that did not require use of the parking lot generated $31,468 in revenue during the same period, effectively offsetting the projected loss.

The newly adopted 3% Maintenance Surcharge Fee was established as part of the FY 2025-26 budget. While the surcharge was applied to new rentals, it was not collected for all FY 2025-26 facility users because some clients had prepaid for rental dates prior to the implementation of the fee. In total, approximately $26,400 in new revenue was generated through the surcharge during FY 2025-26. Staff anticipates an additional 20-25% increase in collected surcharge revenue in FY 2026-27, which would reflect a full fiscal year of bookings under the updated fee structure.

The venue was additionally utilized for internal City events for a total of 25 days. These events were intentionally scheduled during less desirable rental periods in order to avoid displacement of revenue-generating uses.

Table 1 includes detailed information regarding all RBPAC uses in FY 2025-26, including user group information, event types, and collected revenue. Based on current booking activity, staff anticipates a similar booking calendar in FY 2026-27 with slightly increased demand, resulting in an estimated revenue increase of approximately 5-7%.

TABLE 1: REDONDO BEACH PERFORMING ARTS CENTER EVENTS & REVENUE: FY 2025-26

DATE	USER	EVENT	THEATRE/ PARKING LOT/ LOBBY	EVENT TYPE	DAYS USED M-T	DAYS USED F-S	QTY. PERFS.	REVENUE
7/14-18/25	Proskills Basketball Camp	Lunchtime Films for Camp at Gym	Theatre	Film Screenings	4	1	5	$1,500
7/20/24	American Cancer Society	Relay for Life Car Show	Parking Lot	Classic Car Show		1	1	$1,000
8/24/25	Tracy Eguchi	Celebration of Life	Theatre	Memorial Service		1	1	$7,991
8/31/25	Hilton for Governor 2026	“Hollywood for Hilton”	Theatre	Political Comedy Fundraiser		1	1	$9,868
9/6/25	SRR Entertainment	Brian McKnight Concert	Theatre	R&B/Jazz Concert		1	1	$10,433
9/8-9 & 11-13/25	Nuestras Raices	“Noche Mexicana”	Theatre	Mexican Folkloric Dance	3	2	1	$18,480
9/27/25	Mithi Foundation	50th Anniversary Hula Concert	Theatre	Hawaiian Music/Dance		1	1	$6,947
10/10-11/25	Dakshini Bengali Association	Anupam Roy Band & Abhijeet Bhattacharya in Concert	Theatre	Indian Cult. Concerts		2	2	$22,766
10/17-18/25	Ryukyukoku Matsuri Daiko	RMDLA 30th Anniversary Concert	Theatre	Taiko Concert		2	2	$12,780
10/19 & 11/1/25	Chinmaya Mission LA	“Sevanjali”	Theatre	Indian Cult. Concert		2	2	$10,296
10/20/25 thru 5/6/26	Swan Productions, LLC	Distinguished Speaker Series	Theatre	Season of 6 Speaking Presentations	6		6	$28,873
10/21/25	Reaching Educational Milestones	“Kings of Southern Soul”	Theatre	R&B/Soul Concert	1	1		$7,784
10/20 & 22-26/25	Redondo Ballet Company	“Through The Pages”	Theatre	Youth Ballet	3	3	2	$27,886

DATE	USER	EVENT	THEATRE/ PARKING LOT/ LOBBY	EVENT TYPE	DAYS USED M-T	DAYS USED F-S	QTY. PERFS.	REVENUE
11/2/25	Japan America Soccer Assoc.	“Dance, Dance, Dance!”	Theatre	Japanese Dance Concert		1	1	$8,233
11/7-8/25	NDM Bollywood Dance Production & Studios	“Sisters”	Theatre	Bollywood Dance Recitals		2	2	$16,704
11/14-15/25	Kalaivanar Foundation	“Naatucracker: The Dancing Nut”	Theatre	Indian Dance		2	1	$11,012
11/20-22/25	Academy of Leadership Beyond Beauty	Miss/Mrs./Miss Teen Latina Global, Asia, Europe Pageants	Theatre	Beauty Pageants	1	2	1	$23,157
11/25/25	Ballet California	Backdrop Photo Shoot	Theatre	Photo Shoot	1			$2,218
11/28/25	Reaching Educational Milestones	“Ultimate Tribute Show 2”	Theatre	R&B Tribute Concert		1	1	$7,082
12/1-14/25	Debbie Allen Dance Academy	“Hot Chocolate Nutcracker”	Theatre	Christmas Show	8	6	16	$141,026
12/16-17/25	St. Anastasia Elementary School	Annual Christmas Pageant	Theatre	Elementary Christmas Show	2		1	$8,799
12/18/25	Dance1	2025 Winter Recital	Theatre	Dance Recital	1		1	$6,720
12/20/25	Golden State Pops Orchestra	“Holiday Pops Spectacular”	Theatre	Christmas Concert		1	1	$10,544
12/21/25	Heads Up Foundation	“Dancer 4 Life”	Theatre	Dance Recital		1	1	$6,719
1/3-11/26	Encore Theatre Group	“The Little Mermaid”	Theatre	Community Theater Musical	5	4	3	$46,123
1/17-18/26	Kala Koa Entertainment	“So Cal Slack Key Festival”	Theatre	Hawaiian Concert		2	2	$16,295
1/23-25/26	Starbound Dance Competition	“Starbound National Talent Competition”	Theatre	Dance Competition		3	3	$41,745

DATE	USER	EVENT	THEATRE/ PARKING LOT/ LOBBY	EVENT TYPE	DAYS USED M-T	DAYS USED F-S	QTY. PERFS.	REVENUE
1/31/26	Culture Shock LA	"Vibe Jrs."	Theatre	Hip Hope Dance Competition		1	1	$10,202
2/6-8/26	Hall of Fame Dance Competition	Cancelled Event	Theatre	Cancellation Fee		3		$3,027
2/11-12/26	I'm Ready Foundation	"Greatest Love Singer of All Time"	Theatre	Musical Play	2		1	$14,890
2/13-15/26	Gravit8 Dance Competition	Dance Competition	Theatre	Dance Competition		3	2	$31,332
2/20/26	Millennial Events	"Samay Raina Still Alive"	Theatre	Comedy Show		1	1	$8,524
2/21/26	Flypoet Entertainment	Flypoet Classic Slam	Theatre	Poetry Competition		1	1	$9,582
2/23 & 25-3/1/26	Redondo Ballet Company	Snow Queen	Theatre	Youth Ballet	3	3	2	$26,684
3/6-8/26	School of Dance and Music	"La Sylphide	Theatre	Youth Ballet		2	1	$12,851
3/7/26	Hoffman Murphy Real Estate	Document Shredding Event	Parking Lot	Document Shredding Event	1			$350
3/11-15/26	Hall of Fame Dance Competition	"Hall of Fame Dance Challenge"	Theatre	Dance Competition	2	3	4	$68,907
3/23-30/26	Living Art Productions	"Living Art Experience"	Theatre	Easter Art Live Models Tableaux w/Orchestra	5	3	2	$32,045
4/10-12/26	Las Vegas Dance Starz	"Thunderstruck Dance"	Theatre	Dance Competition		3	3	$35,968
4/13-15/26	Bunny Films	"Prima"	Theatre	Film Shoot	3			$31,468

DATE	USER	EVENT	THEATRE/ PARKING LOT/ LOBBY	EVENT TYPE	DAYS USED M-T	DAYS USED F-S	QTY. PERFS.	REVENUE
5/1-3/26	Starbound Dance Competition	“Starbound National Talent Competition”	Theatre	Dance Competition		3	3	$45,768
5/8-9/26	NDM Bollywood Dance	“Little Mermaid”	Theatre	Bollywood Dance Recitals		2	2	$17,631
5/10/26	Reaching Educational Milestones	“If These Wigs Could Talk”	Theatre	Musical Stage Play		1	1	$6,217
5/11-13/26	Encore Theatre Group	“Seussical Jr.”	Theatre	Musical Play/Camp	3		1	$13,076
5/14-17/26	Kids Artistic Revue	KAR Dance Competition	Theatre	Dance Competition	1	3	3	$45,124
5/22-24/26	Angel City Chorale	“The Red Thread”	Theatre	Choir Concert		3	1	$21,796
5/25 & 6/12-13/26	Fifth Row Center Performing Arts	2026 Recital	Theatre	Dance Recital	1	2	1	$24,270
5/30 & 6/1-7/26	School of Dance and Music	2026 Recitals	Theatre	Dance Recital	4	4	10	$34,715
6/8-9/26	Alliance Neuwirth HS	2026 Commencement	Theatre	HS Graduation	2		1	$10,603
6/9/26	Alliance Virgil Roberts MS	2026 Culmination	Theatre	MS Graduation	1		1	$6,171
6/10/26	Alliance Collins Family HS & Alliance Bloomfield HS	2026 Commencements	Theatre	HS Graduation	1		2	$11,655
6/11/26	Hawthorne M&S Academy HS	2026 Commencement	Theatre	HS Graduation	1		1	$9,863
6/16/26	Animo Leadership Charter HS	2026 Commencement	Theatre	HS Graduation		1	1	$8,037
6/20/26	Heads Up Foundation	Dancer 4 Life	Theatre	2026 Recital		1	1	$10,008

DATE	USER	EVENT	THEATRE/ PARKING LOT/ LOBBY	EVENT TYPE	DAYS USED M-T	DAYS USED F-S	QTY. PERFS.	REVENUE
6/27-28/26	Create A Miracle Project	"The Kingdom of Lies"	Theatre	Musical Play		2	1	$20,585
				TOTALS	**65**	**88**	**106**	**$1,084,330**

ADDITIONAL NO-FEE USE OF SITE BY CITY OF REDONDO BEACH								
Various	Council Districts 4 & 5	District Meetings	Lobby	City Community	4		4	
Various	Public Works	Training Sessions	Parking Lot/Lobby	City – Internal	6			
Various	PW/Athens Event	Hazardous Waste/ Shredding/Compost	Parking Lot	City Community	4			
Various	RBFD & MBFD	Fire Department Training	Theatre	City – Internal	3		1	
8/9/25	RBPD	National Night Out	Lobby	Community Fair		1	1	
Various	Human Resources/RBPD	Police Candidates Testing	Lobby	City – Internal	3			
5/18/26	Community Services Seniors/Family Services	Volunteers Appreciation Luncheon	Lobby	City – Internal	1		1	
12/15/25	Community Services Seniors/Family Services	SFS Christmas Party	Lobby	City – Internal	1		1	
9/25-26/25	Community Services Seniors/Family Services	Senior Health Fair	Lobby	City – Internal	1	1	1	
				TOTALS	**23**	**2**	**9**	

CITY OF REDONDO BEACH
Budget Response Report

#11

June 2, 2026

Question:
What is the City's FY 2025-26 reporting on vacancies under AB 2561?

Response:
On September 22, 2024, the California Governor signed Assembly Bill (AB) 2561 into law, with an effective date of January 1, 2025. This law added new requirements to Section 3500 of the Government Code regarding the reporting of public sector employment vacancies and recruitment efforts. Government Code Section 3500, also known as the Meyers Milias Brown Act (MMBA), governs labor relations between public sector employers and their employees in California. AB 2561 was written to amend the MMBA to address a concern among state officials regarding public sector job vacancies "affecting occupations across all wage levels and educational requirements." The Legislature specifically defined the issue as a matter of Statewide concern, and this new reporting requirement for vacancies and recruitment efforts applies to all public agencies, with or without unions.

AB 2561 requires that all California public agencies annually present the status of their employment vacancies and recruitment efforts at a public hearing, at least once per fiscal year, and before the annual budget is adopted. The law doesn't specify what timeframe must be measured when discussing the vacancy status, but that same "snapshot in time" should be generally measured each subsequent year. Agencies are also required to discuss specific recruitment efforts if the vacancies exceed a 20% threshold per bargaining unit and invite labor union representatives to speak about the job vacancies during the public hearing.

In accordance with the City Charter, the City of Redondo Beach holds three public hearings each June to discuss, and ultimately adopt, the budget for the upcoming fiscal year. This Budget Response Report is designed to present a snapshot of the City's current employment vacancies in accordance with AB 2561. Each unit's vacancies have been measured, effective May 1, 2025, and are outlined in summary form by bargaining unit below:

Bargaining Unit	Total Vacancies	Total Positions	Vacancy Percentage
Redondo Beach Police Officers Association	5	88	5.6%
Redondo Beach Police Management Unit	0	9	0%
Redondo Beach Firefighters' Association	2	60	3.3%
Redondo Beach Fire Management Unit	0	4	0%
Professional & Supervisory Association (PSA)	12	83	14.4%
Redondo Beach City Employees' Association	10	94	10.6%
Redondo Beach Teamsters	3	79	3.7%
Management/Confidential (unrepresented)	2	31	6.4%
Total Citywide	**34**	**448**	**7.5%**

As noted above, AB 2561 states that if the number of vacancies in any bargaining unit exceeds the number of full-time positions in that unit by 20%, the City must specifically address what measures are being taken to fill said positions. In 2025, the City Employees Association (CEA) was the only unit at a rate above 20% due to the prior absence of the HR Analyst position. After that position was filled, recruitment efforts resumed and CEA's vacancy rate was reduced to 10.6%.

While the law requires the City to identify obstacles to the recruiting process that may preclude positions being filled in a timely manner, the City's overall vacancy rate has been reduced from the same time period last year. In addition, the average time to hire, from job posting to hiring, is 6 weeks, which continues to be a competitive metric in the current labor market.

It is important to note that AB 2561 was adopted to provide unions a structured opportunity to require governing bodies to review position vacancies at least once per year. The law does not affect the City's right to manage its operating budget through the use of tools such as a flexible hiring freeze. However, if a hiring freeze is used and the vacancy rate subsequently exceeds 10%, unions may request to meet and confer in order to create a plan to address the issue.

CITY OF REDONDO BEACH
Budget Response Report

#12

June 9, 2026

Question:

How does the City's Vehicle and Heavy Equipment Replacement Program work and what City vehicles and equipment are scheduled for replacement in the 2026-27 Fiscal Year?

Response:

The Vehicle Replacement Fund (VRF) was established by the City during the 1983-84 Fiscal Year as a best management practice tool that allows the City to efficiently replace and maintain its vehicles and equipment. Funding is appropriated to the VRF through the Internal Services Fund mechanism and is used to support the City's Vehicle and Heavy Equipment Replacement Program (Program). The purpose of the Program is to evaluate, maintain, and replace vehicles and equipment on an anticipated schedule that optimizes usefulness, avoids major repairs and periods of downtime, and captures ongoing technological improvements in vehicle safety, efficiency, and performance.

The Public Works Department manages the Program administratively and physically through its Fleet Division. There is a dedicated Fleet maintenance team consisting of one Maintenance Supervisor, two Senior Mechanics, one Mechanic, and one Equipment Service Worker. A Senior Management Analyst manages the tracking, purchasing, disposition, and regulatory compliance for all vehicles listed in the VRF. Each year, the Public Works Department proposes a one-time appropriation to the VRF for the upcoming fiscal year to cover the cost of all scheduled vehicle and heavy equipment replacements. Most City vehicles have historically been replaced every 4 to 12 years, depending on their type and function, with annual appropriations ranging from $1,000,000 to $1,500,000.

Table 1 illustrates the annual Decision Package request (number of units and total appropriation) over the last five fiscal years. Due to supply chain issues, it has not always possible to acquire all vehicles identified in the appropriation prior to closure of the fiscal year. In that case, funds are typically carried forward to allow the vehicle to be replaced at the earliest possible date.

Vehicle Replacement Schedule - Decision Package Request		
Fiscal Year	**Number of Units**	**Funds Appropriated ***
2025 - 2026	14	$1,347,474
2024 - 2025	19	$1,394,280
2023 - 2024	19	$2,637,870
2022 - 2023	19	$1,039,272
2021 - 2022	16	$1,406,547

*Includes Decision Package request only. Advance purchases not included.

Table 1: Prior Fiscal Year Vehicle Replacement Schedule Decision Packages

Proposed FY 2026-27 Appropriation

The FY 2026-27 proposed appropriation would support the replacement of 22 vehicles, which includes the following:

- Police Department: 1Watch Commander unit, 5 Patrol units, and 5 Detective Bureau units (Total 11 units);
- Fire Department: 2 Paramedic Squad units (Total 2 units);
- Public Works Department: Streets Division (1 roller); Pier Division (2 electric carts); Solid Waste Division (1 pickup truck), Parks Division (2 pickup trucks), Facilities Division (1 van) (Total 7 units).

The FY 2026-27 request also includes the accelerated purchase of 2 Public Works units, 1 Pier Scrubber and 1 Streets Division pickup truck, that were originally due for replacement in FY 2027-28. These units have experienced significant failures and are deemed beyond repair.

To purchase these 22 vehicles, staff recommends a one-time appropriation totaling $1,739,565 in the Vehicle Replacement Fund. Table 2 lists the vehicles proposed for replacement utilizing the recommended FY 2026-27 appropriation.

Vehicle Replacement Schedule - FY2026-27 Decision Package #13								
Unit	Year	Description	Assigned	Dept	Fund Balance Per Unit	Estimated Auction Value	Additional Funding Needed	Total Funding Per Unit
611	2021	DODGE DURANGO	INVESTIGATIONS-SIU	P	$ 58,007	$ 2,000		$ 60,007
637	2013	CHEVROLET CAPRICE	INVESTIGATIONS-SIU PD	P	$ 51,259	$ 2,000		$ 53,259
682	2021	HONDA ODYSSEY VAN	INVESTIGATIONS-SIU	P	$ 51,344	$ 2,000		$ 53,344
683	2021	FORD EDGE	INVESTIGATIONS-SIU PD	P	$ 48,956	$ 2,000		$ 50,956
685	2021	FORD EXPLORER	INVESTIGATIONS-SIU	P	$ 52,538	$ 2,000		$ 54,538
135	2018	DODGE RAM 4500 P/U (R61)	OPS-SPEC-SRVS	F	$ 205,285	$ 2,000	$ 90,000	$ 297,285
136	2018	DODGE RAM 4500 P/U (R62)	OPS-SPEC-SRVS	F	$ 205,285	$ 2,000	$ 90,000	$ 297,285
250	2013	FORD F-150 P/U	PARKS	PW	$ 36,079	$ 2,000	$ 10,000	$ 48,079
647	2023	DODGE DURANGO	PATROL	P	$ 81,536	$ 2,000		$ 83,536
649	2023	DODGE DURANGO	PATROL	P	$ 81,536	$ 2,000		$ 83,536
665	2023	DODGE DURANGO	PATROL	P	$ 81,536	$ 2,000		$ 83,536
671	2023	DODGE DURANGO	PATROL	P	$ 81,536	$ 2,000		$ 83,536
674	2021	DODGE CHARGER	PATROL	P	$ 71,178	$ 2,000	$ 10,000	$ 83,178
382-1	2013	SOLAR GUARD LITE 50	STREETS-GAS TAX	PW	$ 5,445			$ 5,445
800	2014	TAYLOR-DUNN ELECTRIC TRUCK	TIDELANDS MAINT	PW	$ 26,257		$ 5,000	$ 31,257
855	2017	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	$ 10,890		$ 8,000	$ 18,890
12	2013	FORD F-150	SOLID WASTE	PW	$ 27,557	$ 2,000		$ 29,557
204	2012	FORD F-350 1-TON PICKUP-EQ	PARKS-SOLID WASTE	PW	$ 48,325	$ 2,000		$ 50,325
14-13	2013	FORD TRANSIT CONNECT	BUILDING OCCUPANCY	PW	$ 33,505	$ 2,000		$ 35,505
677	2021	FORD UTILITY	PD - WATCH COMMANDER	P	$ 92,257	$ 2,000		$ 94,257
								$ 1,597,314
Advance Replacement (1 year advance)								
344	2014	FORD F250	STREETS-GAS TAX	PW	$ 55,251	$ 2,000		$ 57,251
803	2019	POWERBOSS NAUTILUS SCRUBBER	TIDELANDS MAINT	PW	$ 36,957		$ 48,043	$ 85,000
								$ 1,739,565

Table 2: DP#13 FY 2026-27 Vehicle Replacement Schedule Proposed Replacements

Status of Previous Appropriations

In FY 2025-26, the Fleet Division worked to procure the vehicles approved for replacement in Decision Package #51 for FY 2025-26. The status of these purchases is shown in Table 3.

