

**THIRD AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND MELAD AND ASSOCIATES, INC.**

THIS THIRD AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES (“Third Amendment”) is made between the City of Redondo Beach, a chartered municipal corporation (“City”) and Melad and Associates, Inc., a California corporation (“Consultant” or “Contractor”).

WHEREAS, on July 15, 2025, the parties entered into the Agreement for Consulting Services between the City and Consultant (the “Agreement”);

WHEREAS, on December 2, 2025, the parties entered into the First Amendment to the Agreement (“First Amendment”) to increase Consultant’s compensation limit to \$340,000;

WHEREAS, on February 10, 2026, the parties entered into the Second Amendment to the Agreement (“Second Amendment”) to increase Consultant’s compensation limit to \$500,000; and

WHEREAS, the parties desire to amend the Agreement.

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

1. **COMPENSATION.** Exhibit “C” of the Agreement, as amended by Exhibits “C-1” and “C-2”, is hereby amended to add Exhibit “C-3” to increase Consultant’s total compensation limit by \$500,000, setting a new limit of \$1,000,000. Exhibit “C-3” is attached hereto and incorporated by this reference. Consultant shall continue to be compensated for the services described in Exhibit “A” of the Agreement.
2. **NO OTHER AMENDMENTS.** Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment, Second Amendment, and this Third Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, and this Third Amendment, the terms of this Third Amendment shall govern.

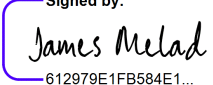
SIGNATURES ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Third Amendment in Redondo Beach, California, as of this 12th day of May, 2026.

CITY OF REDONDO BEACH,
a chartered municipal corporation

MELAD AND ASSOCIATES, INC.,
a California corporation

James A. Light, Mayor

Signed by:

By: _____
Name: James Melad
Title: President
5/6/2026 | 3:46 PM PDT

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Joy A. Ford, City Attorney

EXHIBIT “C-3”

COMPENSATION

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

- I. **AMOUNT.** For any plan reviews, inspections, or additional onsite services requested by the City on or after July 16, 2025, the payment structure outlined in Sections I.A and I.B of this Exhibit “C-3” shall apply.

Any plan reviews, inspections, and additional services associated with those plan reviews and inspections, that were assigned by the City prior to July 16, 2025, regardless of whether such services are still ongoing, shall be compensated in accordance with the terms of the Agreement between the City and Consultant dated April 2, 2024.

- A. Plan Review Services. If City assigns Consultant to provide plan review services, Consultant shall be paid 60% of the plan check fees collected by the City for each assigned project, except where hourly rates apply as set forth in the tables below.

The applicable plan checks fees are established by the City’s Master Fee Schedule, as adopted and as may be amended from time to time by the City Council.

Consultant shall be responsible for accessing the plan check fee details for each assigned project through the City’s online portal at redondobeachca.portal.iworq.net, and for using that information to determine the 60% allocation, as further described in Section III of this Exhibit “C-3”.

TYPE OF REVIEW	FEES
Complete Plan Review	60% of the fee established by the City (Plan review fees include the initial review and two additional re-checks). Additional hourly rate of \$90 will apply after the third review.
Accelerated Plan Review	Will be charged only when requested by the City, at the regular fee plus an additional 50% of the plan check fee.

Upon City’s prior written request and in lieu of complete building plan checks, separate model code checks may be approved by the City. The following fully burdened rates shall apply.

<i>*In lieu of complete building plan checking, requests may be approved for separate model code checks, and fees may be applied accordingly.</i>	
Electrical/Title 24	\$90 per hour.
Mechanical/Title 24	\$90 per hour.
Plumbing	\$90 per hour.
Grading Plan Review	60 % of the fees to be established by the City or \$90 per hour with a minimum fee of \$360.

** Certain services, including additional plan review beyond the third re-check and model code checks, may be billed at hourly rates as specified in the foregoing tables. Where both a percentage based and hourly rate are referenced (e.g., Grading Plan Review), compensation shall be the lesser of the two methods.*

- B. Inspections and Additional Onsite Services. For any onsite services described in Sections I.B and I.C of Exhibit “A” of the Agreement, Consultant shall be compensated at the full burdened hourly rates set forth below:

On Site Staffing and Capability and Rate Per Hour

Staffing Fee Schedule

*Charges are based on a minimum four hours upon each request of service.

*Overtime hourly rates are based on a minimum of four hours upon each request of service. The hourly overtime rate is an additional 50% per hour.

POSITION	HOURLY RATE
Certified Building Official	\$150 per hour
In-House Plan Check Engineer	\$120 per hour
MEP Plan Reviewer	\$100 per hour
Combination Building Inspector	\$90 per hour
Senior Building Inspector	\$100 per hour
Permit/Plan Technician	\$90 per hour
CASp/Fire Plan Checker	\$100 per hour

- C. Travel Time Non-Compensable. Consultant shall not invoice for, and shall not be entitled to receive any compensation for time spent traveling to or from any location, including but not limited to project sites, meetings, or the City’s offices. All travel time shall be deemed part of the Consultant’s overhead and included within the fully burdened hourly rates or fixed fees set forth in this Exhibit “C-3”. This restriction applies regardless of distance traveled, mode of transportation, or time of day.

- II. **NOT TO EXCEED AMOUNT.** Notwithstanding the foregoing, in no event shall the total amount paid to Consultant exceed \$1,000,000 under the Agreement and any amendments hereto.

