

**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 June 9, 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 inurrence 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

SUNWEST ENGINEERING CONSTRUCTORS,
INC., a California corporation

Dated: _____

Dated: 6/2/2026 | 1:15 PM PDT

By: _____
James A. Light, Mayor

Signed by:

By: _____
Micaela Kissick, Corporate Secretary
Telephone: 909-536-6554

ATTEST:

Eleanor Manzano, City Clerk

APPROVED:

Emergency Phone Number at which Contractor
can be reached at any time:
Micaela Kissick, Corporate Secretary
Telephone: 909-536-6554

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Joy A. Ford, City Attorney

* 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



ADDITIONAL REMARKS SCHEDULE

AGENCY IOA Insurance Services	License # 0E67768	NAMED INSURED Sunwest Engineering Constructors, Inc. 4780 Cheyenne Way Chino, CA 91710
POLICY NUMBER SEE PAGE 1		
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 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.

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

- (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.

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 –**

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.

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.

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.

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.

- 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.

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 or 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.

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.

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.

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".

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.

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.

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.



**ENDORSEMENT AGREEMENT
WAIVER OF SUBROGATION
BLANKET BASIS**

HOME OFFICE
SAN FRANCISCO

9243819

ALL EFFECTIVE DATES
AT 12:01 AM PACIFIC
STANDARD TIME OR THE
TIME INDICATED AT
PACIFIC STANDARD TIME

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

ENDORSEMENT AGREEMENT
CERTIFICATE HOLDERS' NOTICE



9243819
RENEWAL
SP
4-76-97-91
PAGE 1

HOME OFFICE
SAN FRANCISCO

EFFECTIVE DECEMBER 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

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.

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.

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

- 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**.

- 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.

**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.