Vehicle Replacement Schedule - FY2025-26 Decision Package #51

Unit	Year	Description	Assigned	Dept	Total Funding Per Unit	Status
340	2004	BOBCAT ROLLER	STREETS	PW	$ 61,093	Delivered
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	Delivered
20	2013	FORD TRANSIT CONNECT	BUILDING	PW	$ 35,505	On Hold
103	2009	FORD F-250 PICKUP-EQ	FLEET	PW	$ 38,367	On Hold
333	2006	CHEVROLET CC7500 CNG DUMP TRUCK	STREETS	PW	$ 203,938	Procurement
350	2006	GMC TC 7500 CNG KNUCKLE BOOM CRANE	STREETS	PW	$ 295,990	Procurement
200	2006	GMC TC 7500 INSULATED MANLIFT CNG	STREETS	PW	$ 287,546	Procurement
G-1	1999	CATEPILLAR 3306 GENERATOR	SEWER	PW	$ 159,632	On Hold
G-3	2000	MQ POWER DCA-25SSIU	SEWER	PW	$ 78,560	On Hold
					$1,331,814	
207		PIER SCRUBBER			$ 15,660	Delivered
					$1,347,474	

Table 3: DP#51 FY 2025-26 Vehicle Replacement Schedule Status

The Public Works Department continues to experience challenges procuring larger, specialized units needed for its operations. Evolving regulations, particularly the California Air Resources Board (CARB)'s Advanced Clean Fleet (ACF) purchasing requirements, pose significant challenges for fleet procurement. Despite ACF exemptions granted to commercial fleet operators, government agencies remain subject to strict ACF compliance regulations. Key challenges include a limited availability of Zero Emission Vehicles (ZEVs) suitable for City demands, the complexity of upfitting ZEVs for use as specialty vehicles, and the significantly higher costs of ZEVs, which places additional strain on the VRF. Three units in Table 3 fall into this category: #333, #350 and #200. Staff has not been able to identify ZEV's that meet the City's performance requirements for these units.

The City of Redondo Beach complies with ACF through the "ZEV Purchase Schedule," which requires that 50% of larger (Class 2b and above), non-safety units purchased each

year be ZEVs. To maintain compliance, the purchase of units #20 and #103 has been delayed so they can be acquired in the same fiscal year as the three units previously discussed, allowing the City to meet the 50% ZEV purchase requirement.

The Public Works Department continues to work with CARB, vehicle and equipment manufacturers, and vendors to determine where ACF exemptions may be possible. If exemptions cannot be secured, staff is working to identify which units may be appropriate for ZEV purchase, or where a traditional internal combustion engine (ICE) unit may be necessary to meet City needs. This work will continue into the new fiscal year.

Once the appropriate combination of vehicles is identified to satisfy both ACF requirements and City needs, staff will request a carry-forward of previously appropriated funding to support the purchases. The Public Works Department will also pursue available grant funding, including the California Clean Fuel Reward Program, Clean Power Alliance, and other identified sources to supplement the increased costs associated with the purchase of ZEVs.

The complexities of purchasing vehicles, especially following post-pandemic supply chain shortages, have continued to cause delays in purchases and deliveries from prior years. This year, the Public Works Department accepted delivery of, and put into service, the units listed in Table 4, all of which were originally funded prior to FY 2025-26.

Prior Fiscal Year Orders - Delivered in FY2025-26					
679	2025	F-550 4WD	PATROL- SWAT	P	DELIVERED
137	2024	DODGE RAM 3500	HARBOR PATROL	F	DELIVERED
104	2024	DODGE RAM	OPS-SPEC-SRVS	F	DELIVERED
648	2025	FORD INTERCEPTOR	PATROL	P	DELIVERED
678	2025	FORD INTERCEPTOR	PATROL	P	DELIVERED
672	2025	FORD INTERCEPTOR	PATROL	P	DELIVERED
675	2025	FORD INTERCEPTOR	PATROL	P	DELIVERED
620	2024	FORD F150	INVESTIGATIONS SIU	P	DELIVERED
622	2025	HYUNDAI SANTE FE	INVESTIGATIONS-SIU	P	DELIVERED
808	1975	SEAWAY	HARBOR PATROL	F	DELIVERED
348	2025	F-150 LIGHTNING	BUILDING	PW	DELIVERED
349	2025	F-150 LIGHTNING	UPLANDS-MAINT	PW	DELIVERED
322	2024	F-750 (CNG)	BUILDING	PW	DELIVERED
690	2025	HONDA AFRICA TWIN	PATROL-TRAFFIC	P	DELIVERED
691	2025	HONDA AFRICA TWIN	PATROL-TRAFFIC	P	DELIVERED
692	2025	HONDA AFRICA TWIN	PATROL-TRAFFIC	P	DELIVERED
688	2025	CHRYSLER PACIFICA	INVESTIGATIONS-SIU	P	DELIVERED
102	2026	CHEVY SILVERADO 1500	ADMIN	F	DELIVERED

Table 4: Additional Units Delivered in FY2025-26

Upcoming Developments

The Public Works Department is working to revise and modernize the vehicle replacement program. The tenets of the Program are currently documented in the City's Fleet Administrative Policies and Procedures (APP), which was last updated in 2001. This document will be reviewed and updated in the coming year and is expected to be presented for review and approval in FY 2026-27. The updated APP will address operational, regulatory, financial, and technology management practices consistent with American Public Works Association (APWA) fleet management standards, California local government requirements, and applicable National Fire Protection Association (NFPA) fire and emergency safety standards.

Particular emphasis will be placed on addressing policy gaps related to electric vehicle fleet transition, charging infrastructure governance, telematics, and CARB compliance requirements, which are not addressed in the current APP. These newer policy areas are increasingly important to address as they are essential to ensure compliance with evolving California regulatory requirements, operational resiliency standards, financial impacts, and modern public sector accountability expectations. Any cost implications resulting from proposed changes, such as reducing the service life of fleet units, will be evaluated for their impact on the VRF, as well as overall General Fund implications.

CITY OF REDONDO BEACH
Budget Response Report

#13

June 2, 2026

Question:

How does the City's Information Technology Equipment Replacement Program work, and what equipment is recommended for replacement in the 2026-27 Fiscal Year?

Response:

The City's Information Technology (IT) Equipment Replacement Program was established in FY 2005-06 as a way to keep the City's technological infrastructure up to date and to minimize failures and workplace disruption due to unreliable, outdated, or failing computer hardware and software. Since the program's implementation, the City has been able to establish a robust and reliable technological infrastructure.

Each year, IT staff review the equipment replacement schedule and add or remove equipment based on current needs. Staff extends or reduces the lifespan based on the condition of the equipment or pending changes in the technological cycle or emerging new technologies. For example, instead of replacing the aging on-site telephone system, the City funded the implementation of a cloud-based telephony service. At times, equipment is replaced for other reasons than simply reaching the end of its lifespan, such as technological advances or the inability of equipment to run current software.

The replacement schedule is based on the estimated useful lives of the equipment across a 10-year rolling period. The replacement value is calculated using a 3.5% compounded rate against the purchase price of the equipment, software, and services for the respective number of life span years assigned.

At Midyear, an IT Internal Service Annual Rental charge is assessed to each department for the replacement of technological equipment, and these charges are independent of the IT Internal Service Fund charges for personnel and maintenance and operations. The number of departmental computers, computer-related equipment, telephones, and telecommunications devices are used to allocate equipment that cannot be identified directly to a department. The total yearly expenditure since FY 2006-07 has ranged from approximately $220,000 to $736,000 depending on the equipment included in the replacement schedule at that point in time. Expenditures have trended downward over time as the City moves from capital equipment expenses to more subscription-based cloud services.

FY2026-27 IT Equipment Replacement:
Each fiscal year, a budget Decision Package is submitted for City Council consideration to allocate funds from the IT Replacement Fund to the IT Internal Service Fund for equipment scheduled for replacement. Equipment is only recommended for replacement when it is fully funded. The funds to pay for the FY 2025-26 IT replacement program are currently fully accrued in the IT Replacement Fund.

The amount requested to be allocated each fiscal year depends on which equipment is scheduled to be replaced. Previous years' allocations approved by City Council from the IT Replacement Fund to the IT Internal Service Fund include:

FY 2026-27 (proposed)	$217,430
FY 2025-26	$239,460
FY 2024-25	$400,021
FY 2023-24	$192,359
FY 2022-23	$211,245
FY 2021-22	$432,695
FY 2020-21	$1,133,086
FY 2019-20	$234,385
FY 2018-19	$427,712
FY 2017-18	$105,710
FY 2016-17	$543,700

The following are some examples of enterprise-wide mission critical systems that have benefitted from the IT Equipment Replacement Program:

- Data Network Infrastructure (2006, 2013, 2021)
- Telecommunications System (2006, 2012, 2021, 2023)
- Public Safety Computer Aided Dispatch and Records Management Systems (2005, 2010, 2015, 2021)
- Network perimeter firewalls (2010, 2016, 2024)
- Network Equipment Battery Backup (2011, 2015, 2019, 2025)
- High speed document imaging scanners (2010, 2014, 2016, 2019, 2025)

An appropriation from the IT Replacement Fund (fully funded for FY 2026-27) to the IT Internal Service Fund is necessary to implement the FY 2026-27 IT Equipment Replacement Program. Technological equipment scheduled for replacement in FY 2026-2027, the beneficiary department, and estimated costs that make up the requested $217,430 in funding are listed below:

Equipment and Quantity	Beneficiary Department(s)	Cost Estimate	Comments
Desktop Scanners (Qty.75)	All Departments	$98,218	Acquired in 2020. Equipment will be ~6 years old upon replacement.
Production Laserfiche Scanner	City Clerk's Office	$5,738	Acquired in 2017. Equipment will be ~5 years old upon replacement
Evidence Label Printers (Qty. 4)	Police	$4,285	Acquired in 2017. Equipment will be ~ 5 years old upon replacement.
Conference Room Equipment	Public Works	$2,066	Acquired in 2017. Equipment will be ~ 5 years old upon replacement.
Server Virtualization Equipment	All Departments	$107,123	Acquired in 2024. Annual payment, cost spread over 3x years.
	Total Request	**$217,430**	

CITY OF REDONDO BEACH
Budget Response Report

#14

June 9, 2026

Question:

What is the cost to clean the Esplanade? Can dry ice be used to increase the level of cleanliness, and, if so, at what cost? How does the annual sidewalk cleaning cost along the Esplanade compare to the cost of similar services in other areas of the City?

Response:

The Public Works Department has developed internal cost estimates for deep-cleaning the Esplanade through power-washing. The quarterly costs of power washing the area, using existing City equipment, is approximately $7,000. The estimate does not include ancillary costs, such as the cost of water or cleaning solutions. City staff currently cleans the Esplanade four times per year, which carries annual labor and equipment costs of approximately $28,000.

The unit cost to power-wash the 78,000 square feet of Esplanade hardscape is $0.09 per square foot/per cleaning. The unit cost is expected to be applicable to other areas of the City, with similar maintenance accessibility.

Division	# of Employees	Hours	Cost
Public Works Labor Costs (per Master Fee Schedule)	10	22	$6,994

Staff worked with a vendor to demo the dry ice cleaning application. The dry ice service was determined to be infeasible for use on the Esplanade due to its cost and limited level of effectiveness.

CITY OF REDONDO BEACH
Budget Response Report

#15

May 19, 2026

Question:

What is the cost for Firefighter Personal Protective Equipment replacement, and what is the cost to replace the City's Auto-Pulse devices?

Response:

Firefighters are issued three types of Personal Protective Equipment (PPE): station uniforms, structural turnouts, and wildland firefighting gear. All PPE is constructed and replaced in accordance with National Fire Protection Agency (NFPA) standards. While the current PPR budget covers some replacement needs, rising costs and fluctuations in hiring have created funding challenges. A full set of PPE costs approximately $14,000 and outfitting 20 new employees over the past five years has totaled $280,000. The City has covered these expenses in recent years through a combination of the Department's core materials budget and supplemental one-time budget allocations. In the future, as citywide revenue permits, the Department would benefit from an additional $50,000 in annual PPE funding.

The Fire Department deploys the Zoll Medical AutoPulse devices and Zoll Cardiac Monitors on all emergency response vehicles. The AutoPulse mechanical cardiopulmonary resuscitation (CPR) devices have doubled cardiac arrest survival rates in Redondo Beach. Although Zoll does not specify a replacement cycle and no national service life standard exits, the Fire Department's first generation, AutoPulse devices are no longer manufactured and will no longer be supported by Zoll in 2028, making repairs difficult and costly. This same issue applies to the Fire Department's current Zoll Cardiac Monitors. The cost of a new second generation AutoPulse device is approximately $30,000. The cost of a new Zoll Cardiac Monitor is approximately $70,0000. The Fire Department currently deploys eight sets of AutoPulse devices and Cardiac Monitors. Full replacement of these devices would cost approximately $850,000.

2 Year Replacement Cycle

Item	Price	Qty	Total Cost (2026)
Workrite Nomex Pants	$171.66	2.00	$343.32
Workrite Nomex Shirt	$152.59	2.00	$305.18
Uniform Belt	$22.36	1.00	$22.36
TOTAL	**$346.61**		**$670.86**

5 Year Replacement Cycle

Item	Price	Qty	Total Cost (2026)
Station Boots	$384.95	1.00	$384.95
Rain Jacket	$286.11	1.00	$286.11
TOTAL	**$671.06**		**$671.06**

10 Year Replacement Cycle

Item	Price	Qty	Total Cost (2026)
Turnout Coat	$2,883.93	2.00	$5,767.86
Turnout Pants	$1,709.96	2.00	$3,419.92
Structure Boots	$660.59	1.00	$660.59
Structure Gloves	$152.00	1.00	$152.00
Utility Gloves	$30.99	1.00	$30.99
Glove Strap	$14.99	1.00	$14.99
Structure Helmet	$278.25	1.00	$278.25
Flash Hood	$155.00	2.00	$310.00
Gear Bag	$63.89	1.00	$63.89
Safety Vest	$57.63	1.00	$57.63
Safety Webbing	$10.99	1.00	$10.99
Turnout Suspenders	$101.00	1.00	$101.00
Goggles	$52.25	1.00	$52.25
Wildland Gloves	$54.15	1.00	$54.15
Single Layer Brush Jacket	$265.00	1.00	$265.00
Mystery Ranch Web Gear	$260.00	1.00	$260.00
Radio Holder	$45.00	1.00	$45.00
Wildland Helmet	$80.25	1.00	$80.25
Helmet Shroud	$50.90	1.00	$50.90
Ruffian Gear Bag	$296.95	1.00	$296.95
Wildland Uniform Belt	$60.00	1.00	$60.00
Single Layer Brush Pants	$211.20	1.00	$211.20
TOTAL	**$7,494.92**		**$12,243.81**

Total Cost to Outfit One Employee	$14,003.65
Total Amount Spent on 65 Active FTE over 10 Years:	**$1,718,042.57**
Total Amount Spent on 65 Active FTE in One Year:	**$171,804.26**
Total Amount Spent on One Employee over 10 Years:	$26,431.42
Average Annual Replacement Cost per Employee	$1,694.02
2036 Average Annual Replacement Cost per Employee	$2,643.14

One-Time Purchase per Employee	Price	Qty	Total Cost
Class A Uniform (Total)	**$417.92**		**$417.92**
Shirt with Patch	$117.00	1.00	$117.00
Pants	$106.38	1.00	$106.38
Dress Shoes	$89.95	1.00	$89.95
Uniform Tie	$9.99	1.00	$9.99
Tie Bar	$9.99	1.00	$9.99
Dress Cap	$75.99	1.00	$75.99
Name Tag	$8.62	1.00	$8.62

CITY OF REDONDO BEACH
Budget Response Report

#16

June 9, 2026

Question:

What is the Cost associated with the LEA follow-up work for Dominguez Park, and what funding is available/proposed in the Budget for these efforts?

Response:

The City recently completed the Dominguez Park Playground Improvement Project (Project), which included the replacement and upgrade of play equipment, rubber surfacing, landscaping, walkways, benches, and fencing in the southwest section of Dominguez Park. The Project footprint is located within the bounds of the former Redondo Beach Dump, an approximately 16-acre municipal solid waste landfill that was formally closed in 1968. The closed Redondo Beach Dump falls under the regulatory jurisdiction of the Los Angeles County Department of Public Health, acting as the Local Enforcement Agency (LEA) for the State.

Because of its location, the Project triggered regulatory requirements to provide landfill management information about the site to the LEA, including a waste delineation plan and a perimeter landfill gas monitoring plan. The waste delineation plan includes field investigations to evaluate the lateral and vertical extent of the waste, the volume and types of waste, and laboratory testing to evaluate the material characteristics of the waste and cover layer.

The perimeter landfill gas monitoring plan will require the installation of landfill gas monitoring probes along the perimeter of the site to evaluate any off-site landfill gas migration. The required monitoring program will consist of an initial one-year period of monthly monitoring, landfill gas sampling, and laboratory analysis for fixed gases.

Below is an order of magnitude cost estimate and breakdown for implementation of the Field Investigation Work Plan:

Field Investigation Tasks	Cost
Pre-Field Activities	$82,000
Lateral Waste Delineation	$55,000
Vertical Waste Delineation	$249,000
Soil Sampling and Analysis	$28,000
Perimeter Landfill Gas Probe Installation	$68,000
PM and Communication	$19,000
Total Cost Estimate	**$501,000**
Perimeter Landfill Gas Probe Monitoring and Reporting (**Annual**)*	$116,000

*Annual landfill gas monitoring and reporting cost is listed separately as it will be a recurring cost for the City.

The total estimated cost for the field investigation is approximately $501,000, with an additional annual monitoring cost estimated at $116,000. $550,000 of Solid Waste Funding was included in the FY 2026-27 proposed Capital Improvement Program to cover the cost of the above work.

CITY OF REDONDO BEACH
Budget Response Report

#17

June 9, 2026

Question:

What is the cost to add an ADA lift to the Teen Center stage and what is the cost for an electric wheelchair for Wilderness Park?

Response:

Teen Center ADA Lift

Currently, the Perry Park Teen Center has a large performance stage, perfect for performances, presentations, and community events, that is unavailable for use to the general public because of access limitations for those with physical disabilities. Considering the space needed for the installation of a ramp, the best option to provide ADA access to the stage would be to install a vertical, ADA-complaint wheelchair platform lift similar to the one pictured below:



Based on preliminary research of commercial vertical platform lift systems, the estimated projected cost for the equipment would be $29,000. Additional fees for structural and electrical modifications would vary depending on building and safety requirements, permitting, inspection fees, and installation.

Wilderness Park Electric Wheelchair

Due to the unpaved rugged terrain of Wilderness Park, which provides a fully natural landscape for visitors, it is difficult for those with physical limitations to navigate through the park. An option to expand accessibility along uneven dirt paths and trails is to have an all-terrain, electric wheelchair available for use. Overall, there are a range of options available, depending on desired features for each wheelchair unit. Following a review of current market pricing and the known needs of procuring a wheelchair for use at Wilderness Park, the following two options represent the high and low-price points within the range:

	Robooter E60 Pro All Terrain Electric Wheelchair	**Magic Mobility XT4 All-Terrain Power Wheelchair**
		
Best use	Public Park loaner	Premium Trail accessibility
Terrain capability	Very good	Excellent
Wood chip performance	Very good	Excellent
Ease for first-time users	Excellent	Moderate
Maintenance complexity	Moderate	Higher
Weight Capacity	330 lbs.	400 lbs. (350 lbs. with elevation or tilt)
Approximate price	**Range from $3,800–$4,800**	**$23,140**

CITY OF REDONDO BEACH
Budget Response Report

#18

June 9, 2026

Question:
What is the cost of a parking study for Aviation Blvd. south of Artesia, and would this support the creation of a bike lane?

