

**THIRD AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND SECTRAN SECURITY, INCORPORATED**

THIS THIRD AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("Third Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Sectran Security, Incorporated, a California corporation ("Contractor" or "Consultant").

WHEREAS, on July 5, 2022, the parties entered into the Agreement for Project Services between the City and Contractor (the "Agreement"); and

WHEREAS, on March 21, 2023, the parties entered into the First Amendment to the Agreement (the "First Amendment"); and

WHEREAS, on February 20, 2024, the parties entered into a Second Amendment to the Agreement (the "Second Amendment"); and

WHEREAS, the parties desire to amend the Agreement to effectuate a fee increase and update the notice provisions.

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

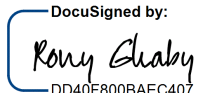
1. **COMPENSATION.** Exhibit "C" of the Agreement, as amended by Exhibits "C-1" and "C-2", is hereby further amended to add Exhibit "C-3", which stipulates a five (5%) percent increase in the fee for cash processing and transportation effective May 1, 2025, and updates the notice provisions. Exhibit "C-3" is attached hereto and incorporated by this reference. Contractor shall continue to be compensated for the services described in Exhibit "A" of the Agreement.
2. **INSURANCE REQUIREMENTS FOR CONTRACTORS.** Exhibit "D" of the Agreement is hereby amended to add Exhibit "D-1", which sets forth revised minimum insurance requirements for the Contractor, including increased general liability limits. Exhibit "D-1" is attached hereto and incorporated by this reference. Contractor shall comply with the insurance requirements described in Exhibit "D-1".
3. **NO OTHER AMENDMENTS.** Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment, Second Amendment, and this Third Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, Second Amendment, and this Third Amendment, the terms of this Third Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this Third Amendment in Redondo Beach, California, as of this 15<sup>th</sup> day of July, 2025.

CITY OF REDONDO BEACH,  
a chartered municipal corporation

SECTRAN SECURITY, INCORPORATED,  
a California corporation

\_\_\_\_\_  
James A. Light, Mayor

DocuSigned by:  
  
DD40F800BAEC407...  
By: Rony Ghaby  
Name: \_\_\_\_\_  
Title: Director of Operations

ATTEST:

APPROVED:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Joy A. Ford, City Attorney

**EXHIBIT “C-3”**  
**COMPENSATION**

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

1. **AMOUNT.** Contractor shall be paid as follows. The fees listed below reflect a five percent increase over the fees in Exhibit “C-2”.

- a. Scheduled Pick and Delivery Days. Effective May 1, 2025, Contractor shall be paid in accordance with the table set forth below.

<b>SECTRA BRANCH</b>	<b>UNIT # / LOCATION</b>	<b>FEE for SERVICE</b>
Pico	<u>City of Redondo Beach</u> <u>1922 Artesia Blvd.</u> <u>Redondo Beach, CA. 90277</u>	\$188.66 per month Plus, Gas surcharge
	<u>City of Redondo Beach</u> <u>715 Julia Street</u> <u>Redondo Beach, CA. 90277</u>	\$198.79 per month Plus, Gas surcharge
	<u>City of Redondo Beach</u> <u>200 Portofino Way</u> <u>Redondo Beach, CA 90277</u>	\$31.76 per day Plus, Gas surcharge

- b. Non Scheduled Pick and Delivery Days. Contractor shall be paid \$40.43 a day for any nonscheduled pickup and delivery day.
- c. Gas Surcharge. Contractor may adjust the monthly fuel fee based on average California diesel prices as measured and published by the Department of Energy ([WWW.EIA.DOE.GOV](http://WWW.EIA.DOE.GOV)). Contractor’s established baseline is \$1.31. Any cost above the \$1.31 baseline cost will be adjusted on a monthly basis by 0.5% on price movements of 10 cents per gallon (i.e., if diesel prices rise to \$1.41, the corresponding fuel fee is increased by 0.5%). Each party will be able to monitor and keep track of the adjustments easily. The fuel fee rate change reflected on the invoice will be based on national average diesel prices published on the Department of Energy Website. The calculation is the average of the California prices for the first four Mondays of the month rounded to the next cent. The table is for reference only and as such, does not reflect the maximum rate which might be assessed.

<b>Minimum</b>	<b>Maximum</b>	<b>Per Gallon</b>	<b>Fee (%)</b>
\$4.91	\$5.00	\$0.10	18.00%
\$4.81	\$4.90	\$0.10	17.50%
\$4.71	\$4.80	\$0.10	17.00%
\$4.61	\$4.70	\$0.10	16.50%
\$4.51	\$4.60	\$0.10	16.00%
\$4.41	\$4.50	\$0.10	15.50%
\$4.31	\$4.40	\$0.10	15.00%
\$4.21	\$4.30	\$0.10	14.50%
\$4.11	\$4.20	\$0.10	14.00%
\$4.01	\$4.10	\$0.10	13.50%
\$3.91	\$4.00	\$0.10	13.00%
\$3.81	\$3.90	\$0.10	12.50%
\$3.71	\$3.80	\$0.10	12.00%
\$3.61	\$3.70	\$0.10	11.50%
\$3.51	\$3.60	\$0.10	11.00%
\$3.41	\$3.50	\$0.10	10.50%
\$3.31	\$3.40	\$0.10	10.00%
\$3.21	\$3.30	\$0.10	9.50%
\$3.11	\$3.20	\$0.10	9.00%
\$3.01	\$3.10	\$0.10	8.50%
\$2.91	\$3.00	\$0.10	8.00%
\$2.81	\$2.90	\$0.10	7.50%
\$2.71	\$2.80	\$0.10	7.00%
\$2.61	\$2.70	\$0.10	6.50%
\$2.51	\$2.60	\$0.10	6.00%
\$2.41	\$2.50	\$0.10	5.50%
\$2.31	\$2.40	\$0.10	5.00%
\$2.21	\$2.30	\$0.10	4.50%
\$2.11	\$2.20	\$0.10	4.00%