- III. **METHOD OF PAYMENT.** Consultant shall submit monthly invoices, based on the services performed in the preceding month, for City approval and payment. Invoices must be itemized and include:

- A. Project identification
- B. Total plan check fee collected by the City
- C. Consultant's 60% share of that collected amount.
- D. Number and type of reviews performed
- E. Date of service.
- F. Staff title.
- G. Type of review.
- H. Applicable hourly rate (if applicable).
- I. Number of hours worked (if applicable).
- J. Corresponding amount.
- K. Total amount.
- L. Any City approved subcontractor invoices.

Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Consultant may be required to provide back-up material upon request.

- IV. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within forty-five (45) days of receipt of the invoice; provided, however, that the services are completed to the City's full satisfaction and there is no dispute over the amount.
- V. **NOTICE.** Written notices to City and Consultant shall be given by email, registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Consultant: Melad and Associates, Inc.
8907 Warner Ave, Ste 161
Huntington Beach, CA 92646
Attention: James Melad
Email: Jmelad@meladinc.com

City: City of Redondo Beach
Community Development Department, Building Division
415 Diamond Street
Redondo Beach, CA 90277
Attention: Mercedes Amely Program Coordinator
Email: mercedes.amely@redondo.org

All notices, including notices of address changes, provided under the Agreement, as amended, are deemed received as follows: (1) on the second business day after emailing, provided that no "bounce-back" or similar message indicating non-delivery is received; (2) on the third day after mailing if sent by registered or certified mail; or (3) upon personal delivery. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party in accordance with this section.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

Except as otherwise stated in this endorsement, the terms and conditions of the Policy apply.

A. The following is added to Section C. WHO IS AN INSURED:

Designated Person Or Organization

a. The person(s) or organization(s) shown in the Declarations as Additional Insured – Designated Person Or Organization is also an additional insured, but only with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations; or

(2) In connection with your premises owned by or rented to you.

b. If coverage provided to these additional insureds is required by a written contract or written agreement, or when required by a written permit issued by a state or governmental agency or subdivision or political subdivision, the insurance afforded to these additional insureds will not be broader than that which you are required by the contract, agreement, or permit to provide for these additional insureds.

c. The insurance afforded to these additional insureds only applies to the extent permitted by law.

B. With respect to the insurance afforded such additional insured(s) by this endorsement, the following additional exclusion is added to Section B. EXCLUSIONS:

This insurance does not apply to “bodily injury” or “property damage” included within the “products-completed operations hazard”.



- (1) You or any additional insured under this Coverage Part that is an individual;
- (2) Any partner, if you or an additional insured under this Coverage Part is a partnership;
- (3) Any manager, if you or an additional insured under this Coverage Part is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or an additional insured under this Coverage Part is a corporation;
- (5) Any trustee, if you or an additional insured under this Coverage Part is a trust; or
- (6) Any elected or appointed official, if you or an additional insured under this Coverage Part is a political subdivision or public entity.

This Paragraph f. applies separately to you and any additional insured under this Coverage Part.

3. Legal action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom a claim is made or "suit" is brought.

5. Representations

a. When You Accept This Policy

By accepting this Policy, you agree:

- (1) The statements in the Declarations are accurate and complete;
- (2) Those statements are based upon representations you made to us; and
- (3) We have issued this Policy in reliance upon your representations.

b. Unintentional Failure To Disclose Hazards

If unintentionally you should fail to disclose all hazards relating to the conduct of your business at the inception date of this Coverage Part, we shall not deny any coverage under this Coverage Part because of such failure.

6. Other Insurance

If other valid and collectible insurance is available for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk, Owner Controlled Insurance Program or OCIP, Contractor Controlled Insurance Program or CCIP, Wrap Up Insurance or similar coverage for "your work";



(2) Premises Rented To You

That is fire, lightning or explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(3) Tenant Liability

That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **B.** Exclusions.

(5) Property Damage To Borrowed Equipment Or Use Of Elevators

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **k.** of Section **B.** Exclusions.

(6) When You Are Added As An Additional Insured To Other Insurance

That is other insurance available to you covering liability for damages arising out of the premises or operations, or products and completed operations, for which you have been added as an additional insured by that insurance; or

(7) When You Add Others As An Additional Insured To This Insurance

That is other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this Coverage Part:

(a) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract, written agreement or permit that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in **c.** below.

(b) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

Paragraphs **(a)** and **(b)** do not apply to other insurance to which the additional insured has been added as an additional insured.

When this insurance is excess, we will have no duty under this Coverage Part to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2)** The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.



If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. Transfer Of Rights Of Recovery Against Others To Us

a. Transfer Of Rights Of Recovery

If the insured has rights to recover all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expenses Coverage.

b. Waiver Of Rights Of Recovery (Waiver Of Subrogation)

If the insured has waived any rights of recovery against any person or organization for all or part of any payment, including Supplementary Payments, we have made under this Coverage Part, we also waive that right, provided the insured waived their rights of recovery against such person or organization in a contract, agreement or permit that was executed prior to the injury or damage.

F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purpose of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purpose of attracting customers or supporters is considered an advertisement.
2. "Advertising idea" means any idea for an "advertisement".
3. "Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.
4. "Auto" means:
 - a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.However, "auto" does not include "mobile equipment".
5. "Bodily injury" means physical:
 - a. Injury;
 - b. Sickness; or
 - c. Diseasesustained by a person and, if arising out of the above, mental anguish or death at any time.
6. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above;
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or