Response:
The Public Works Department and the District 4 Councilmember have received safety complaints regarding excessive speeding, left-turn difficulties, near-misses, collisions, and bicycle/pedestrian safety along the commercial areas of Aviation Boulevard. Most recently, the City received feedback from families who cross the Aviation/Ford intersection to access Jefferson Elementary School. This area is within the Artesia and Aviation Corridors Area Plan (AACAP), which aims to revitalize the business district and encourage active transportation and visitor safety.

A parking study was completed in 2019 as part of the AACAP which inventoried and surveyed both on-street and off-street parking within the AACAP area. However, this data was collected before the pandemic, and travel patterns have shifted since that time. With large increases in walking and biking Citywide, staff have received numerous requests to improve the walking and biking experience along Aviation Boulevard. An updated parking study would help determine the best usage of the public right-of-way in that area.

The cost to update the study along Aviation Boulevard is approximately $55,000. The study would gather data related to on-street and off-street (commercial parcels) parking supply and utilization along Aviation Blvd. between Artesia and the Hermosa Beach city limit at Harper Avenue. Parking occupancy would also be collected on select residential streets near Aviation. In addition, traffic counts would be collected at all intersections along Aviation to determine existing left-turn demand, and a collision review would be performed.

The purpose of this study would be to determine updated parking utilization both on-street and off-street along Aviation and record how many users are served by the available on-street parking. In order to improve safety by adding a center left-turn lane and Class II bicycle lanes on Aviation Boulevard, parking would need to be removed on both sides of Aviation, south of Artesia Boulevard. It is not yet known the level of community support for this change, but a parking study would be a valuable source of information on how to best serve users across the various modes of transportation that utilize the various residential, commercial, and visitor-serving purposes along Aviation Boulevard.

CITY OF REDONDO BEACH
Budget Response Report

#19

June 9, 2026

Question:
What are the options and associated costs for parkway landscaping on the medians at Flagler and Ripley and South Juanita and Camino Real?

Response:
The southeast corner of Ripley Avenue and Flagler Lane is currently modified with an asphalt berm offset from the curb designed to narrow the entrance to Ripley as a traffic calming measure. This treatment, installed years ago, was implemented as a cost-effective way to reduce traffic conflicts between vehicular traffic and pedestrians. The space between the asphalt berm and the concrete curb is awkward for pedestrian use and creates an unsightly area. Because this area is a portion of the street, there is no readily available irrigation source, so installation of landscaping for beautification is not recommended.

The potential for successful installation of landscaping here is low due to the orphaned tree well and/or planting area. Typically, medians are maintained by the City and parkways by adjacent property owners, which in this case is a residence. However, this bulb out falls somewhere in the middle, creating uncertainty regarding the adjacent property owner's responsibilities, which leaves the City with inefficient methods to support any landscaping improvements.

A more appropriate solution maybe to install painted artwork on the asphalt surface. A recent project in Long Beach, somewhat larger than the subject space, cost approximately $25,000, according to the Bloomberg Philanthropies website*.



Photo 1 - Ripley and Flagler



Photo 2 – Long Beach Pavement Art Project 2023.

Alternatively, City staff could provide the labor to create a basic design and color scheme. Internal labor and equipment costs are estimated at $4,000, with an additional $2,500 for out-of-pocket material costs.

Staff notes that this area of Ripley Avenue is due for pavement rehabilitation and is currently in design for a future phase of the Residential Rehabilitation Project cycle. At this time, the current project is only funded for the installation of a curb ramp on the existing curb line at the southeast corner, repaving of the existing asphalt, and re-installation of a new asphalt berm bulb out. While this approach is not ideal or consistent with City standards, it is all that current funding allows. These funds could be redirected toward creating a full concrete bulb out to fill this space at sidewalk level, but additional funding would also be needed.

In the concrete bulb out option, a durable decorative surface, such as pavers, river stone, exposed aggregate, might be applied in the bulb out outside of the ADA path of travel to give the area a higher aesthetic value without requiring landscaping. Depending on the final surface or decorative treatment, the additional cost to design and construct a "to-standard" concrete bulb out at the southeast corner of Ripley and Flagler is estimated to be between $50,000 and $60,000. If budgeted, staff would incorporate this effort into the next Residential Street Rehabilitation project for Ripley Avenue.

The southeast corner of South Juanita and Camino Real presents a better opportunity for landscaping. Irrigation could be extended from the adjacent Alta Vista Park hillside to support installation of plant material, or potentially a tree. City staff could provide the labor, if the upgrade is not urgent, and out-of-pocket material costs are likely to be about $12,000.

*Source: Bloomberg Philanthropies, Asphalt Art Initiative (accessed June 2026). https://asphaltart.bloomberg.org/projects/long-beach-california-usa-increasing-student-safety-with-traffic-calming-art/

CITY OF REDONDO BEACH
Budget Response Report

#20

June 9, 2026

Question:

What options exist to make improvements to Ensenada Parkette, including the addition of a shade structure, and what are the costs?

Response:

The Public Works Department evaluated the addition of a fixed umbrella shade structure at Ensenada Parkette to enhance comfort and usability of the space for park visitors. The proposed improvement includes the installation of one 10-foot by 10-foot fabric-type umbrella shade structure. The sail fabric has a five-year warranty and an expected life expectancy of ten years. The estimated cost for this improvement is $18,000, including design, permitting, and installation.

CITY OF REDONDO BEACH
Budget Response Report

#21

June 2, 2026

Question:

How have Harbor Patrol operations changed/improved since the addition of the dedicated Harbor Master position? What additional improvements are planned in the coming year?

Response:

The Harbor Master position, which was fully funded in the FY 2025-26 Budget, has benefited the City by creating a centralized point of leadership, accountability, and coordination for King Harbor patrol operations. The position has improved emergency preparedness, maritime safety, interagency coordination, operational oversight, and community engagement while providing a more proactive and organized approach to harbor management.

Operationally, Harbor Patrol handled 855 calls for service in 2025, which included 301 emergency incidents involving medical aids and vessels in distress. The Harbor Master helped strengthen deployment coordination, emergency response readiness, and specialized marine incident management, including 78 sea life-related incidents coordinated with the Marine Mammal Rescue Center.

The position also improved training and preparedness by coordinating Boat Captain qualifications, Harbor Patrol swim testing, promotional testing processes, and multi-company boat fire simulations within King Harbor. These drills enhanced interagency coordination, tactical proficiency, and response capability during maritime emergencies.

Regionally, the Harbor Master expanded Redondo Beach's participation in statewide tsunami exercises, maritime search-and-rescue coordination meetings, and partnerships with agencies such as the Newport Beach Harbor Master, Los Angeles County Lifeguards, Marina del Rey Sheriff's Office, and Los Angeles Port Police.

The Harbor Master also improved coordination with the Waterfront and Economic Development Department, including successful implementation of the SAVE grant program that removed 19 abandoned vessels from King Harbor. The position has also contributed operational expertise to the Basin 3 Boat Ramp project and related grant efforts.

From a community perspective, the Harbor Master expanded boating safety education, CPR/AED training, youth outreach, and public engagement efforts. Programs included Boater Safety Day, community first aid training, school partnerships, yacht club outreach,

and support for harbor events and water-based activities. Overall, the position has improved coordination, professionalism, operational readiness, public safety, environmental stewardship, and community involvement throughout King Harbor.

In the coming year, the Deputy Harbor Master position will focus on enhancing public safety, emergency preparedness, stakeholder engagement, coordinated harbor operations, and fostering economic growth within King Harbor. Key priorities include expanding joint Harbor Patrol and Marine Enforcement Unit operations targeting unsafe boating activity and quality-of-life issues, supporting modernization of Title 12 of the Municipal Code, improving readiness for marine emergencies and environmental incidents through interagency coordination and training, and strengthening boating safety outreach and community partnerships. The position will also assist with operational coordination between harbor stakeholders, abandoned vessel mitigation, waterfront redevelopment planning, and public safety input related to future harbor infrastructure and amenity projects designed to support a safe, welcoming, economically vibrant, and family-oriented waterfront environment.

CITY OF REDONDO BEACH
Budget Response Report

#22

June 9, 2026

Question:
What would be the cost to add concrete benches at Heritage Court, similar to those at Franklin Park?

Response:
The Public Works Department obtained cost estimates to purchase benches for Heritage Court. The cost to purchase benches of the same style currently installed at Franklin Park is $4,027 per bench, for a total estimated cost of $16,108 for four benches.

Small concrete pads would need to be installed in grassy areas if the benches cannot be installed on the existing hardscape. City crews can install them, if the installation is not urgent, to save on out-of-pocket costs. Labor and equipment for installing four concrete pads is estimated at $18,000, with an additional $2,000 in material costs.

Dominguez Park is considered a Regional Park in the City's inventory of parks, making the purchase and installation of benches eligible for Quimby (Subdivision Park Trust) funds. Given the current regulatory requirements at the park, staff will need to obtain approval from the CalRecycle Local Enforcement Agency (LEA) prior to performing the work. Given the nature of the project, staff does not expect approval to be difficult to obtain, however the process will add time and about $1,500 in marginal costs for the application fee and preparation of all required materials.

CITY OF REDONDO BEACH
Budget Response Report

#23

June 2, 2026

Question:

How will the proposed Community Services Department Senior Management Analyst position in Decision Package #29 improve department operations and how will it be used to enhance citywide special event coordination?

Response:

Currently, the administrative division of the Community Services Department consists of only the Community Services Director and Deputy Director. These two positions are responsible for overseeing a broad range of critical functions, including capital project coordination, contract administration, grant management, budget oversight, interdepartmental coordination, public communication, operational planning, expenditure approvals, and ongoing supervision and support of department staff and programs.

While the Community Services Department has continued to successfully deliver projects, programs, and community initiatives, the current structure is heavily reliant on two executive management positions absorbing an increasingly complex and expanding workload. As the department continues to heavily support the advancement of major capital improvements, pursue external funding opportunities, expand programming, and coordinate large-scale community events, additional administrative and analytical support is necessary to maintain operational effectiveness, accountability, and timely project delivery.

The proposed Senior Management Analyst position would provide high-level administrative, analytical, and project management support to the Community Services Department's executive team. The position would assist with coordinating capital projects and consultant efforts, monitoring recreation, cultural arts and special event contracts and expenditures, supporting grant administration and compliance, preparing reports and analyses, improving interdepartmental coordination, and helping to ensure projects and initiatives continue progressing efficiently and transparently.

In addition, the position would play a significant role in enhancing Citywide special event coordination. Over the past year, the City has successfully attracted and facilitated several large-scale special events that require substantial planning, coordination, and operational oversight. These events involve extensive collaboration across City departments, outside agencies, event organizers, public safety personnel, businesses, and community stakeholders. They also require careful review of operational impacts, traffic and parking considerations, public safety measures, neighborhood compatibility,

contract requirements, community engagement efforts, and the accounting, invoicing and collection of all associated fees and reimbursed expenditures.

Currently, much of this coordination and oversight is being managed directly by the Director, Deputy Director, and Recreation Services Manager, which often requires significant evening and weekend involvement to ensure successful implementation. The proposed Senior Management Analyst position would provide dedicated administrative and project coordination capacity to support these efforts, improve communication and operational consistency across Departments, strengthen event planning and documentation processes, and help ensure special events are delivered safely, efficiently, and in a manner that reflects community expectations and City standards.

CITY OF REDONDO BEACH
Budget Response Report

#24

June 2, 2026

Question:

How does the City utilize Automated License Plate Readers (ALPRs)? Is new ALPR technology available to further enhance Police operations?

Response:

The Police Department utilizes a combination of four mobile and nine fixed-location Automated License Plate Reader (ALPR) cameras from Motorola Solutions (Vigilant) and Flock Safety, which automatically capture and analyze vehicle license plates in real time. Using advanced optics and software, the systems scan plates from passing or parked vehicles and alert officers to vehicles of interest, such as stolen vehicles, vehicles associated with wanted persons, or vehicles related to active investigations. These systems have assisted the Police Department to solve crimes more quickly by automatically scanning and matching license plates against law enforcement databases. Investigators use these cameras to track vehicle movements and identify cars near crime scenes. The ALPR technology improves efficiency and public safety by speeding up the investigation process. These cameras also have the capability to identify vehicles linked to individuals with outstanding warrants or public safety alerts, such as missing persons.

Motorola Solutions – Vigilant ALPR Cameras (6)

In November 2018, the City Council approved the installation of two fixed-location ALPR cameras at the intersections of Torrance Boulevard and Prospect Avenue (westbound) and Inglewood Avenue and Artesia Boulevard (westbound).

In 2022, the Police Department acquired a Vigilant mobile ALPR camera mounted on a Parking Enforcement vehicle to address concerns with vehicles exceeding the posted parking time limit in Riviera Village.

Most recently in 2026, the Police Department was awarded State Homeland Security Program grant funds to purchase three additional Vigilant mobile ALPR cameras to be mounted on Police patrol vehicles.

Flock Safety – Fixed-Location ALPR Cameras (7)

In 2024, the Police Department expanded its ALPR systems by installing five Flock Safety fixed-location ALPR cameras at Pacific Coast Highway and Prospect Avenue, Kingsdale Avenue and Grant Avenue, Inglewood Avenue and Manhattan Beach Boulevard, Pacific Coast Highway and Anita Street, and 190th Street and Inglewood Avenue.

In 2025, two additional fixed-location ALPR cameras with live-view video capabilities were installed in the Harbor/Pier area, at the two entrances to the Marina (Mole D) Parking Lot, one on Portofino Way, and the other on Harbor Drive. These cameras were intended to provide increased security for the various special events and amenities that are hosted in the area.

Fixed-Location ALPR	Location	Year Installed
Vigilant	Torrance Blvd at Prospect Ave	2018
Vigilant	Inglewood Ave at Artesia Blvd	2018
Flock Safety	Pacific Coast Hwy at Prospect Ave	2024
Flock Safety	Kingsdale Ave at Grant Ave	2024
Flock Safety	Inglewood Ave at Manhattan Beach Blvd	2024
Flock Safety	Pacific Coast Hwy at Anita Street	2024
Flock Safety	190th Street at Inglewood Ave	2024
Flock Safety	Portofino Way at Mole D Parking Lot	2025
Flock Safety	Harbor Drive at Mole D Parking Lot	2025

Total of 9 Fixed-Location ALPR cameras

Mobile ALPR	Vehicle	Year Installed
Vigilant	Parking Enforcement (1)	2022
Vigilant	Police Patrol Vehicles (3)	2026

Total of 4 Mobile ALPR cameras

Data Collection and Use

The data collected through the ALPR camera systems is owned by the City and is not sold or commercialized. Data is only shared with other law enforcement or prosecutorial agencies for official law enforcement purposes. Access to the systems is restricted to designated personnel with the Police Department, and all system usage, including login activity and search queries, is logged for audit purposes. The live-view data from the two Flock Safety cameras in the Harbor/Pier area is deleted after 30-days unless manually retained in connection with a criminal investigation.

All ALPR camera systems comply with California Senate Bill 34 (2015), “Automated License Plate Recognition Systems: Use of Data” as well as California SB 54 (2017), the “Values Act.”

New ALPR Technology – Static Speed and Stop Sign Cameras

One emerging technology that could play a role in future traffic enforcement is the use of static speed and stop sign cameras. These cameras are fixed automated traffic enforcement systems typically installed at intersections, school zones, and other high-risk areas to detect speeding or failure to come to a complete stop at a stop sign. These systems use combinations of radar, lidar, roadway sensors, and high-resolution cameras to monitor vehicle movement and determine whether a driver exceeds the speed limit or rolls through a stop sign without fully stopping. When a violation is detected, the system records images or video of the vehicle, license plate, time, and location, which can then be reviewed by law enforcement before a citation is issued to the registered owner.

In California, automated speed enforcement is legal only in limited pilot programs authorized by recent state legislation, allowing certain cities to deploy speed cameras under strict operational and privacy rules. However, automated stop-sign cameras are generally not broadly authorized statewide in the same way as red-light cameras, and California law currently provides more explicit authority for red-light enforcement than for stop-sign-only camera enforcement.

CITY OF REDONDO BEACH
Budget Response Report

#25

June 9, 2026

Question:

What Measure FP Activity and Costs do we anticipate for FY 2026-27?

Response:

As part of the FY 2025-26 Budget, $422,800 was set aside for estimated up-front Measure FP costs. To date, this has included initial program coordination and support, the contracting of an owner's representative firm, Griffin Structures, and the completion of the Strategic Planning Phase at the end of calendar year 2025. Currently, staff is in the process of securing a contract with a design-build team for Phase 1 of the Project that is anticipated to commence this summer and conclude by the end of 2026.

The following activity categories and costs are anticipated for FY 2026-27 for continued implementation of Measure FP. All of the identified expenditures will be reimbursed by the bond proceeds once realized, as established in the City's reimbursement resolution adopted on March 18, 2025.

Program Management (Part-Time) Support

A part-time staff member, hired in April 2025, continues to assist with overall Measure FP implementation management, including scheduling, vendor coordination, contract and documentation preparation, and other administrative duties associated with advancing the Project through critical milestones. The FY 2025-26 Budget proposed $72,800 for this supporting staff work and this personnel expense is likely to increase in the upcoming fiscal year as Phase 1 advances.

Owner's Representative Services

On July 15, 2025, the City Council approved an agreement with Griffin Structures, Inc. (Griffin) to serve as the City's owner's representative and program manager for the Strategic Planning Phase in an amount of $150,000. On January 20, 2026, the Council approved an Amendment to the Project Services Agreement with Griffin throughout Phase 1 of the Progressive Design-Build (PDB) process for a cost of $877,000, and a new not to exceed contract total amount of $1,027,000 through September 30, 2027.

PDB Firm Services for Phase 1

Phase 1 of the Project will include pre-construction and design development services, and the PDB firm that is selected will utilize the City's established programmatic space needs and functional requirements to advance design, validate scope, and confirm site conditions. This phase also encompasses cost modeling, constructability reviews and schedule

refinement. Across the two Subprojects of Fire Stations 1 and 2 and the Police Department Headquarters and Annex Facility, it is anticipated that Phase 1 design and pre-construction service fees will total roughly $3,500,000 and last approximately five months in duration.

Phase 2 Design Completion Services

Assuming design development advances in Phase 1 as planned, and a guaranteed maximum price (GMP) is reached between the City and the PDB firm for Phase 2, this next step could realistically begin by February or March 2027. The drafting of construction documents, pricing, scheduling, and constructability review would take approximately four or five months from start, and the associated fees are likely to total approximately $2,200,000.

Temporary Facilities Procurement & Associated Sitework and Relocation

The City intends to directly procure any necessary temporary modular facilities, while the PDB team will likely be responsible for designing and implementing any associated site improvements, grading, and utility connections required to ensure the temporary facilities are fully functional and aligned with the approved construction schedule. Current estimates indicate that the lease of modular dorms and temporary apparatus bays could cost up to $1,000,000, and sitework improvements and relocation costs could range anywhere from $1,500,000 to $4,000,000. Depending on costs, resources available, lease or buyout options, and duration, this process could begin as soon as Fall 2026.

Other / Miscellaneous Activities

The City has begun due diligence activities, particularly those related to the investigation of physical conditions of each of the Project sites, well in advance of design and construction work being contemplated. Some of these due diligence items pertain to environmental documentation under California Environmental Quality Act (CEQA) for the redevelopment and/or expansion of additional facilities on existing City properties and pre-demolition asbestos surveys and lead-based paint screenings in accordance with state and federal laws. These environmental and geotechnical reporting activities are anticipated to cost $100,000.

Bond Issuance Timeline & Costs

The City's Municipal Financial Advisor and Bond and Disclosure Counsel will be paid as part of the bond sale, which is expected by this Fall 2026. These costs are estimated to total $200,000. Consistent with industry practice, these costs are directly payable from bond proceeds and, therefore, do not require a budget appropriation.