Minimum	Maximum	Per Gallon	Fee (%)
\$2.01	\$2.10	\$0.10	3.50%
\$1.91	\$2.00	\$0.10	3.00%
\$1.81	\$1.90	\$0.10	2.50%
\$1.71	\$1.80	\$0.10	2.00%
\$1.61	\$1.70	\$0.10	1.50%
\$1.51	\$1.60	\$0.10	1.00%
\$1.41	\$1.50	\$0.10	0.50%
\$1.31	\$1.40	\$0.10	0.00%

2. **METHOD OF PAYMENT.** Contractor shall provide monthly invoices indicating the services and tasks performed during the prior month to City for approval and payment. Invoices must provide, location of the branch, date of services, fee for service, amount of gas surcharge (receipt must be attached). Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.
3. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty days of its receipt of the monthly invoice.
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid, or personally served, and addressed to or personally served on the following parties.

Contractor:      Sectran Security, Incorporated  
7633 Industry Avenue  
Pico Rivera, CA 90660  
Attention: Darius Barfatani

City:              City of Redondo Beach  
Community Services Department  
1922 Artesia Blvd.  
Redondo Beach, CA 90278  
Attention: Kelly Orta

All notices, including notices of address changes, provided under this Agreement are deemed received as follows: (1) on the third day after mailing if sent by registered or certified mail; or (2) upon personal delivery. Changes in the respective address set

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

## **EXHIBIT “D-1”**

### **INSURANCE REQUIREMENTS FOR CONTRACTORS**

Without limiting Contractor’s indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

#### **Minimum Scope of Insurance**

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers’ Compensation insurance as required by the State of California.

Employer’s Liability Insurance.

#### **Minimum Limits of Insurance**

Contractor shall maintain limits no less than:

General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The \$4 million general aggregate limit shall apply separately to this project. An umbrella policy may be used to provide additional liability coverage, so long as the combined General Liability coverage (General Liability and umbrella) is at least \$2,000,000.

General Aggregate: \$4,000,000 per occurrence for bodily injury, personal injury, and property damage. The General Aggregate limit shall apply separately.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer’s Liability: \$1,000,000 per accident for bodily injury or disease.

#### **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

### Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

#### Additional Insured Endorsement:

**General Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

**Automobile Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

#### Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.



### Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

### Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

### Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.



SECTR-1

OP ID: JS

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/20/2024

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

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

<b>PRODUCER</b> Associated Insurance Services 106 West Main Street P.O. Box 630 Plainville, CT 06062-0630 Associated Insurance Services		<b>860-793-9601</b>		<b>CONTACT NAME:</b> Associated Insurance Services	
				<b>PHONE (A/C, No, Ext):</b> 860-793-9601	<b>FAX (A/C, No):</b> 860-747-3580
				<b>E-MAIL ADDRESS:</b>	
				<b>INSURER(S) AFFORDING COVERAGE</b>	
				<b>NAIC #</b>	
				<b>INSURER A:</b> Philadelphia Insurance Company	
				<b>INSURER B:</b> The Hartford	
				<b>INSURER C:</b> AXIS Insurance Company	
				<b>INSURER D:</b> SiriusPoint Specialty Insuranc	
				<b>INSURER E:</b> Lloyds	
				<b>INSURER F:</b>	

<b>INSURED</b> Sectran Security, Inc. 7633 Industry Avenue Pico Rivera, CA 90660					
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## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
<b>A</b>	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>		PHPK2624827	11/22/2024	11/22/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. \$ 1,000,000
<b>B</b>	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>		02ABOI4326	11/22/2024	11/22/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
<b>C</b>	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$	<input checked="" type="checkbox"/>		P-001-000991666-03	11/22/2024	11/22/2025	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
<b>B</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	02WEOI4328	11/22/2024	11/22/2025	<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
<b>D</b>	<b>Excess Umbrella</b>			TXS-000245-34	11/22/2024	11/22/2025	\$2MExcess 3,000,000
<b>E</b>	<b>Cash in Transit</b>			B1161 K24U1711	08/27/2024	08/27/2025	CIT Limit 1,000,000

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

## CERTIFICATE HOLDER

## CANCELLATION

City of Redondo Beach City Hall 415 Diamond Street Redondo Beach, CA 90277	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE Associated Insurance Services

**NOTEPAD:**

HOLDER CODE

SECTR-1

PAGE 2

INSURED'S NAME Sectran Security, Inc.

OP ID: JS

Date 11/20/2024

The City, Its officers, elected and appointed officials, employees, and volunteers shall be covered as additional insureds with respect to general liability, auto liability and excess liability coverage for work performed by or on behalf of the contractor. Coverage is on a primary and non contributory basis. 30 Day notice of cancellation required for any policy.