Table 1: Anticipated FY 2026-27 Measure FP Costs

MEASURE FP	Approved by voters on November 5, 2024	$ 93,350,000
FY 2025-26 General Fund	**Up-Front Costs (Use of Future Bond Proceeds)**	**$ (422,800)**
Program Coordinator Support (P/T)	Project Mgmt. / Implementation - Hired April 2025	$ 72,800
Owner's Representative Services	Griffin Structures - Approved by CC on 7/15/25	$ 150,000
FY 2026-27 Measure FP (NEW)	**Revenue with Decision Packages ($92,879,200)**	**$ (200,000)**
Program Management Support	Project Mgmt. / Implementation - Ext. / Increase	$ 100,000
Owner's Representative Services	Griffin - PSA Amendment - Phase 1 - thru 9/30/27	$ 877,000
PDB Firm Services for Phase 1	Pre-Construction & Design Development Fees	$ 3,500,000
Phase 2 Design Completion Services	Post-GMP, Est. 4-5 Months Starting 2027, Fees	$ 2,200,000
Temp. Facilities	Procurement, Site Improvements & Relocation	$ 3,000,000
Other / Misc. - Reports	Due Diligence Items / Enviro & Geotechnical	$ 100,000
Bond Issuance	Municipal Advisor & Bond / Disclosure Counsel	$ 200,000
Est. 10% in Phase 1	**FY 2026-27 Estimated Expenditures**	**$ 9,977,000**

CITY OF REDONDO BEACH
Budget Response Report

#26

May 19, 2026

Question:

What is the process, cost, impact, and benefit of obtaining state/federal historic status for Wilderness Park?

Response:

In order to nominate Wilderness Park to the California Register of Historical Resources (State Register), an application must be submitted to the State Office of Historic Preservation. There is no cost to submit the application, however, hiring a professional to prepare the documents and provide evidence to support the nomination is expected to cost between $3,000 and $5,000. Properties are eligible for the State Register if they meet one of the following criteria:

1. The property is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage.
2. The property is associated with the lives of persons important in our past.
3. Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values.
4. Has yielded, or may be likely to yield, information important in prehistory or history.

If Wilderness Park is added to the State Register, it would be placed on a list of properties that have been designated as historic, making it eligible to receive a plaque or other forms of recognition. Wilderness Park would not be eligible for any grant funding based solely on its placement on the State Register. Properties placed on the State Register are eligible for the Mills Act and can receive reduction in property taxes. However, since the City does not pay property tax, it would not receive this benefit.

Properties listed on the California Register of Historic Resource are subject to additional protections under the California Environmental Quality Act (CEQA). Proposed future modifications to Wilderness Park would need to be evaluated for compliance with the Secretary of Interior's Standards for Rehabilitation and could require additional CEQA evaluation, depending on the scope of the modifications. In these instances, there could be additional costs associated with staff time and the hiring of professionals to perform the required analysis.

Placement of Wilderness Park on the National Register is very similar to the State Register, in that it is based on the same four criteria, has similar benefits, and requires additional historic and CEQA review.

CITY OF REDONDO BEACH
Budget Response Report

#28

June 9, 2026

Question:

What process/opportunities are there for pickleball court construction/development at Aviation Park, including possible public/private partnership? Can court fees be collected for use of the future pickleball court facility, and if so, how would they be collected and what is the estimated amount of revenue? What pickleball court amenities can be constructed with the current CIP allocation? What additional funding would be needed to support the installation of court night lighting and new technology/hardware for automated court reservation/use?

Response:

Construction Options & Funding Appropriations

The proposed pickleball court facility at Aviation Park is currently defined as a public works project and is considered new construction. Since the anticipated cost of the project is well above the $200,000 limitation for informal bidding procedures for new construction, the project will be required to follow a formal bidding process. While informal bidding procedures, such as a Sourcewell contract, is not available at this time, formal bidding procedures do allow for the traditional Design/Bid/Build or Design/Build processes.

The project currently has $595,000 in available funding, with an additional $500,000 in Subdivision Park Trust Fund funding proposed in the FY 2026-27 Capital Improvement Program, for a total budget of approximately $1.1 million. Staff believes this funding is sufficient to fully design the project and, depending on the procurement method selected, advance the project to a point where a design-build Request for Proposals (RFP) can be issued.

The most recent cost estimate for the project was included in the 2021 Pickleball Feasibility Study, which estimated construction costs at approximately $599,800. However, the study noted that additional surveying and site analysis would be required to determine the final project scope and associated costs. Furthermore, the estimate did not include pre-engineering services, design development, permitting, or other site-specific considerations related to court layout, installation requirements, operational needs, and desired amenities such as fencing, lighting, and seating.

As a result, the 2021 estimate should be viewed as a preliminary planning figure rather than a current project budget. Given inflationary pressures and the additional project components that have yet to be defined, the total project cost is expected to exceed the

original estimate, although the extent of any additional funding needs cannot be determined until design work is completed and a more detailed scope is established.

Regardless of the procurement path selected, construction is not anticipated to begin prior to the FY 2027-28 budget cycle. This timeline will allow the City to complete the necessary design and planning work, develop a more accurate construction cost estimate, and consider any supplemental funding that may be required as part of a future budget process.

Staff is mindful of the public's urgency to complete this project and will look for ways to potentially phase the work so that fundamentally usable courts might be opened initially, with added features, like lighting for evening use, bleachers, a computer-based reservation and court entry system, and surrounding landscaping installed at a later time.

Court Operations

Currently, the staff office at Aviation Park is on the southwest side of the gymnasium facility, which is on the opposite end of the building where the future pickleball courts will be built. The northeastern end of the facility, adjacent to the future courts, is leased to Northrop Grumman, so there are no opportunities to repurpose a space near the future pickleball courts for administrative support. Unless a staff office is built on site of the pickleball courts, which may limit the number of pickleball courts constructed, reservation and use policies would have to be modified to take staff oversight into consideration.

One option to facilitate private court use without on-site staff oversight is the installation of controlled access entrances. This could be implemented either through a single secured entrance serving all courts (Scenario 1) or through individual secured entrances at each court (Scenario 2). Under either scenario, users would reserve court time through staff or an online reservation platform. Upon confirmation of the reservation, users would receive a unique access code that would allow entry through the controlled access gate during their reserved time.

At this stage, several factors remain unknown, including site constraints, electrical requirements, and software integration needs. As a result, cost estimates are preliminary and would be refined as additional information becomes available. Based on initial assumptions, the estimated cost for a single controlled entrance ranges from approximately $18,000 to $73,000, while the estimated cost for individual controlled entrances at each court ranges from approximately $54,000 to $214,000. Ongoing maintenance, software licensing, and system support costs have not yet been determined and would require further evaluation.

A middle-ground option exists that would reduce staff oversight while still allowing courts to be reserved and remain available for public use when not reserved (Scenario 3). Under this model, courts could be reserved in advance, with staff posting schedules for each court on a periodic basis throughout the week. Courts without a reservation would remain available for public free of charge on a first-come, first-served basis. While this approach

would likely result in reduced revenue compared to a fully controlled access system, it offers a more cost-effective alternative and is commonly used by local agencies seeking to balance public access with reduced staffing requirements and limited infrastructure investment.

Estimated Revenue

Staff anticipates the development of a use policy that provides opportunities for court reservations, select times for drop-in play, instructional classes, and events. Included below are revenue estimates for each of the three previously mentioned scenarios based on the installation of eight pickleball courts, court use hours from 9:00 am to 8:00 pm daily, and a $10 per hour rental fee. Scenarios 1 and 2 assume a reservation rate of 75%, whereas Scenario 3 assumes a 50% reservation rate:

	SCENARIO 1	SCENARIO 2	SCENARIO 3
	Singular Controlled Entrance	**Multiple Controlled Entrances**	**Open Use**
Monthly Revenue (30 days)	$18,480	$18,480	$12,320
Annual Revenue	$221,760	$221,760	$147,840

These projections do not take into account fluctuations in rental rates for prime-time and non-prime time hours, the implementation of designated drop-in times, events, tournaments, or other activities that would limit court availability.

CITY OF REDONDO BEACH
Budget Response Report

#29

June 2, 2026

Question:

What is the cost to incorporate the new city logo on Police and Fire vehicles?

Response:

Police Vehicles

The estimated cost to update each Police vehicle with the new city logo is $1,628.86. The Police Department operates 46 vehicles, including patrol units, civilian vehicles (such as Municipal Services and Code Enforcement), and other utility vehicles. The total cost to update the Police vehicle fleet, which includes removal of existing wraps and decals, installation of the new logo, and applicable tax, is approximately $74,928. In addition to the fleet vehicles, the Police Department has 8 traffic-unit motorcycles, which would require an additional $5,000 to update with the new logo, increasing the total cost to $79,928.

Fire Vehicles

The estimated cost to update each Fire vehicle with the new city logo is $462.90. The Fire Department operates 14 vehicles, including fire engines, fire command vehicles, and other utility vehicles. The total cost to update the Fire vehicle fleet, which includes removal of existing wraps and decals, installation of the new logo, and applicable tax, is approximately $10,985.

CITY OF REDONDO BEACH
Budget Response Report

#30

June 9, 2026

Question:
What is the cost to replace/improve the fencing at Dominquez Park, Perry Park, Ellison Play Field, and Alta Vista Park along Juanita Ave?

Response:
The Public Works Department obtained cost estimates to replace the damaged chain link fences at three locations with two replacement options: galvanized chain link and wrought iron. The costs shown in the table below include labor and materials to remove and replace damaged chain link fences and, where required, the installation of new posts and concrete footings.

Staff have identified existing materials, including gates in some areas, that can be reused to lower costs. The cost of all materials, including new gates where needed, are included in the estimates below.
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Fencing Replacement Costs			
Location	*Dimensions*	*Chain Link*	*Wrought Iron*
Dominguez Park (southern area*)	180' x 6'	$14,694	$23,826
Perry Ellison Play Field	443' x 4'	$31,585	$78,435
Alta Vista	1,300' x 4'	$45,945	$143,955

*The replacement fencing at Dominguez Park would not match the perimeter fencing that exists on the southern edge of the park today. The recommendation would be to remove the existing fencing and install new fencing to secure only the police training facility and multi-department storage area.

Given the current regulatory requirements at Dominguez Park, staff will need to obtain approval from the CalRecycle Local Enforcement Agency (LEA) prior to installing new fencing at Dominguez Park. Staff expects the LEA will not approve the installation of replacement fencing until additional work is done to determine the extent of landfill deposits in the park, a process that is currently underway. Staff also intends to evaluate future fencing around the park as part of a larger project to address slope stability and erosion issues on both the north and south perimeters of the park.

It should be noted that the LEA to date has expressed no objection to simply removing the old fencing on the south perimeter of the park. The cost to cut/remove the posts and existing fencing is fairly minimal and can be accomplished through the Public Works Department's annual work plan. Staff intends to confirm LEA's approval of the fence removal and proceed as staff time and availability permit.

CITY OF REDONDO BEACH
Budget Response Report

#32

June 2, 2026

Question:

What is the status of the Harbor Tidelands Fund and Harbor Uplands Fund? What activities, revenue, and/ or capital items are included in the FY 2026-27 budget?

Response:

The City's Harbor Tidelands and Harbor Uplands Funds exist to track and manage activities in the Harbor area. Major revenue sources for both are leases, parking, and user fees for events and filming. Costs include City staff, consulting services to assist with property management and leasing, and maintenance and operating costs for the City's properties, including capital spending.

Both funds have had challenges meeting operating and capital needs following a return to capital spending after the resolution of a multi-year lawsuit and a recommitment to public amenity improvements in the area. The City is currently investing in the Waterfront through proactive lease management and capital maintenance efforts. There are no new Harbor Tidelands and Uplands Fund capital appropriations planned for FY 2026-27 and the Waterfront projects that were previously approved in the Capital Improvement Program will be revisited when funding is available. Note that the proposed project deauthorizations for the Harbor Tidelands and Uplands Funds included in the proposed CIP were not associated with active encumbrances and therefore have no impact on the Harbor fund balances. In FY 2026-27, only the Seaside Lagoon and Waterfront grant-funded capital projects are planned for execution.

<u>Harbor Tidelands</u>

- Core Budget Funding
  - Revenue: The FY 2026-27 Proposed Budget includes $7,728,303 in anticipated revenue as shown below:

Revenue Category	FY 26-27 Proposed Budget
CHARGES FOR SERVICES	749,850
LEASE REVENUE	6,970,253
FINES AND FORFEITURE	7,200
OTHER REVENUES	1,000
Tidelands Revenue Total	**7,728,303**

- Spending: The FY 2026-27 Proposed Budget includes $7,992,593 in estimated spending as shown below:

Expenditure Category	FY 26-27 Proposed Budget
PERSONNEL	4,605,023
MATERIALS AND SUPPLIES	613,085
EQUIPMENT M&O	142,210
CONTRACTS AND SERVICES	542,800
INTERNAL SERVICE ALL	1,520,874
OTHER FINANCING USES*	568,601
Tidelands Expenditure Total	**7,992,593**

**Transfers: Contributions to 2021A Bond Payment (Pension Debt Refinancing)*

- Proposed Funding Changes in the FY 2026-27 Budget Decision Packages result in a $213,200 positive impact:
  - Parking meter hourly rate increases to $2.25 per hour: $46,000 revenue increase
  - Sand contouring rental equipment: $15,000 expenditure increase
  - Vacancy adjustment: $182,000 expenditure offset

Additionally, staff anticipates increased special event revenue in FY 2026-27 that is not included in the core revenue budget or Decision Packages totaling roughly $200,000. This, coupled with historical annual maintenance and operations savings, is expected to generate a moderate year-end surplus in the Tidelands Fund.

<u>Harbor Uplands</u>

- Core Budget Funding
  - Revenue: The FY 2026-27 Proposed Budget includes $6,930,400 in anticipated revenue as shown below:

Revenue Category	FY 26-27 Proposed Budget
CHARGES FOR SERVICES	2,101,500
LEASE REVENUE	4,813,600
FINES AND FORFEITURE	15,300
Uplands Revenue Total	**6,930,400**

  - Spending: The FY 2026-27 Proposed Budget includes $8,076,539 in estimated spending as shown below:

Expenditure Category	FY 26-27 Proposed Budget
PERSONNEL	2,475,236
MATERIALS AND SUPPLIES	456,162
EQUIPMENT M&O	83,740
CONTRACTS AND SERVICES	371,300
INTERNAL SERVICE ALL	2,846,734
OTHER FINANCING USES**	1,843,367
Uplands Expenditure Total	**8,076,539**

***Transfers: Contributions to 2019A and 2021A Bond Payments*

- Proposed Funding Changes in the FY 2026-27 Budget Decision Packages result in a $322,156 positive impact:
  - Parking meter hourly rate increases to $2.25/Hour: $223,000 revenue increase
  - Vacancy adjustment: $99,156 expenditure offset

Additionally, staff anticipates increased special event revenue in FY 2026-27 that is not included in the core revenue budget or Decision Packages totaling roughly $200,000. This, coupled with historical annual maintenance and operations savings, is expected to bring the Harbor Uplands Fund close to balanced in the next fiscal year.

Future Cost Mitigation Strategies

The FY 2026-27 Budget identifies several areas of future savings which will positively impact long term Harbor Tidelands and Harbor Uplands Funds ongoing costs.

- Following Council direction, staff has changed liability insurance coverage to remove earthquake coverage and has increased the City's self-insured retention (SIR) limit, which contribute to between $1.7-$2.5 million in annual savings to the Self-Insurance Fund. Both changes will filter through to the Tidelands and Uplands Fund through annual cost allocation updates. Currently, the Tidelands Fund contributes approximately 10% of total liability costs, with the Uplands contributing approximately 31%. Reductions to liability premiums will both bring near-term cost savings, beginning with FY 2027-28 allocations and offset future cost increases to the funds.

- The Tidelands and Uplands funds each contribute a portion to the City's annual unfunded accrued liability (UAL) payment based on the number of full-time staff budgeted in those funds. In the FY 2026-27 Budget, these amounts are as follows:
  - Harbor Tidelands: $0.2 million, or 5% of the total payment
  - Harbor Uplands: $0.1 million, or 2% of the total payment

  Staff anticipates a reduction in next year's valuation impacting the FY 2027-28 payment amounts, with further reductions expected over the next five years if CalPERS investment returns continue to meet or exceed the target.

- Another significant factor for the Harbor Uplands Fund is the annual $1.7 million bond payment related to the 2019 refinancing, which refunded various leaseback contingencies and financed the purchase of a sublease between the City and the Redondo Fisherman's Cove Company property. According to the current schedule, debt service will continue through 2049. Staff may evaluate refinancing opportunities if interest rates become favorable relative to the current 4-5%.

- The Waterfront and Economic Development Department (WED) is reviewing and looking to enhance property management services for properties in the Waterfront to improve operational efficiency and reduce contract service time spent on property management. WED is also reviewing operating expenses for properties in the Waterfront to adjust common area maintenance (CAM) rates so that the CAM reimbursements from tenants cover all fully loaded expenses incurred to maintain the properties. As the Council is aware, staff members are also reviewing lease rates and other user/event fees to adjust them to current market conditions.

- In addition, WED and the Financial Services Department are working closely with the City's new external auditor to improve financial reporting related to the Harbor Tidelands and Uplands assets.

Program Status and Outlook

Looking ahead, WED is exploring revenue generating initiatives for both funds.

- WED is in the early stages of negotiations with an operator for the 30,000 square foot space available at 123 International Boardwalk. This deal would provide additional revenue for the Uplands Fund through gross sales, common area maintenance payments, sanitation district payments, parking, and additional tourism to the International Boardwalk and Pier.

- WED and the Community Development Department are proactively working with leaseholders to address long term vacancies on the Pier by guiding them through the entitlement and building and safety processes. Filling the vacant spaces will increase revenue for the Tidelands through gross sales and parking revenue and attract additional visitors to the Pier.

- The Waterfront has been awarded several grants that will fund visible upgrades and operational enhancements within the harbor and basins, improving the experience for slip users, harbor patrons, and visitors. WED received a $1.3 million grant to improve marina slip infrastructure in Basin III and repairs, including security and electrical upgrades. The repairs will begin in FY 2026-27. WED has also received $75,000 to fund the removal of surrendered and abandoned vessels from the harbor and waterways before they become an environmental nuisance. The repairs to the slips that have been made to date along with the future grant funded improvements allow the City to begin adjusting rates for Basin III slip users and to generate additional Uplands Fund revenue.

- WED staff is proactively reviewing financials including lease rates, slip rates, and common area maintenance expenses, to ensure the rates that the City is charging sufficiently cover operating expenses and are adjusted to current market conditions.

- Starting in early 2027, the Seaside Lagoon will be closed for renovations, and it will impact the Tidelands Fund through a loss of revenue from entrance fees and will have subsequent effects on the Uplands Fund due to a potential loss in parking revenue and fee revenue from special events. A comprehensive review of these potential impacts is provided in BRR #33 - Seaside Lagoon.

FY 2025-26 Accomplishments

- Last summer, WED implemented a new parking payment system in the Marina Parking Lot, allowing visitors to be able to pay at pay stations or by mobile app. The improvements, combined with increased enforcement, corresponded with a year-over-year increase in parking revenue. Between July 2025 and December 2025, Tidelands parking revenue increased approximately 8% compared to the same period in 2024, while Uplands parking revenue increased approximately 15% over the same period in 2024.

- In March 2026, WED finalized an option agreement with Marine Mammal Care Center (MMCC) for 230 Portofino Way (the former Joe's Crab Shack site). If MMCC is successful in its fundraising efforts, the City will negotiate a long-term lease for the site. As part of the lease, MMCC would demolish the existing building, which will save money in maintenance, security, and landscaping costs at the site. When the MMCC opens, it will pay minimum rent and gross sales rent to the City while attracting tourism and providing future growth for the Tidelands.

- Staff successfully submitted an application for a boat launch facility on Mole D in January 2026 and conducted a site visit with staff from the Division of Boating and Waterways in April 2026.

- During FY 2025-26, the Waterfront hosted an increased number of events that attracted thousands of visitors and boosted gross sales for local businesses.

Attachment: Harbor Tidelands and Harbor Uplands Detail Tables

- Harbor Tidelands Revenue by Type (Attachment 1)
- Harbor Tidelands Spending by Department and Type (Attachment 1A)
- Harbor Uplands Revenue by Type (Attachment 2)
- Harbor Uplands Spending by Department and Type (Attachment 2A)
- Harbor Tidelands and Uplands FTE by Department (Attachment 3)

Harbor Tidelands
Revenue by Type

Revenue Category	Object	FY 26-27 Proposed Budget
CHARGES FOR SERVICES	RECREATION PRGMS	31,350
	SEASIDE LAGOON ENTRANCE FEE	235,000
	FILMING REVENUE	32,000
	PARKING STRUCTURE	340,000
	FISHERMAN'S WHARF SAN DISTRICT	110,000
	REIMB OF DAMAGED CITY	1,500
	CHARGES FOR SERVICES Total	**749,850**
LEASE REVENUE	INVESTMENT EARNINGS	150,000
	RENTS AND PERCENTAGES	6,666,970
	PFA KINCAIDS	153,283
	LEASE REVENUE Total	**6,970,253**
FINES AND FORFEITURE	PARKING CITATIONS	7,200
	FINES AND FORFEITURE Total	**7,200**
OTHER REVENUES	MISCELLANEOUS REVENUE	1,000
	OTHER REVENUES Total	**1,000**
	Harbor Tidelands Revenue Total	**7,728,303**

Harbor Tidelands Fund
Spending by Department and Type

Department	Expenditure Category	FY 26-27 Proposed Budget
MAYOR & CITY COUNCIL	PERSONNEL (0 FTE, Events Overtime Only)	1,383
	MAYOR & CITY COUNCIL Total	**1,383**
CITY ATTORNEY	CONTRACTS AND SERVICES	106,000
	INTERNAL SERVICE ALL	10,317
	CITY ATTORNEY Total	**116,317**
POLICE DEPARTMENT	PERSONNEL (2.50 FTE)	596,123
	MATERIALS AND SUPPLIES	5,480
	EQUIPMENT M&O	740
	INTERNAL SERVICE ALL	58,926
	POLICE DEPARTMENT Total	**661,269**
FIRE DEPARTMENT	PERSONNEL (6.14 FTE)	1,803,810
	MATERIALS AND SUPPLIES	75,123
	EQUIPMENT M&O	9,770
	CONTRACTS AND SERVICES	7,500
	INTERNAL SERVICE ALL	121,484
	FIRE DEPARTMENT Total	**2,017,687**
COMMUNITY SERVICES	PERSONNEL (1.91 FTE)	485,640
	MATERIALS AND SUPPLIES	72,950
	EQUIPMENT M&O	13,000
	CONTRACTS AND SERVICES	15,500
	INTERNAL SERVICE ALL	250,445
	COMMUNITY SERVICES Total	**837,535**
WATERFRONT & ECONOMIC DEV	PERSONNEL (1.80 FTE)	320,778
	MATERIALS AND SUPPLIES	45,150
	EQUIPMENT M&O	22,000
	CONTRACS AND SERVICES	165,000
	INTERNAL SERVICE ALL	721,164
	WATERFRONT & ECONOMIC DEV Total	**1,274,092**
PUBLIC WORKS	PERSONNEL (10.63 FTE)	1,397,289
	MATERIALS AND SUPPLIES	414,382
	EQUIPMENT M&O	96,700
	CONTRACTS AND SERVICES	248,800
	INTERNAL SERVICE ALL	358,538
	PUBLIC WORKS Total	**2,515,709**
TRANSFERS	OTHER FINANCING USES*	568,601
	TRANSFERS Total	**568,601**
	Harbor Tidelands Expenditure Total	**7,992,593**

**Transfers: Contributions to 2021A Bond Payment (Pension Debt Refinancing)*

Harbor Uplands
Revenue by Type

Revenue Category	Object	FY 26-27 Proposed Budget
CHARGES FOR SERVICES	FILMING REVENUE	6,000
	PARKING METER FEES	45,000
	PARKING STRUCTURE	1,900,000
	STORAGE FEES	40,000
	FISHERMAN'S WHARF SAN DISTRICT	110,000
	REIMB OF DAMAGED CITY	500
	CHARGES FOR SERVICES Total	**2,101,500**
LEASE REVENUE	INVESTMENT EARNINGS	50,000
	RENTS AND PERCENTAGES	4,763,600
	LEASE REVENUE Total	**4,813,600**
FINES AND FORFEITURE	PARKING CITATIONS	15,300
	FINES AND FORFEITURE Total	**15,300**
	Harbor Uplands Revenue Total	**6,930,400**

Harbor Uplands
Spending by Department and Type

Department	Expenditure Category	FY 26-27 Proposed Budget
MAYOR & CITY COUNCIL	INTERNAL SERVICE ALL	13
	MAYOR & CITY COUNCIL Total	**13**
CITY ATTORNEY	CONTRACTS AND SERVICES	171,000
	INTERNAL SERVICE ALL	5,435
	CITY ATTORNEY Total	**176,435**
POLICE DEPARTMENT	PERSONNEL (2.50 FTE)	749,210
	MATERIALS AND SUPPLIES	10,430
	EQUIPMENT M&O	740
	INTERNAL SERVICE ALL	31,505
	POLICE DEPARTMENT Total	**791,885**
FIRE DEPARTMENT	PERSONNEL (0.76 FTE)	166,429
	FIRE DEPARTMENT Total	**166,429**
WATERFRONT & ECONOMIC DEV	PERSONNEL (1.80 FTE)	320,821
	MATERIALS AND SUPPLIES	49,750
	EQUIPMENT M&O	45,000
	CONTRACTS AND SERVICES	105,000
	INTERNAL SERVICE ALL	2,363,210
	WATERFRONT & ECONOMIC DEV Total	**2,883,781**
PUBLIC WORKS	PERSONNEL (10.03 FTE)	1,238,776
	MATERIALS AND SUPPLIES	395,982
	EQUIPMENT M&O	38,000
	CONTRACTS AND SERVICES	95,300
	INTERNAL SERVICE ALL	446,571
	PUBLIC WORKS Total	**2,214,629**
TRANSFERS	OTHER FINANCING USES*	1,843,367
	TRANSFERS Total	**1,843,367**
	Harbor Uplands Expenditure Total	**8,076,539**

**Transfers: Contributions to 2019A and 2021A Bond Payments*

Harbor Tidelands and Uplands
FTE by Department

Fund	Department	No. Full Time Equivalent Positions
HARBOR TIDELANDS	POLICE DEPARTMENT	2.50
	FIRE DEPARTMENT	6.14
	COMMUNITY SERVICES	1.91
	WATERFRONT & ECONOMIC DEV	1.80
	PUBLIC WORKS	10.63
	HARBOR TIDELANDS Total	**22.98**
HARBOR UPLANDS	POLICE DEPARTMENT	2.50
	FIRE DEPARTMENT	0.76
	WATERFRONT & ECONOMIC DEV	1.80
	PUBLIC WORKS	10.03
	HARBOR UPLANDS Total	**15.09**
	Grand Total	**38.07**

Note: While 5.0 FTE Police positions are authorized for the Tidelands and Uplands Funds, 1.0 FTE is currently vacant; only filled positions are charged to the Funds.

CITY OF REDONDO BEACH
Budget Response Report

#35

June 9, 2026

Question:
What is the cost to update (as efficiently as possible) the City's monument entry and wayfinding signs with the current brand logo?

Response:
The Public Works Department evaluated an economical way to update the City's monument entry and wayfinding signs with the current brand logo until a longer-term solution is developed and funded. Staff reviewed the six monument signs installed in medians at major City entry points and two overhead steel wayfinding signs at additional entry points. Images of these signs are provided below. For reference, replacing the monument signs in their current form costs about $25,000 per sign.

The proposed approach would update the six median monument signs by modifying the existing concrete structures and attaching a steel panel to cover the old logo. The estimated cost for each of these updates is approximately $12,000 per sign. The two overhead steel wayfinding signs, located at Torrance/Prospect and 190th/Meyer Lane, are somewhat easier to modify, with an estimated cost of approximately $4,000 each. The total estimated cost to update the signs at the eight locations is approximately $96,000. This amount includes a 20% allowance for other costs related to graphic design, traffic control, and other project related expense required to complete the project.

In addition to these roadway monument signs, there are 16 monument signs at various parks and parkettes that also use outdated logos.

Entry Monuments



Westbound Artesia and Hawthorne



Eastbound Artesia and Aviation Way



West Bound Manhattan Beach Blvd and Inglewood



West bound Herondo and Monterey



Camino Real and Knob Hill



Palos Verdes Blvd and Susanna Way

Wayfinding Signs



Torrance Blvd and Prospect



190th and Meyer Ln

CITY OF REDONDO BEACH
Budget Response Report

#36

June 2, 2026

Question:

What is the cost to close the southbound entrance onto Irena from Torrance Boulevard, and to add a cul-de-sac on Opal Street?

Response:

Closing South Irena Avenue to traffic entering from Torrance Boulevard and creating a northbound-only lane on Irena onto Torrance Boulevard would help reduce cut through traffic on Opal Street. Another option would be to install a cul-de-sac on Opal Street at Irena. This option entails new curb, gutter, sidewalk, landscaping, drainage concerns, signage, and striping for both intersections. This level of effort would require the hiring of a civil engineering consultant to provide construction design plans. These projects may be considered independently, or together, as a means to calm traffic at this location.



Based on estimated quantities and the bid unit prices received in April 2026 for the Residential Street Rehabilitation Program, the estimated project cost including design, construction, construction management/inspection, and construction contingency is approximately $150,000 for each intersection. Constructing both projects may provide some economies of scale in design, but it is not certain. Pre-engineering costs for a

traffic analysis (up to $20,000) and community outreach, including staff time, mailers, presentations, and demonstrations, could add another $10,000.

Staff strongly cautions against closing streets or creating cul-de-sacs without thorough analysis and study. Gaining clear consensus is recommended with the broader neighborhood and key stakeholders such as Redondo Beach Police and Fire, businesses, and utility providers. The grid nature of Redondo Beach streets is typically considered an asset that provides resiliency and redundancy to the broader neighborhood. Oftentimes, closing a street simply shifts traffic to adjacent streets, such as South Juanita Avenue, Camino Real, and Pearl Street.

Neighbors on adjacent streets typically do not support the redirected traffic and subsequently ask for their street to also be closed or slowed in some manner. For example, the City received such sentiments and requests for closures along North Lucia, North Juanita, North Paulina, and North Irena (all adjacent parallel streets) when N Maria Avenue was closed at Anita Street.

Residents should also be aware that street closure measures like cul-de-sacs primarily affect residents' access, since they are the ones using the streets the most. Staff has witnessed residents on North Maria and North Paulina performing illegal maneuvers to bypass restricted movements that were implemented. Additionally, emergency access would be impacted and a cul-de-sac would require the removal of some street parking.

CITY OF REDONDO BEACH
Budget Response Report

#37

June 2, 2026

Question:

What is the cost to purchase and provide staff support and training for a new Vapor Wake canine*, and what potential funding sources could be used?*

Response:

In July 2016, the Redondo Beach Police Department introduced its Vapor Wake K9 program to modernize its public safety capabilities. The program evolved into a specialized and integrated component of the Department's K9 unit, focused on mitigating modern threats in crowded, high-risk environments. In July 2025, the Department retired its Vapor Wake K9 and has not yet replaced either the canine, or the associated handler position. Auburn University Auburn University holds both a U.S. patent and a registered trademark for Vapor Wake K9 and Handler training.

Background

The Department's use of Vapor Wake canines was introduced in July 2016 as part of a push toward advanced threat detection capability. By 2017, the program was operational, with Balton serving as the Department's first Vapor Wake K9. Balton was trained to detect airborne explosive particles emitted from individuals moving through crowds. At that time, Balton was deployed at public events in the City and high-traffic areas, such as entrances to large gatherings, where he could screen large numbers of people without disrupting event-related movement.

The program was intended to address emerging threats, specifically person-borne explosives in crowded environments, rather than traditional static threats. The Vapor Wake capability complemented the Department's existing K9 program and public safety resources by adding a proactive layer of detection focused on identifying individuals rather than just devices.

The distinction between a Vapor Wake canine and a traditional explosives detection canine lies not simply in training style, but in the fundamental mission each is designed to perform. Vapor Wake canines represent an evolution in explosive detection, shifting the focus from locating hidden devices to identifying threats carried by individuals in motion. A Vapor Wake canine is specifically trained to detect airborne traces of explosives coming from a person who is moving through an environment. These canines are trained for deployment in crowded, high-traffic settings such as stadiums, transit systems, or large public gatherings. Instead of searching bags or vehicles, the canine moves through a crowd, identifying and following a vapor plume back to its source. This allows the canine

to locate an individual carrying explosives without interrupting the flow of people, making it a proactive tool for identifying person-borne threats. This capability makes them a valuable complement to traditional K9 units, particularly in securing crowded public spaces.

In contrast, a traditional explosives detection canine is trained to locate explosive materials that are hidden in objects or placed in specific locations. These canines typically operate in a more controlled and methodical manner, searching vehicles, buildings, packages, or open areas. Their role is to detect the presence of an explosive device itself, rather than track a person. They are commonly used for pre-event sweeps, bomb threat responses, and at security checkpoints where environments can be secured and searched systematically.

Operationally, Vapor Wake canines are best suited for dynamic environments where people are constantly moving, while explosives detection canines are most effective in static or controlled settings where a thorough search can be conducted. Training also differs significantly. Vapor Wake canines undergo highly specialized conditioning to detect and track airborne scent in distracting environments, whereas explosives detection canines are trained under more standardized programs focused on odor recognition and passive alert behaviors.

In practice, the two capabilities complement each other. Agencies often rely on explosives detection canines for routine sweeps and investigations, while deploying Vapor Wake canines as an additional layer of security in crowded or high-risk environments. Together, they provide broader coverage by addressing both stationary explosive threats and those carried by individuals.

Current Police Department Operations

The Police Department currently maintains a total of four K9 teams to support and enhance its overall operations. These K9s have been trained in the following specialized disciplines:

- Two teams are trained in Explosives/Gun Detection and Patrol Apprehension
- One team is trained in Explosives/Gun Detection
- One team is trained in Narcotics and Patrol Apprehension

The Explosives/Gun Detection trained K9s are ideally suited for searching buildings, vehicles, or open areas for the presence of explosives.

If an additional Vapor Wake trained canine were to be added, it would be best suited for large special events, such as 10K runs and the BeachLife Music Festival.

In FY 2024-25, the Redondo Beach Police Department conducted 13 Vapor Wake canine deployments within the City limits in support of special events, including both of the BeachLife Festivals (which accounted for six of the 13 deployments), local 10K races,

and at Redondo Beach Union High School. These deployments were utilized as part of the Department's comprehensive event safety and venue screening operations designed to ensure the safety of residents, visitors, and students. For comparison, during the same reporting period, one of the Department's traditional Explosives/Gun Detection K9 teams conducted 17 deployments. Those deployments supported law enforcement operations primarily involving explosives detection, firearms-related investigations, suspicious package calls, and general public safety responses.

Fiscal Impact

The implementation of a Vapor Wake K9 program requires a substantial initial investment and an ongoing financial commitment. The purchase of a specially trained Vapor Wake canine, with Handler training, costs approximately $40,000. This is more than canine and handler training in Explosives/Gun Detection, which costs approximately $25,000. The ongoing maintenance training for a Vapor Wake canine is also more costly. A summary of the one-time and ongoing costs associated with a Vapor Wake K9 are listed below.

ONE-TIME COSTS	
Purchase of Vapor Wake K9 plus Handler training	$40,000
K9 Tactical Ballistic Vest	$4,015
Additional K9 Police Vehicle	$92,500
Total One-Time Cost	**$136,515**

ONGOING ANNUAL COSTS	
8.5% K9 Handler Pay added to the Base Salary of an Existing Officer	$10,425
Vapor Wake Training Maintenance ($1,500 every 2 months)	$9,000
K9 food and supplies	$2,100
Veterinary Care	$2,700
Vehicle Replacement ISF	$12,431
Total Annual Ongoing Cost	**$36,656**

The Redondo Beach Police and Fire Foundation (RBPFF) has previously provided grant awards for the purchase of Police K9s. Award amounts fluctuate based on the availability of funds in any given year, and, therefore, cannot be relied upon as a sustainable funding source to support all costs associated with acquiring an additional K9.

The Police Department utilizes a combination of General Fund, Supplemental Law Enforcement Services Funds (SLESF), and RBPFF grant funds to support the ongoing costs of the current K9s.

CITY OF REDONDO BEACH
Budget Response Report

#38

June 2, 2026

Question:

What is the cost to update the RBPAC panel/tile in the main lobby with the new City logo?

Response:

The lobby of the Redondo Beach Performing Arts Center (RBPAC) has multiple acoustic panels above the entrance doors to the auditorium. Currently, six of these panels are wrapped in a decorative vinyl decal, which were installed in 2018 by AAA Flags & Banners, now known as A3 Visuals. One of the panels features the City's old logo.



Fortunately, A3 Visuals has confirmed that it has the original artwork files, so updating the single panel with the new City logo while ensuring consistent color and design of the other three decorative panels is possible. Shown below is preliminary design of the new panel featuring the new City logo:



The cost estimate for the replacement of the single vinyl wrap is $1,349.76, which includes fabrication, removal of the old decal, and installation.

CITY OF REDONDO BEACH
Budget Response Report

#39

June 9, 2026

Question:

What are the impacts of increasing the Self-Insured Retention limit for general liability insurance from $500,000 to $1,000,000?

Response:

The City of Redondo Beach has participated in a risk pooling program for Citywide general liability, workers' compensation, property and other coverages since 1986. Until June 2017, the City was a member of the Independent Cities Risk Management Association (ICRMA) with a $500,000 self-insured retention (SIR) for general liability coverage. In 2017, the City transferred insurance coverage to the PRISM risk pool, which resulted in large savings on annual insurance premiums while providing the same level of coverage as ICRMA. Over the past nine years, City liability claims have only exceeded the $500,000 SIR four times. However, annual premium costs since joining PRISM have continued to climb. For example, in July 2017 the General Liability annual premium was $405,884, and climbed to $2,255,854 in July 2025.

While the current SIR has remained unchanged since 1986, inflation, increased attorneys' fees, claims handling fees, and significant changes in the insurance marketplace have substantially altered the relationship between the City's retained risk and commercial insurance pricing. Staff has been in discussions with PRISM regarding the potential to adjust the SIR to a level consistent with inflation and the net present value of the dollar. Commercial insurers charge substantial premiums to entities with lower SIRs, as the inherent assumption is that the lower SIR limit indicates a relatively higher level of risk transferred to the insurance carrier. Based on staff's analysis an increase to the SIR better aligns the City's risk financing strategy with present-day claim realities, premiums, and industry practice. Increasing the SIR is expected to produce meaningful ongoing savings in annual insurance premium costs.

More specifically, PRISM provided the City with the following estimates regarding the $1,000,000 SIR option and its associated effect on premium costs:

SIR	FY 2025-26 Premium (Current)	FY 2026-27 Premium (Low Estimate)	FY 2026-27 Premium (High Estimate)
$500,000	$2,258,618	$2,724,000	$2,888,000
$1,000,000	-	$2,019,000	$2,185,000

As noted above, by increasing the SIR to $1,000,000, there will be an immediate savings of approximately $700,000 in insurance premiums which are due by August 1, 2026. This savings, if invested in the City's Local Agency Investment Fund (LAIF) at current rates, would earn about $24,000 in annualized interest. It would also effectively pay for the cost of an errant claim that might pierce the SIR, while maintaining an additional $200,000 in retained savings for FY 2026-2027. Decreases to these premiums would immediately decrease costs in the City's Self-Insurance Fund and would make those funds available for investment. In future years, the savings would positively impact the General Fund and Harbor Tidelands and Uplands funds through decreased annual internal services contributions relative to projections based on current costs.

Risk management staff, along with the City Attorney's and City Treasurer's Offices, have met and conferred regarding the proposed increase, and all are in agreement with the proposed change to increase the general liability SIR to $1,000,000. The City's historical claims data demonstrates that the vast majority of general liability claims fall far below the existing retention threshold or can be effectively managed within the City's financial capacity. As a result, the increased retention is not anticipated to materially impact operational stability, but rather to improve overall cost efficiency. The City has developed stronger financial reserves, more sophisticated risk management practices, and enhanced claims oversight capabilities since the original $500,000 retention level was established in 1986. These factors provide confidence that the City can responsibly absorb additional retained risk while maintaining prudent fiscal safeguards.

Relying on the data and analysis above, and following Council direction at the midyear budget discussion, staff has given notice to PRISM to increase the SIR from $500,000 to $1,000,000, ensuring the application of savings in FY 2026-27. Staff will continue to monitor costs and claims as they develop. Should the City determine a lower SIR makes sense in the future, there is an available process to make that adjustment.

CITY OF REDONDO BEACH
Budget Response Report

#41

June 9, 2026

Question:
What are the options and costs to staff two attendees at Wilderness Park rather than one?

Response:
Currently, Wilderness Park is open from 10:00 a.m. to 4:30 p.m. between Labor Day and Memorial Day, and from 10:00 a.m. to 7:00 p.m. between Memorial Day and Labor Day. The park is fully closed on Wednesdays throughout the year. During all open hours, a Part-Time Recreation Leader is on site to support safe and appropriate park use, serve as the first point of contact for visitors entering the park, and respond to questions or general inquiries at the entryway. The position also includes periodic circulation through the park to monitor conditions and ensure safe use, as well as provide initial response to any unexpected needs or incidents that arise. This coverage is provided through a rotating roster of part-time staff, rather than a single dedicated employee, with assignments scheduled based on staff availability and operational needs across the various Parks and Recreation programs.

The total cost associated with adding one additional, part-time employee at Wilderness Park during regular park hours is estimated at $50,526 annually.

An alternative approach that would allow for increased staffing within existing funding allocations would be to expand the current closure schedule from one day per week (Wednesday) to four days per week, leaving the park open three days per week. Under this model, two staff members would be scheduled during open days to provide coverage and support operations. However, this option would reduce overall park availability and result in decreased revenue from private rentals, special events, and film permits due to the further limitation on the number of days available for revenue-generating uses. The potential loss in revenue is difficult to estimate, as it is not clear whether existing rentals would be forfeited entirely or simply shifted to days when the park remains open.

CITY OF REDONDO BEACH
Budget Response Report

#42

June 9, 2026

Question:

What are the costs and options to install retractable bollards at Artesia and Green and Vanderbilt and Green (around the Farmer's Market)?

Response:

The Public Works Department reviewed several possible bollard options to improve vehicle access control and pedestrian safety around the North Redondo Farmers Market area at Artesia Boulevard and Green Lane, and Vanderbilt Lane and Green Lane. The options evaluated include the following:

1. Option 1: Installation of 10 automatic retractable hydraulic bollards, including engineering, project management, and installation. These bollards are permanently installed, with an automated hydraulic mechanism to raise and lower each one. Estimated cost: $385,000.

2. Option 2: Installation of 10 manually retractable hydraulic bollards, including engineering, project management, and installation. These bollards are permanently installed, with a manual hydraulic mechanism to raise and lower each one. Estimated cost: $360,000

3. Option 3: Installation of 10 manually removable fixed-bollards, similar to those used at Avenue H holiday closure, including engineering, project management, and installation. Estimated cost: $35,000.

4. Option 4: Purchase of a portable vehicle barrier system (such as this example from Meridian shown in the image below) with storage trailer for temporary lane closures (enough to address all ingress and egress points). This system is mobile and can be utilized at other events. Estimated cost: $150,000.



Regardless of the preferred option, staff recommends involving a design professional to determine or confirm that assumptions made about traffic rating requirements and the placement of the temporary traffic control devices are accurate.

CITY OF REDONDO BEACH
Budget Response Report

#43

June 9, 2026

Question:

What are the options and associated costs for realigning the Ripley / Ives / Mackay intersection?

Response:

The intersection of Ripley Avenue, Ives Lane, and Mackay Lane is unusual due to Ripley Avenue's diagonal alignment. Asphalt berms were installed along Ripley Avenue to slow down and channelize drivers entering and exiting Ives Lane from Ripley and Mackay. These berms also serve to increase buffer distance between the 2300 Ives Lane driveway and drivers making shallow right-turns from eastbound Ripley Avenue to eastbound Ives.



Photo 1 – Aerial view of existing configuration



Photo 2 – Street view of existing configuration

While these asphalt berms have been adequate at slowing down turns onto Ives Lane, they are problematic as they are not very visible or expected by motorists. They have been hit numerous times and the City is no longer able to place a street name signpost at the intersection.

Ripley Avenue is due for rehabilitation, and the project is currently in the design phase. At this time, funding for the project only covers the installation of a necessary curb ramp on the existing curb line and repaving of the existing asphalt. The curb ramp may not be technically feasible, and reinstalling the existing asphalt berm may also not be possible. Staff is interested in extending the 2300 Ives Lane driveway apron to connect directly onto Ripley Avenue, provided there is cooperation from the property owner. This change would improve visibility and safety to existing conditions and would allow the City to add approximately 1,000 square feet of sidewalk space to reduce the eastbound Ripley to

Ives right-turn angle. However, the feasibility of this option is still unknown because the residential rehabilitation project is not funded to explore or construct these potential improvements.

The estimated cost to design and construct the proper concrete bulb-out and intersection improvements at Ripley, Ives, and Mackay is approximately $60,000 to $80,000, which includes both hard and soft costs associated with the changes. If budgeted, staff would incorporate this effort into the next Residential Street Rehabilitation project for Ripley Avenue, which is expected to be completed in the next two years.

CITY OF REDONDO BEACH
Budget Response Report

#44

June 9, 2026

Question:

How much traffic calming funding is available to support projects at crossing guard sites that will not be staffed in FY 2026-27? What specific traffic calming improvements can be implemented before the start of the next school year?

Response:

Recently, the City made modifications to its crossing guard program due to staffing challenges and budget constraints. For FY 2026-27, the budget includes funding for staffing 18 crossing guard locations, a reduction from the previous 27 locations. To mitigate the impact of this reduction, locations that will no longer have a crossing guard are being considered for operational and engineering improvements. Staff also plan to review and improve corner lot visibility and seek to remove potential obstructions.

In addition, the City is evaluating prospective traffic calming measures at 10 intersections to improve pedestrian safety. These measures include painted curb extensions and flexible bollards to highlight school area intersections and prevent vehicles from blocking daylighting zones, as well as left-turn calming treatments designed to reduce turning speeds and improve the channelization of turning movements.

The ten intersections under consideration are shown in the table below.

No.	Location	School Served	Proposed Measures
1	Julia & Serpentine	Alta Vista Elementary	184 LF white striping 1,000 SF painted curb extensions
2	Prospect & Knob Hill	Alta Vista Elementary	256 LF white striping 1,400 SF painted curb extensions
3	Beryl & Prospect	Beryl Heights Elementary	(8) yellow K71 bollards (2) sets of left-turn calming bumps
4	Harkness & Carlson	Jefferson Elementary	65 LF white striping 410 SF painted curb extension
5	Robinson & Vail	Lincoln Elementary	70 LF white striping 363 SF painted curb extension (1) set left-turn calming
6	Vincent & Lucia	Parras Middle	173 LF white striping 550 SF painted curb extension (2) sets left-turn calming
7	Prospect & Avenue G	St. Lawrence Martyr	188 LF white striping 784 SF painted curb extension (2) sets left-turn calming

No.	Location	School Served	Proposed Measures
8	Prospect & PV Blvd	Tulita Elementary	TBD
9	Ralston & Lilienthal	Washington Elementary /Adams Middle	550 LF striping removal 250 LF white striping 850 SF painted curb extensions

It is estimated that proposed installations at the 10 locations could be completed by City crews for approximately $100,000 in materials and $40,000 in labor. Because this work is in addition to regularly scheduled duties, it would be performed on an overtime basis. The Public Works Department's Street Maintenance Division Sign Shop, comprised of three trained staff members responsible for providing this type of service for the City, would complete the installations. Given that only 8 non-holiday weekends are available during the summer recess, staff anticipates being able to complete installation at 4 to 5 intersections before the start of the new school year, with the remaining locations completed by early October.

The City has a Traffic Calming/Safety Capital Improvement Program (CIP) project fund that is typically replenished each year to respond to resident requests, such as speed bumps, stop signs, and traffic calming measures. As of May 2026, the available project balance is $672,923. However, much of this amount is earmarked for previously approved projects that have yet to be encumbered by a purchase order (e.g. curb extensions on Emerald Street). That said, staff expects there to be sufficient remaining funds to support school area intersection safety treatments while still having a balance for undefined needs that come up in a typical year. Therefore, no additional funding would be needed beyond the recommended proposed appropriation to the Traffic Calming/Safety CIP project.

North Redondo Beach Bikeway

Staff is also considering traffic calming efforts in response to other requests aligned with broader student safety. These concerns have to do with street crossing safety associated with collisions along the North Redondo Beach Bikeway (NRBB), which is heavily used by students on their route to and from school. At this time, staff is exploring adding asphalt speed bumps on nearly all residential street approaches to the NRBB to decrease vehicular speeds. This would decrease the number and severity of collisions, as it would help slow vehicles and promote communication, such as eye-contact, between drivers, cyclists, and pedestrians to better determine right-of-way order at NRBB crossings.

The cost to install an asphalt speed bump at all ten feasible street approaches is approximately $60,000. These locations are Gates (2), Ruhland (2), Nelson (1), Vanderbilt (1), Carnegie (1), Rockefeller (1), Felton (1), and Perkins (1). NRBB crossings at Graham, Curtis, Mathews, and Voorhees are excluded and not recommended at this time due to lower pavement quality along those segments. Staff expects there will be sufficient funding in the Traffic Calming/Safety CIP project account to support these installations, should the proposed CIP funding be adopted. Additionally, the City is scheduled to slurry and/or rehabilitate the NRBB crossings at Nelson Avenue, Carnegie

Lane, and Perkins Lane this summer, with the potential for further improvement this Summer.

CITY OF REDONDO BEACH
Budget Response Report

#45

June 2, 2026

Question:
What is the status of the Police Department's Drone as a First Responder Program, and what are the plans for the evolution of the program to meet changing needs?

Response:
Since 2017, the Police Department has improved its response to emergency calls by integrating a Drone as First Responder (DFR) program into its tactical response capabilities. What began as a limited pilot effort has matured into an operational tool that now plays a meaningful role in the Police Department's frontline response.

Background
The DFR program originated in 2017, when the Police Department began testing whether drones could be dispatched to incidents and arrive on scene ahead of responding officers. In most instances, drones arrived at a location in under two minutes, often providing critical situational awareness prior to officers physically arriving on scene. This early success encouraged the Police Department to incorporate drones into routine use, embedding the equipment directly into the calls-for-service workflow.

Today, drones are regularly deployed as the first set of eyes on a wide range of incidents. Operated by trained and certified personnel, they stream live video to officers in the field, allowing responding units to make better informed decisions. In some cases, the aerial perspective has made it possible to resolve situations without sending officers at all, reducing unnecessary risk and improving efficiency. Rather than replacing traditional policing, the technology augments it by providing officers critical information sooner.

The Police Department has made a visible effort to build public trust around the program. Internal policies emphasize that drones are used reactively, in response to specific calls, and not for general surveillance. Safeguards around data use, camera positioning, and transparency, including public visibility into drone activity, have been central to developing and maintaining community support.

Advances in drone docking systems and dispatch integration are making it possible for drones to launch more quickly and with less manual intervention. In the future, drones may be dispatched almost instantaneously as a call is received, further reducing response times and enhancing situational awareness at the earliest stages of an incident.

Drone equipment is also improving, as newer drones offer longer flight times, better cameras, and enhanced thermal imaging, expanding their usefulness in a variety of

situations, from suspect searches to emergency response in low-visibility conditions. These capabilities open the door to broader applications, such as search-and-rescue operations, support during natural disasters, and coordination with fire and medical services.

Current Police Department Operations

At the inception of the DFR program, the Police Department contracted with Flying Lion, Inc. for the service. Given advancements in technology, the Police Department issued a Request for Information (RFI) for drone services in 2024 to evaluate options and received six responses. The Police Department selected Aerodome, Inc. (now a subsidiary of Flock Group, Inc.) due to its innovative features, superior capabilities, and commitment to securing FAA waivers for advanced "beyond visual line of sight" (BVLS) operation. In October 2024, the City Council approved an agreement with Aerodome to utilize their DFR platform that includes commercial drone equipment and sensors with proprietary technology including ground-based radar, radio frequency sensors, and ADS-B and remote ID data, to fly beyond visual line of sight. The agreement runs through 2027, with a base cost of $180,000 annually, which was set to increase to $275,000 annually once Aerodome received the FAA Certificate of Waiver for BVLS operation.

Since January 2025, the Police Department has conducted nearly 300 drone deployments, which is an impressive achievement given that the program operates only three days a week and relies on one in-house pilot, a sworn officer who has completed training to serve as a certified drone pilot. The drone is launched from the roof of the Beach Cities Health District (BCHD) building, per an existing License Agreement, and is operated by the in-house pilot from the City's Dispatch Center. In addition, a second person was required on the BCHD roof for visual line of sight observation. Despite this restrictive operating model, the program has proven exceptionally effective, demonstrating the significant operational value of real-time aerial support.

The DFR program ensures that officers on the ground receive timely and actionable intelligence. By providing real-time situational awareness, the DFR program enhances decision-making in the field and plays a critical role in reducing risks to personnel as they respond to potentially dangerous incidents.

Evolution of the DFR Program

Building on prior success, the Police Department plans to expand its cadre of certified drone pilots by sending additional sworn personnel to pilot training. Increased staffing will broaden availability and has the potential to allow the Police Department to support DFR operations up to seven days a week.

Additionally, Aerodome has now received the FAA Certificate of Waiver for BVLS operation, which eliminates the need for the Police Department to have a second person for visual observation.

Since April 18, 2026, the Police Department has staffed its DFR program seven days a week with a full-time sworn officer dedicated to drone operations. The Police

Department's fully autonomous drone system has eliminated the need for personnel to access the roof of the Beach Cities Health District (BCHD) facility for deployments, increasing both efficiency and safety. Since implementation, the DFR program has responded to 242 calls for service and assisted in locating 114 subjects. The drone has arrived on scene before patrol officers 54% of the time, with an average response time of just 98 seconds. Additionally, the DFR program has cleared 41 calls for service without the need to dispatch a patrol officer, allowing resources to remain available for higher-priority incidents. The DFR program has also supported the Fire Department on critical incidents, including a water rescue and a structure fire, further demonstrating the value of rapid aerial response technology in enhancing public safety operations.

Fiscal Impact

As part of the FY 2025-26 Budget, the City Council approved an ongoing appropriation of $180,000 for the base cost of the program in the Police Department's core operating budget. At that time, Aerodome was still working to secure the FAA Certificate of Waiver for BVLS operations.

With Aerodome securing its FAA Certificate of Waiver, the annual contract cost will increase to $275,000. Accordingly, the City Manager's Proposed Budget for FY 2026-27 includes Decision Package (#20) recommending an additional $95,000 in ongoing funding to support the fully operational DFR program provided by the enhanced Aerodome agreement.

CITY OF REDONDO BEACH
Budget Response Report

#46

June 9, 2026

Question:

How does the Police Department's Pier and Marine Enforcement Unit operate/deploy to support Pier and Harbor safety?

Response:

The Police Department's Pier and Marine Enforcement Unit (Pier Unit) helps keep the Redondo Beach Pier and King Harbor safe through a combination of waterfront patrols, law enforcement, emergency response, and public assistance. Operating from the Pier-area substation, officers maintain a visible presence on the Pier and in the Harbor, enforce boating and local ordinances, manage crowds during busy periods and special events, respond to incidents (e.g., medical emergencies, persons in the water, security threats), and coordinate closely with lifeguards, Fire-Rescue personnel, Harbor staff, and federal maritime agencies. This specialized unit provides rapid-response capabilities on both land and water, supporting the safety of residents, visitors, boaters, and businesses throughout the Waterfront area.

For the past five years, the Pier Unit has been staffed by a dedicated team consisting of one Sergeant and two Police Officers. The Sergeant works Thursday through Saturday from 6:00 am to 6:30 pm, while the two officers are assigned Friday through Sunday from 11:30 am to 12:00 am. Although the Police Departments' Summary of Personnel lists four sworn positions for the Pier Unit, actual staffing charges reflect current personnel levels, as the Department has not yet reached its authorized staffing of 98 sworn officers. As a result, available personnel have been prioritized to support core public safety functions and other specialized assignments, including patrol operations, traffic enforcement, and community-based policing units.

Funding for the Pier Unit is provided through the Tidelands and Uplands funds, which cover Pier personnel costs throughout the year. When a Sergeant or Officer assigned to the unit is unavailable due to a vacancy, those positions are not backfilled with overtime staffing. During periods when the Pier Unit experiences a staffing vacancy, the remaining assigned officer is generally paired with the adjacent Patrol Beat Officer to maintain operational effectiveness and continue providing a high level of public safety services throughout the Pier and Harbor area.

The Pier Unit, in conjunction with regular patrol officers, conducts a wide range of proactive enforcement and public safety activities, including high-visibility foot patrols, enforcement of dog, fishing, and bicycle regulations, graffiti abatement and enforcement operations, and periodic boat patrols throughout King Harbor. During the summer

months, when schools are not in session and visitor activity increases, School Resource Officers have supplemented Pier staffing to enhance visibility and public safety. During major holidays such as Memorial Day, 4th of July, and Labor Day, staffing is further augmented with an additional four to six Officers to accommodate larger crowds and support a safe environment for residents and visitors. Part-time Municipal Service Officers (MSOs) have also assisted with enforcement efforts when needed.

Since July 2025, assigned Pier personnel have maintained an active enforcement and public safety presence throughout the Pier and Harbor area. During this period, they have responded to a significant volume of incidents and proactively addressed community concerns through enforcement, education, and investigative activities. Pier personnel supported the following activity over the past 11 months:

- Responded to 1,623 calls for service
- Conducted 867 self-initiated investigatory stops
- Made 90 arrests
- Completed 275 police reports
- Issued 79 citations

During the same period, other supplemental Police Department personnel supported the following activity in the Pier area:

- Responded to 3,367 calls for service
- Conducted 1,869 self-initiated investigatory stops
- Made 165 arrests
- Completed 360 police reports
- Issued 514 citations

In total, the Department supported the following activity in the Pier area over the past 11 months:

- Responded to 4,990 calls for service
- Conducted 2,736 self-initiated investigatory stops
- Made 255 arrests
- Completed 635 police reports
- Issued 593 citations

These figures represent a significant portion (approximately 10%) of the Department's total police activity/response citywide. The below stats show citywide activity over the past 11 months without the Pier area included.

- Responded to 49,334 calls for service
- Conducted 19,136 self-initiated investigatory stops
- Made 1,628 arrests

- Completed 5,252 police reports
- Issued 6,074 citations

The statistics show that the Department provides significant enforcement in the Pier area not only from the assigned Pier Unit personnel, but through supplemental patrol efforts and other supporting resources. The Pier Unit's visible presence, proactive engagement, and rapid response capabilities are essential to addressing quality-of-life concerns, criminal activity, traffic and pedestrian safety issues, and the unique public safety challenges associated with a high-volume tourist destination.

Additionally, it should be noted that the Redondo Beach Police Detective Bureau provides comprehensive investigative support to the pier area by reviewing, conducting follow-up investigations, examining evidence, and filing cases generated by the activity outlined above. This represents a substantial commitment of investigative resources and underscores the broader organizational impact associated with incidents originating at the Pier.

Since May 2026, in response to ongoing concerns from the boating community regarding the enforcement of marine and water activities, the Unit has also strengthened its partnership with the Fire Department's Harbor Patrol Unit. Through cross-training efforts, personnel from both agencies work collaboratively to educate boaters, promote safe boating practices, and enforce applicable maritime safety regulations. This coordinated approach enhances both public safety and emergency response capabilities in the area and will continue in earnest during the waterfront's high season.

Fiscal Impact

Funding for the Pier Unit personnel is split roughly 50/50 between Uplands and Tidelands. The fully loaded cost for the current staffing level of four (4) full-time sworn personnel is approximately $1.5 Million.

Historically, the Uplands and Tidelands Funds have also supported the cost equivalent of one (1) full-time Community Services Officer II (CSO II) position for custody intake in the City Jail for arrestees from the Waterfront area. Based on the number of arrests generated in the Pier and Harbor area (roughly 13.5% of the citywide total) the CSO II position charged to the Uplands and Tidelands Funds is supported.

CITY OF REDONDO BEACH
Budget Response Report

#49

June 9, 2026

Question:
What is the cost to modify the pickleball court at Dale Page Park to address the uneven court surface?

Response:
The pickleball court at Dale Page Park was retrofitted onto an existing concrete surface in an effort to quickly provide this amenity at the park. Some players have complained that seams (expansion joints) between concrete panels are such that they degrade the quality of the games held at the park and have asked what can be done to address the issue.

Two alternatives have been considered. This first alternative would be the removal and replacement of the court using new concrete, surfacing and striping. This approach would result in courts similar to the quality of courts recently installed at Alta Vista Park and would result in an improved experience for quality competition. Because of the underlying use at the park by Southern California Edison Company (Edison), the court concrete would need to be 6-inches thick and steel reinforced. The budget level (order of magnitude) cost for demolition, concrete placement, surfacing and striping, and assuming 20% for soft costs is approximately $65,000.

A second alternative would be to install a rigid court surface on top of the existing concrete. These proprietary products are available through cooperative purchasing agreements (like Sourcewell) and could be procured directly. A sample of one such manufacturer's product is SportGame PB*. To protect the proprietary court surface from Edison and other service trucks, staff also recommends building a four-foot-high fence around the court. A simple chain link fence, with gates, is recommended for this purpose. The budget level (order of magnitude) cost for procurement, preparation of existing surface, installation, fencing, and soft costs (20%) is approximately $40,000.

Permission from Edison would be required for both the construction and addition of a fence. Securing permission for the fence from Edison is not guaranteed.

** Sport Court. "SportGame PB Sales Sheet." https://sportcourt.com/document/sportgame-pb-sales-sheet/*

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AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND DUDEK

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Dudek, 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. 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".

4. Insurance. Consultant shall adhere to the insurance requirements outlined in Exhibit “D”, unless otherwise waived by the City’s Risk Manager.

5. Agreement to Comply with California Labor Law Requirements. Consultant agrees to comply with all applicable California Labor Law Requirements as set forth in Exhibit "E".

* * * * *

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.

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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.

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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.

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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

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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, and employment 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

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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. Labor Law Requirements. In the event this project, or any portion thereof is deemed a "public work", 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. 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. 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,

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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.

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 Consultant.

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.

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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 Consultant, 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; Correction of Work. Consultant warrants that all products and work provided under this Agreement shall:

    a. be delivered with good title, free of liens and encumbrances;
    b. conform to the requirements of this Agreement;
    c. be free from defects in materials and workmanship; and
    d. be fit for their intended purpose.

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Unless otherwise specified, this warranty shall remain in effect for one (1) year from the date of delivery or acceptance by the City, whichever is later, except that consumable items shall be warranted for thirty (30) days.

If, within the applicable warranty period, any product or work is determined by the City to be defective or nonconforming, Consultant shall, upon City's written notice and at its sole cost and expense, promptly repair, correct, or replace such product or work, including all labor, supervision, materials, removal, reinstallation, and related costs. If Consultant fails to do so, the City may perform the work and Consultant shall reimburse the City for its reasonable costs. All corrected or replaced work shall be subject to the same warranty.

Nothing in this Section 33 shall limit Consultant's obligation to correct or replace defective work or Consultant's indemnity obligations under Section 14. The warranty set forth in this Agreement shall survive the termination or expiration of this Agreement and shall remain in full force and effect for the applicable warranty periods stated herein and under any assigned or passed through third-party manufacturer warranties.

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 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.

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

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IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 9th day of June, 2026.

CITY OF REDONDO BEACH,
a chartered municipal corporation

_____
James A. Light, Mayor

DUDEK,
a California corporation

Signed by:
Joseph Monaco
01A12CB5F28F42F...

By: _____
Name: Joseph Monaco
Title: President and CEO

ATTEST:

_____
Eleanor Manzano, City Clerk

APPROVED:

_____
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

_____
Joy A. Ford, City Attorney

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EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

A. PROJECT OVERVIEW

As requested by the City, Consultant shall provide professional engineering, planning, analysis, condition assessment, hydraulic modeling, capital planning, and technical services necessary to update the City of Redondo Beach Sewer System Management Plan (SSMP) in full compliance with State Water Resources Control Board Order No. WQ 2022-0103-DWQ and all applicable federal, state, and local regulations. The service shall integrate SSMP compliance with a comprehensive and focused sewer system evaluation, establishing a robust and defensible technical foundation for operations, maintenance, condition assessment, capacity assurance, SCADA review, pump station assessment, and prioritized 5-, 10-, and 20-year Capital Improvement Program (CIP) planning.

The SSMP update shall incorporate applicable industry guidance, including the Bay Area Clean Water Agencies (BACWA) Guide for Developing and Updating Sewer System Management Plans, or agreed upon equivalent system, and shall document how the City evaluates, prioritizes, operates, maintains, and invests in its wastewater collection system. The work shall be performed as a consultant-led technical and planning effort. No construction services or survey is included, except for field inspection, CCTV inspection coordination, flow monitoring, field verification, and related field support expressly described in this contract exhibits.

Consultant shall provide all labor, supervision, subconsultant coordination, technical analysis, quality control, and deliverables required to complete the services described herein. Consultant shall not perform optional services, extra work, or services outside the authorized scope without prior written authorization from the City in accordance with the Agreement.

B. SCOPE OF WORK

Consultant shall perform the full scope of services necessary to complete the SSMP update and related sewer system evaluation. The scope of work shall include, without limitation, the following tasks:

Task 1 - Project Kickoff and Work Plan: Project initiation, one in-person kickoff meeting, confirmation of project objectives, public engagement strategy, communication protocols, schedule coordination, data management workflows, review milestones, and detailed Work Plan development.

Task 2 - Data Collection, CCTV Inspection, Flow Monitoring, and Field Verification: Collection and review of available City data, including existing SSMP materials, audits, GIS data, CCTV records, maintenance records, SSO records, pump station information, SCADA data, SmartCover data, and other available documents; development of a risk-

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based targeted CCTV inspection program; CCTV coordination; PACP-based condition coding; condition summary reporting; integration of inspection findings into GIS and asset management data; flow monitoring planning and field verification to support hydraulic modeling and capacity analysis. For fee purposes, flow monitoring is based on six locations for six weeks with one rain gauge.

Task 3 - SSMP Update: Update of all eleven SSMP elements in accordance with the Order and applicable BACWA guidance, including measurable key performance indicators (KPIs), implementation recommendations, draft documents, comment responses or redline revisions, and final SSMP documents suitable for City review, City Council consideration, adoption, and future compliance documentation.

Task 4 - Operations and Maintenance Program Evaluation and Update: Evaluation and update of the City Operations and Maintenance (O&M) Program, including staffing, training, equipment, standard operating procedures, preventive maintenance, documentation, performance monitoring, gap identification, and O&M KPI development.

Task 5 - System Evaluation, Capacity Assurance, and Capital Improvements: System evaluation and capacity assurance planning, including data analysis, hydraulic model development, model calibration, existing and buildout capacity assessment, wet-weather and dry-weather scenarios, climate resilience considerations, pump station capacity and condition evaluation, SCADA system integration review, GIS asset review, and conveyance rehabilitation and replacement program development.

Task 6 - 5-, 10-, and 20-Year Capital Improvement Program: Development of a prioritized 5-, 10-, and 20-year CIP, including planning-level cost estimates, project phasing, budget integration, and sewer fee impact considerations for planning purposes.

Task 7 - Project Management, Meetings, Training, and Deliverables Management: Project management, schedule and budget tracking, coordination, quality assurance and quality control, up to 30 biweekly status and milestone meetings, City Council and Public Works Commission meeting support, staff training, implementation support, and deliverables management

C. PROJECT PHASES

The project shall be performed in the five general phases identified below. Phases may overlap as necessary for efficient project delivery; however, the sequencing of phases shall not limit Consultant’s obligation to complete all tasks, services, and deliverables required by this Exhibit and the Agreement.

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Phase	Contract Tasks	Main Work and Milestone
Phase 1 - Initiation	Tasks 1 and 7	Kickoff, data request, communication protocols, public engagement approach, and Work Plan. Milestone: City-approved Work Plan.
Phase 2 - Condition Assessment	Tasks 2, 5.1, and 5.6	Risk-based CCTV planning, PACP coding, condition/risk summaries, and GIS or asset updates. Milestone: City review of CCTV and condition summary.
Phase 3 - Flow Monitoring and Modeling	Tasks 2 and 5.2	Flow monitoring, field verification, model calibration, and existing/buildout capacity analysis. Milestone: capacity workshop and modeling memorandum.
Phase 4 – Condition Assessment and generate the CIP plan	Tasks 5.3 through 5.7 and Task 6	Pump station, SCADA, climate resilience, rehabilitation, replacement, and capacity recommendations. Milestone: draft 5-, 10-, and 20-year CIP.
Phase 5 - SSMP and Implementation	Tasks 3, 4, 6, and 7	Final SSMP, O&M updates, KPIs, training, public meeting support, final CIP, and closeout files. Milestone: City acceptance of final deliverables.

D. TASKS AND ACTIVITIES

Consultant shall complete the following tasks and activities within the project phases described above. Consultant shall coordinate all subconsultant work, field work, technical analyses, quality control, and deliverable preparation necessary to complete the services. Consultant shall not perform optional or out-of-scope services without prior written authorization from the City.

TASK 1: PROJECT KICKOFF AND WORK PLAN

a. Conduct minimum one in-person project kickoff meeting with City staff to establish project goals, confirm scope, identify available data, and define deliverables.
b. Prepare a detailed Work Plan, including project schedule, staffing assignments, communication protocols, data management procedures, public engagement strategy, and deliverable review milestones.

TASK 2: SYSTEM DATA COLLECTION, CCTV INSPECTION, AND EXISTING CONDITIONS ASSESSMENT

Consultant shall perform a comprehensive data collection and baseline system assessment to support SSMP updates, hydraulic modeling, condition assessment, and

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CIP development. This task includes a targeted and prioritized CCTV inspection program.

2.1 Existing Data and Document Review

Perform a comprehensive review of the City's current SSMP and all supporting documentation to establish a baseline understanding of system operations and compliance status. Documents to be reviewed shall include, but are not limited to:

a. Review all relevant system data including SSMP documents, audits, GIS data, CCTV records, SCADA data, and maintenance records.
b. Obtain the City's available GIS data and notify the City of any missing, incomplete, or conflicting information requiring City direction.
c. Conduct staff interviews to document system knowledge.
d. Identify data gaps and compliance deficiencies.
e. Evaluate existing programs, staffing, and maintenance practices.

2.2 Targeted CCTV Inspection Program

Consultant shall develop and implement a risk-based, targeted CCTV inspection program to support system condition assessment, hydraulic modeling calibration, and CIP development.

a. Development of a defensible prioritization methodology to identify pipeline segments for CCTV inspection based on the following criteria:
    i. Age, material, and diameter
    ii. SSO history and maintenance records
    iii. Known hot spots
    iv. Tributary criticality
    v. Hydraulic model sensitivity
    vi. Risk of failure considerations
b. Coding and rating of inspected pipelines in accordance with NASSCO PACP standards.
c. Identification of structural defects, O&M deficiencies, root intrusion, infiltration/inflow indicators, and capacity-related observations.
d. Integration of CCTV findings into the City's GIS database and asset management system.
e. Preparation of a CCTV Summary Report documenting segments inspected, PACP ratings, defect types and severity, recommended follow-up actions, and risk categorization

Consultant may use Aquanuity's AquaTwin Asset platform, or another City-approved platform, to support conveyance risk modeling and project prioritization. Consultant shall provide usable outputs, supporting datasets, and documentation sufficient for City review and future use.

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For fee purposes, the CCTV inspection allowance is based on an estimated unit cost of $2.72 per linear foot and a maximum allowance of $1,000,000. Final inspection coverage, segment selection, and phasing shall be based on City-approved risk-based prioritization, available inspection data, field accessibility, traffic control requirements, and the authorized budget. The City may direct priorities within the authorized budget, and unused allowance amounts shall not be billed.

2.3 Flow Monitoring and Field Verification

a. Perform flow monitoring at key locations to support hydraulic model calibration. For fee purposes, flow monitoring is based on six locations for six weeks with one rain gauge
b. Evaluate available SmartCover and SCADA information to support model calibration, flow allocation, and capacity analysis. SmartCover flow measurements shall not be used as the sole basis for model calibration if inadequate for that purpose.
c. Conduct field verification of system connectivity and infrastructure.
d. Notify the City of missing, incomplete, inconsistent, or unreliable data and document assumptions used in the analysis.

Task 2 establishes the technical foundation for SSMP Element 8, hydraulic modeling, and CIP development.

TASK 3: SSMP UPDATE

Consultant shall update all eleven (11) SSMP elements in compliance with SWRCB Order No. WQ 2022-0103-DWQ and BACWA guidance.

The updated SSMP shall include the following elements:

1. Goals & System Introduction: Reflect current system conditions, regulatory requirements, and program objectives.
2. Organization: Update staffing structure, roles, responsibilities, and authority for SSMP implementation
3. Legal Authority: Review ordinances, enforcement mechanisms, and regulatory compliance requirements, make recommendations for necessary updates.
4. Operations & Maintenance Program: Update maintenance practices, staffing resources, equipment inventory, preventive maintenance schedules, and cost efficiency strategies as defined in Task 4.
5. Design & Performance Provisions: Update design standards, performance criteria, and infrastructure reliability requirements.
6. Spill Emergency Response Plan (recently updated): Review spill response procedures, reporting requirements, and regulatory notification protocols, make recommendations for necessary updates.
7. Sewer Pipe Blockage Control Program (former FOG Program): Update FOG management, cleaning programs, and hotspot mitigation strategies.

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8. System Evaluation, Capacity Assurance, Capital Improvements: Incorporate condition assessment results, hydraulic modeling findings, climate resilience evaluation and Capital Improvement planning as defined in the Task 5.
9. Monitoring, Measurement, Program Modifications: Update performance monitoring procedures, KPIs, and adaptive management strategies.
10. Internal Audits: Review audit procedures, compliance verification methods, and corrective action tracking, make recommendations for necessary updates.
11. Communication: Update public outreach, stakeholder coordination, and regulatory reporting procedures.

Consultant shall develop and maintain a project schedule and provide monthly progress reports to the City's Project Manager. Consultant shall submit editable draft documents for City review, address City comments to the City's reasonable satisfaction, and prepare final documents suitable for City Council consideration and adoption. For fee purposes, all staff interviews and meetings performed as part of this task are assumed to be conducted virtually, unless otherwise directed and approved by the City.

TASK 4. OPERATIONS AND MAINTENANCE (O&M) PROGRAM EVALUATION AND UPDATE

Consultant shall valuate, update, and enhance the City's O&M Program in accordance with State Water Resources Control Board Order No. WQ 2022-0103-DWQ, including:

1. Evaluate and update the City's O&M Program, including preventive maintenance, inspection and cleaning programs, pump station and force main maintenance procedures, equipment inventory, staff training programs, emergency response procedures, maintenance documentation, and interdepartmental coordination.
2. Identify gaps between current City practices, regulatory requirements, and industry recommended practices.
3. Update and standardize O&M procedures, including preventive maintenance schedules, inspection frequencies, Standard Operating Procedures (SOPs), maintenance documentation, blockage prevention programs, and risk-based maintenance prioritization.
4. Evaluate staffing levels, training requirements, equipment resources, and operational capabilities necessary to support SSMP implementation and long-term system maintenance; provide recommendations for improvements.
5. Develop O&M KPIs to evaluate program effectiveness, including maintenance completion rates, cleaning cycle performance, equipment reliability, emergency response performance, maintenance-related SSO trends, hotspot mitigation effectiveness, and staff training performance.
6. Enhance O&M implementation and monitoring procedures, including program update procedures, compliance tracking tools, and staff training support.

For Fee purposes, all staff interviews and meetings performed as part of this task are assumed to be conducted virtually, unless otherwise directed and approved by the City.

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TASK 5. SYSTEM EVALUATION, CAPACITY ASSURANCE (SCAP), AND CAPITAL IMPROVEMENTS

Consultant shall perform a comprehensive assessment of the City's wastewater conveyance, pumping, and SCADA systems to evaluate current condition and capacity and identify areas of concern and/or defects. This includes reviewing and analyzing CCTV, SCADA, SSO, and GIS data, and conducting pump station field inspections as needed. The assessment will support the development of prioritized system improvements and ensure the SSMP meets the requirements of SWRCB Order No. WQ 2022-0103-DWQ.

The updated SCAP follow a format consistent with the existing SCAP, including the following sections: Executive Summary; Study Area; Criteria; Wastewater Collection System; Pump Stations; Hydraulic Models and Capacity Analysis; and Condition Assessment or approved format by the City.

5.1 Data Collection and Analysis

Consultant shall collect, review, and evaluate available system data to establish baseline system condition and performance, including:

1. Review and evaluate the City's wastewater conveyance, pumping, and SCADA systems.
2. Develop a tiered condition assessment approach using CCTV inspection records, manhole inspection data, SCADA performance data for pumps and flow rates, GIS-based asset inventory, staff interviews, and known hot spot locations.
3. Recommend standardized condition rating criteria and a prioritization framework for repairs and replacement of conveyance, pumping, and control systems.
4. Update the City's existing GIS system with new or corrected findings for sanitary sewer infrastructure elements, including pipes, manholes, lift stations, and easements; assess conditions of sanitary sewer infrastructure; determine capacities of existing facilities; identify high-risk SSO locations and capacity deficiencies; and develop a new hydraulic model.
5. Conduct necessary site visits and provide the data collection needed to support SSMP updates.

5.2 Capacity Assessment and Design Criteria

Consultant shall evaluate the hydraulic capacity of the City’s wastewater collection system and develop a calibrated hydraulic model to support capacity assessment, future planning, and CIP recommendations. This work shall include the following:

1. Develop a calibrated hydraulic model by using AquaTwin Sewer modeling software or alternative platforms approved by the city .
2. Evaluate dry and wet-weather flow conditions using available flow monitoring data and SCADA records. Where data gaps exist, assess the feasibility of supplemental flow monitoring, including potential use of smart manholes or modified monitoring installations.

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3. Include up to four extended period simulation (EPS) hydraulic modeling scenarios: Existing Dry Weather, Existing Wet Weather, Buildout Dry Weather, and Buildout Wet Weather
4. Identify capacity-constrained segments based on peak flow, infiltration/inflow trends, and future growth projections.
5. Incorporate General Plan land use projections and climate resilience scenarios into hydraulic modeling.
6. Provide recommendations for capacity upgrades, including timelines and estimated costs.

Task 5.3 – Pump Station Capacity and Condition Evaluation

Consultant shall evaluate pump stations for hydraulic capacity, serviceability, and operational reliability. The Consultant shall:

1. Perform field inspections of all pump stations and review serviceability conditions (note: five pump stations have been rebuilt within the past five years and will require limited review).
2. Evaluate mechanical, electrical, and structural conditions and analyze station capacity under existing dry weather, wet weather, peak flow, and projected build-out conditions to identify capacity constraints, reliability, and redundancy deficiencies.
3. Recommend rehabilitation, replacement, or relief improvements for identified capacity or serviceability deficiencies.
4. Prepare a comprehensive Capital Improvement Program (CIP) project summary addressing existing and future system needs.
5. Develop planning-level capital cost estimates for recommended improvements.

Prioritize improvement projects based on hydraulic analyses, serviceability condition, current planning, and growth projections.

For fee purposes, pump station field inspections assume approximately 10 pump stations requiring full inspection, 5 requiring limited inspection, and 3 requiring confined space entry. Lift station assessments shall be visual/sensory only unless otherwise authorized in writing. No flow testing, destructive testing, electrical testing, pump removal, facility shutdowns, wet well pump-down, or bypass operation is included unless separately authorized in writing by the City.

Sewer bypass operations, bypass pumping, temporary pumping systems, bypass design, bypass installation, bypass monitoring, and related bypass support services are not included in this scope of work. If bypass-related services are determined to be necessary, Consultant shall notify the City in writing and obtain prior written authorization before performing such services. Any authorized bypass-related services shall be addressed in accordance with the Agreement.

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Task 5.4: Update Wastewater System Assets in GIS database

Consultant shall review inventory of the City's wastewater system assets and update the existing database, as needed.

Task 5.5 – SCADA System Integration Review

1. Provide a high-level desk evaluation of thecurrent SCADA system capabilities r at each sewer pump stations/ lift stations, including flow metering , based on review of all available SCADA system data, records, System information and access information provided or made available by the City.
2. Coordinate with the City's SCADA consultant, Morrow Meadows, to review current system functionality, data availability, and future SCADA considerations related to SSMP compliance. Identify SCADA data gaps, limitations, operational risks, and system constraints that may affect monitoring, alarm response, SSO prevention, regulatory compliance, or future capital planning.
3. Recommend enhancements to SCADA system architecture or telemetry to support real-time system monitoring, data logging, and early warning capabilities for SSO prevention and to ensure consistency between lift station sites in support of these items related to SSMP compliance.
4. Provide a prioritized roadmap for SCADA upgrades with estimated implementation costs.
5. Promptly notify the City of any missing, incomplete, inconsistent, or unusable SCADA information that may affect the work. Any additional investigation, field verification, programming, integration, or system testing not expressly included in this scope shall require prior written authorization from the City

Any additional investigation, field verification, programming, integration, or system testing not expressly included in this scope shall require prior written authorization from the City.

Task 5.6 – Conveyance Rehabilitation and Replacement Program

Consultant shall develop a prioritized Conveyance Rehabilitation and Replacement Program based on condition assessment findings, hydraulic performance evaluation, and risk-based asset management principles. The program shall identify recommended corrective actions to improve system reliability, reduce the potential for sanitary sewer overflows (SSOs), and extend the service life of wastewater conveyance infrastructure, including but not limited to:

1. Develop and document a defensible prioritization methodology for defective pipeline segments, incorporating condition ratings, hydraulic capacity, pipe material and age, structural defects, location criticality, tributary service area, historical maintenance and SSO records, and overall risk of failure considerations.

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2. Evaluate and recommend appropriate rehabilitation or replacement alternatives for defective pipeline segments, including spot repairs, trenchless rehabilitation methods, full pipeline replacement, or other feasible corrective measures.
3. Prepare segment-level (manhole to manhole) repair and replacement recommendation reports and drawings identifying pipeline characteristics, defect locations, proposed repair method, and supporting technical justification
4. For each recommended rehabilitation or replacement project, provide:
    a. Description and justification of the recommended corrective action
    b. Planning-level construction cost estimate, including appropriate escalation factors
    c. Recommended implementation year or phasing schedule
    d. Risk ranking based on likelihood and consequence of failure
5. Incorporate public health protection, environmental compliance, regulatory requirements, and SSO risk reduction considerations into prioritization and recommended improvements.
6. Coordinate rehabilitation and replacement recommendations with hydraulic capacity improvement projects and CIP planning efforts.
7. Provide all repair and replacement recommendation drawings and supporting documentation in compatible electronic file formats.

Task 5.7 – Prepare climate resilience plan

Consultant shall identify system vulnerabilities and integrate mitigation strategies into the SSMP and CIP.

TASK 6. CAPITAL IMPROVEMENT PROGRAM (CIP)

Consultant shall update the existing CIP to prioritize improvement projects. The Consultant shall evaluate system resiliency and recommend improvements for critical wastewater infrastructure and shall recommend estimated timing of needed improvements and phasing.

Consultant shall:

1. Develop 5-, 10-, and 20-year CIP.
2. Provide cost estimates and implementation schedules.
3. Prioritize projects based on system risk and performance.
4. Support financial planning and rate considerations.

The updated SSMP shall identify and prioritize recommended improvements, including present-worth cost summaries and implementation schedules to address identified deficiencies. Subject to City direction, Consultant shall provide sewer fee impact considerations, including user fees and capital facility fees, for planning purposes.

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TASK 7. PROJECT MANAGEMENT, TRAINING, AND DELIVERABLES

7.1 Project Management and Coordination

Consultant shall provide overall project management, coordination, reporting, and deliverable preparation necessary to support completion of Tasks 1 through 6 and successful SSMP adoption. Services include:

1. Conduct a project kickoff meeting with City staff.
2. Conduct up to 30 virtual biweekly status and milestone meetings, unless otherwise directed by the City. Meetings shall review progress, schedule, data needs, deliverables, issues requiring City direction, budget status, and upcoming work.
3. Attend and present at one (1) City Council meeting and one (1) Public Works Commission meeting, as requested by the City.

7.2 Training and Implementation Support

Consultant shall Provide training and implementation support to assist City staff with long-term program sustainability and regulatory compliance. Training shall be conducted at City Hall with field visits as needed. For budgeting purposes, assume two (2) four-hour training sessions provided as lunch-and-learn sessions for up to eight (8) staff members each. Training shall include:

1. SSMP compliance and implementation procedures.
2. O&M program updates and performance monitoring.
3. Hydraulic modeling interpretation and capacity planning.
4. CIP prioritization and implementation planning.

Training sessions shall be provided in-person and shall include supporting training materials and reference documentation.

E. DELIVERABLES

The Consultant shall prepare and submit deliverables supporting completion of all project tasks, including:

1. CCTV inspection plan, CCTV summary reports, PACP-coded CCTV data, condition assessment outputs, risk ranking datasets, and GIS-compatible asset updates.
2. Flow metering plan, flow monitoring data summary, hydraulic model files, model calibration documentation, and capacity analysis technical memorandum.
3. Draft SSMP, draft SSMP with redlines or response to comments, and final SSMP in editable Word and PDF formats.
4. O&M Program Evaluation, updated O&M procedures/manual materials, staffing evaluation, and KPI framework.

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5. Pump station capacity and condition assessment technical memorandum, pump station rehabilitation recommendations, and prioritized pump station CIP summaries.
6. SCADA Evaluation technical memorandum and prioritized SCADA upgrades recommendations.
7. Conveyance Rehabilitation and Replacement technical memorandum, segment-level recommendation reports, supporting drawings, and planning-level cost estimates.
8. Climate resilience plan and mitigation recommendations integrated into the SSMP and CIP.
9. 5-, 10-, and 20-year CIP Report, including prioritization tables, mapping exhibits, planning-level cost estimates, phasing, and financial planning support.
10. Training materials and implementation guidance documentation.

All deliverables shall be provided in editable formats and GIS-compatible file types, as applicable. Final SSMP, technical reports, and manuals shall include three (3) hard copies and electronic Word and PDF versions. Hydraulic models, CCTV data, and supporting digital files shall be provided on three (3) external hard drives or equivalent digital media, unless otherwise approved by the City.

F. PERFORMANCE SCHEDULE

Consultant shall perform the work in accordance with the schedule in Exhibit B and the City-approved Work Plan. Consultant shall update the project schedule as part of monthly progress reporting and shall notify the City in writing of any issue that may affect schedule, scope, budget, field work, deliverables, or regulatory milestones.

G. PERFORMANCE REQUIREMENTS

Consultant shall perform all services in accordance with generally accepted professional engineering and planning practices and standards applicable to wastewater collection system planning and SSMP compliance.

Consultant shall comply with applicable federal, state, and local requirements, including SWRCB Order No. WQ 2022-0103-DWQ, applicable City standards, applicable safety requirements, and applicable data and records requirements.

Consultant shall perform quality assurance and quality control before submitting deliverables to the City.

CCTV inspection data shall be coded and rated in accordance with NASSCO PACP standards, unless otherwise approved by the City.

Consultant shall coordinate with City departments, operations staff, Morrow Meadows, subconsultants, and other parties identified by the City as necessary to complete the work.

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Consultant shall obtain City approval before performing field work that requires City coordination, public notification, access to City facilities, or use of City data beyond the approved scope.

Consultant shall protect City records and data and shall provide editable native files and GIS-compatible deliverables as required by this Exhibit.

H. REPORTING REQUIREMENTS

Consultant shall provide monthly progress reports with each invoice identifying work completed, work planned for the next period, schedule status, budget status, issues requiring City direction, and deliverables submitted or pending.

Consultant shall conduct up to 30 virtual biweekly status and milestone meetings, assumed virtual unless otherwise directed by the City.

Consultant shall maintain action item logs, comment response tracking, and deliverable review records as reasonably requested by the City.

Consultant shall promptly notify the City of data gaps, field conditions, schedule concerns, cost concerns, or technical findings that may affect SSMP compliance, hydraulic modeling, condition assessment, or CIP recommendations.

I**. ROLES AND RESPONSIBILITIES**

Consultant responsibilities:

Provide qualified personnel and approved subconsultants to perform the services described in this Exhibit.

Manage subconsultants, field inspection coordination, quality control, schedule, budget, deliverable preparation, and final document production.

Prepare all required deliverables and incorporate City comments before final submission.

Coordinate with City staff, Morrow Meadows, subconsultants, and other approved parties as needed to complete the work.

Maintain project records, supporting calculations, data files, and technical documentation.

City responsibilities:

The City will provide available data, records, GIS files, existing SSMP materials, maintenance information, and staff knowledge reasonably necessary for Consultant to perform the services.

The City will provide timely review comments, meeting availability, access coordination, and direction regarding priorities and policy decisions.

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The City will coordinate access to City facilities and field locations, as needed and available.

The City will provide the most current and accurate sewer system maps and data as available.

The City will provide written authorization before Consultant performs extra work, optional work, or work that exceeds the authorized scope or budget.

J. ACCEPTANCE CRITERIA

The City will determine that deliverables meet the requirements of this Agreement when, in the City's reasonable judgment, the deliverables are complete, technically supportable, responsive to the approved scope, consistent with applicable regulatory requirements, and revised to address City comments. Acceptance shall be based on the following criteria:

1. Deliverables are complete, organized, editable, and provided in the required electronic and hard-copy formats.
2. Deliverables address the applicable task requirements, performance requirements, and City review comments.
3. Technical memoranda, modeling outputs, GIS deliverables, CCTV summaries, and CIP recommendations include supporting data, assumptions, cost estimates, prioritization criteria, and documentation sufficient for City review and future use.
4. The final SSMP is suitable for City Council consideration and adoption and supports compliance with Order No. WQ 2022-0103-DWQ.

Final acceptance of any deliverable does not waive the City's rights under the Agreement or relieve Consultant of responsibility for corrections required under the Agreement.

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EXHIBIT "B"

TERM AND TIME OF COMPLETION

TERM. This Agreement shall commence on June 02, 2026 and shall continue through June 01, 2029, unless otherwise terminated as herein provided. Thereafter, this Agreement shall automatically renew for two subsequent one-year term(s) subject to the same terms and conditions contained herein, at the sole discretion of the City, provided the City Engineer submits written notice of renewal to the Consultant at least fifteen (15) days prior to the expiration of the then-current term. In no event shall the duration of this Agreement continue beyond three years from the commencement date unless both parties execute a written amendment.

PERFORMANCE SCHEDULE

Consultant shall complete the tasks, activities, and deliverables identified in Exhibit A in accordance with the City-approved Work Plan and the performance schedule below. The schedule may be refined by mutual written approval of the City Project Manager and Consultant, provided that any such refinement shall not increase the total compensation or extend the Agreement term without a written amendment.

Milestone / Phase	Target Schedule	Required Activities / Deliverables
Notice to Proceed / Agreement Commencement	June 2, 2026	Agreement effective date.
Phase 1 - Project Initiation and Strategic Work Planning	July 2026	Kickoff meeting, data request, data review, public engagement strategy, and Work Plan.
Phase 2 - Risk-Based Condition Assessment	June 2027	CCTV inspection plan, risk model, targeted CCTV coordination, condition assessment workshops, and GIS data integration.
Phase 3 - Flow Monitoring and Modeling	June 2027	Flow monitoring, model build, calibration, capacity analysis, and capacity review workshop.
Phase 4 - Integrated Evaluation and Risk-Based CIP	Dec 2027	Pump station assessment, SCADA evaluation, conveyance rehabilitation program, climate resilience plan, CIP workshops, and draft CIP recommendations.
Phase 5 - SSMP Update and Program Implementation	Jan 2028	Draft SSMP, draft redline/revisions, O&M updates, KPI framework, training, City Council and Public Works Commission support, and final deliverables.
Project Closeout	Feb 2028	Final submittals, electronic files, hard copies, models, GIS-compatible files, and closeout documentation.

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EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT.** Consultant shall be compensated on a time-and-materials basis in accordance with the hourly rates, task budgets, subconsultant allowances, and other direct cost allowances set forth below. In no event shall the total compensation paid to Consultant under this Agreement exceed One Million Seven Hundred Ninety-Nine Thousand Two Hundred Eighty Dollars ($1,799,280) without prior written authorization by the City.

   Task budgets are established for project management and invoice tracking purposes. Consultant shall not exceed the total not-to-exceed amount, and shall not materially modify the scope, add optional services, or perform extra work unless authorized in writing by the City in accordance with the Agreement.

Task	Description	Total Fee
Task 1	Project Kickoff and Work Plan	$18,790
Task 2	Data Collection, CCTV Inspection, and Flow Metering	$1,114,870
Task 3	SSMP Update	$17,350
Task 4	O&M Program Evaluation and Update	$19,320
Task 5	System Evaluation, Capacity Assurance, Capital Improvements	$501,450
Task 6	5-, 10-, and 20-Year CIP Plans	$28,840
Task 7	Project Management, Meetings, Training, and Deliverables	$98,660
Total		$1,799,280

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2. **REIMBURSABLE EXPENSE**. Reimbursable expenses are included in the total not-to-exceed amount stated above and are limited to the other direct cost allowances identified in the Consultant fee estimate, unless otherwise approved in writing by the City. Consultant shall obtain prior written approval from the City for any out-of-pocket expense that is not included in the approved task budget or other direct cost allowance. Consultant shall submit receipts and documentation for all reimbursable expenses as part of the invoice. Reimbursable expenses shall not increase the total not-to-exceed amount.

3. **REIMBURSABLE EXPENSE**. In the event unforeseen conditions or circumstances arise in connection with the services described in Exhibit A, including but not limited to additional CCTV inspection needs, additional flow monitoring, added field verification, additional meetings, expanded modeling scenarios, expanded GIS updates, or additional technical analysis, Consultant shall notify the City and submit a written estimate for any proposed additional work. Any such work shall be authorized only by written change order or written amendment pursuant to General Provisions Section 7 of the Agreement. Any use of task budgets, subconsultant allowances, or reimbursable expense allowances shall not increase the total compensation payable to Consultant beyond $1,799,280 during the term of this Agreement unless approved by written amendment.

4. **METHOD OF PAYMENT**. Consultant shall submit a monthly invoice for services performed in the prior month. Each invoice shall indicate the dates of service, description of services performed, staff title, hourly rate, number of hours worked, task number, location of the service if applicable, subconsultant cost, reimbursable expense, corresponding amount, and total amount. Invoices must be itemized, adequately detailed, based on accurate records, and, if applicable, shall attach subconsultant invoices, reimbursable expense approvals, and expense receipts. Invoices must be in a form reasonably satisfactory to the City. Consultant may be required to provide backup material upon request.

   ☒ For Task-Based Services: For services that are only partially completed within a month or billing period, the City will make prorated payments based on the percentage of completion, as reasonably determined by the City in consultation with Consultant. The percentage of completion shall be calculated as the value of satisfactorily completed work measured by deliverables, progress reports, or other agreed-upon metrics divided by the total value of the task. Consultant shall provide supporting documentation, which may include time logs, progress updates, or partial deliverables. Any remaining balance is payable upon full completion of the task and approval by the City in accordance with Section 5 below.

5. **SCHEDULE FOR PAYMENT**. City will pay within 45 days of receiving Consultant's monthly invoice, provided the work is proceeding to the City's reasonable satisfaction and the invoice is complete and adequately documented. Payments

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shall not exceed the authorized task budgets and total not-to-exceed amount. The City may withhold amounts in good-faith dispute to the maximum extent permitted by law until the dispute is resolved.

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

Consultant: Dudek
687 S. Coast Highway 101, Suite 110
Encinitas, CA 92024
Attention: Joseph Monaco
Email: Jmonaco@dudek.com

City: City of Redondo Beach
Public Works Department
Engineering Services Division
415 Diamond Street
Redondo Beach, CA 90277
Attention: 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.

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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 shall 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 of $4,000,000 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.

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

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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 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.

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.

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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.

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EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Consultant acknowledges that the project as defined in this Agreement 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. Consultant shall perform all work on the project as a public work. Consultant 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, Consultant 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. Consultant acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Consultant shall post such rates at each job site covered by this Agreement.

5. Consultant 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 Consultant 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 Consultant or by any subcontractor.

6. Consultant shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Consultant 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. Consultant 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. Consultant shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Consultant 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, Consultant and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

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8. 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. The 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 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 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 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, Consultant 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, Consultant shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Consultant 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. 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 to pay his or her workers the specified prevailing rate of wages. Consultant shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Consultant shall indemnify, hold harmless, and defend (at Consultant'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 Consultant, 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.

Certificate Of Completion

Envelope Id: F2477FF5-9457-875D-8108-686A2B33EDE6
Status: Completed
Subject: Sewer System Management Plan Upcate
Source Envelope:
Document Pages: 33
Signatures: 1
Certificate Pages: 4
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Envelope Originator:
Agiloft-Docusign
687 S Coast Highway 101, Suite 110
Encinitas, CA 92024
contracts@dudek.com
IP Address: 3.234.120.207

Record Tracking

Status: Original
6/4/2026 11:04:30 AM
Holder: Agiloft-Docusign
contracts@dudek.com
Location: DocuSign

Signer Events	Signature	Timestamp
Joseph Monaco jmonaco@dudek.com President and Chief Executive Officer Dudek Security Level: Email, Account Authentication (None)	Signed by: Joseph Monaco 61A12CB5F28F42F... Signature Adoption: Pre-selected Style Using IP Address: 2600:1008:b151:1e24:ccd4:3cdf:149d:18dd Signed using mobile	Sent: 6/4/2026 11:05:43 AM Viewed: 6/4/2026 11:47:45 AM Signed: 6/4/2026 11:47:57 AM

Electronic Record and Signature Disclosure:
Accepted: 6/4/2026 11:47:45 AM
ID: 2b3369be-b06f-44a7-848e-ebe10fe5d48e

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	6/4/2026 11:05:43 AM
Certified Delivered	Security Checked	6/4/2026 11:47:45 AM
Signing Complete	Security Checked	6/4/2026 11:47:57 AM
Completed	Security Checked	6/4/2026 11:47:57 AM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Ingram Micro OBO PCM Sales Inc. OBO Dudek (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Ingram Micro OBO PCM Sales Inc. OBO Dudek:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: bnordmann@dudek.com

To advise Ingram Micro OBO PCM Sales Inc. OBO Dudek of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at bnordmann@dudek.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Ingram Micro OBO PCM Sales Inc. OBO Dudek

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to bnordmann@dudek.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Ingram Micro OBO PCM Sales Inc. OBO Dudek

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to bnordmann@dudek.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Ingram Micro OBO PCM Sales Inc. OBO Dudek as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Ingram Micro OBO PCM Sales Inc. OBO Dudek during the course of your relationship with Ingram Micro OBO PCM Sales Inc. OBO Dudek.