

**CITY OF REDONDO BEACH
CITY COUNCIL AGENDA
Tuesday, October 4, 2022**

415 DIAMOND STREET, REDONDO BEACH

CITY COUNCIL CHAMBER

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

**4:30 PM- CLOSED SESSION- ADJOURNED REGULAR MEETING-
CANCELLED**

6:00 PM- OPEN SESSION- REGULAR MEETING

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

TO WATCH MEETING LIVE ON THE CITY'S WEBSITE:

<https://redondo.legistar.com/Calendar.aspx>

*Click "In Progress" hyperlink under Video section of meeting

TO WATCH MEETING LIVE ON YOUTUBE:

<https://www.youtube.com/c/CityofRedondoBeachIT>

TO JOIN THE MEETING VIA ZOOM (FOR PUBLIC INTERESTED IN SPEAKING. OTHERWISE, PLEASE SEE ABOVE TO WATCH/LISTEN TO MEETING):

Register in advance for this meeting:

https://us02web.zoom.us/webinar/register/WN_oOko8tCcTXCgWIN-7k5Ejg

After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON THE WEBSITE AGENDA PAGE:

<https://redondo.granicusideas.com/meetings>

1) Public comments can be entered before and during the meeting.

2) Select a SPECIFIC AGENDA ITEM to enter your comment;

3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.

4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record. Comments may be

read out loud during the meeting.

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

4:30 PM - CLOSED SESSION - ADJOURNED REGULAR MEETING- CANCELLED

6:00 PM - OPEN SESSION - REGULAR MEETING

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. SALUTE TO THE FLAG AND INVOCATION**
- D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS**
 - D.1. [COMMENDATION TO CHIEF KEITH KAUFFMAN FOR HIS SERVICE TO THE CITY](#)**
 - D.2. [PRESENTATION BY JEFFERY KIERNAN FROM THE LEAGUE OF CALIFORNIA CITIES OF THE 2022 HELEN PUTNAM AWARD FOR EXCELLENCE TO THE CITY OF REDONDO BEACH FOR THE ENHANCED RESPONSE TO HOMELESSNESS PROGRAM](#)**
- E. APPROVE ORDER OF AGENDA**
- F. AGENCY RECESS**
 - F.1. [REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY](#)
CONTACT: LORI YAMASAKA, ACTING FINANCE DIRECTOR**
 - F.2. [PARKING AUTHORITY - REGULAR MEETING - CANCELLED](#)
CONTACT: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR**
- G. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**

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

 - G.1. [For Blue Folder Documents Approved at the City Council Meeting](#)**
- H. CONSENT CALENDAR**

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Mayor or any City Council Member may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up

under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion. The Mayor will call on anyone wishing to address the City Council on any Consent Calendar item on the agenda, which has not been pulled by Council for discussion. Each speaker will be permitted to speak only once and comments will be limited to a total of three minutes.

H.1. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF OCTOBER 4, 2022

CONTACT: ELEANOR MANZANO, CITY CLERK

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

CONTACT: ELEANOR MANZANO, CITY CLERK

H.3. PAYROLL DEMANDS

CHECKS 28532-28556 IN THE AMOUNT OF \$24,099.42, PD. 9/30/22
DIRECT DEPOSIT 254226-254756 IN THE AMOUNT OF \$1,974,878.43, PD. 9/30/22
EFT/ACH \$7,582.23, PD. 7/22/22 (PP2215)
EFT/ACH \$367,848.91, PD. 7/26/22 (PP2215)
EFT/ACH \$7,582.23, PD. 8/5/22 (PP2216)
EFT/ACH \$362,287.30, PD. 8/16/22 (PP2216)

ACCOUNTS PAYABLE DEMANDS

CHECKS 105466-105650 IN THE AMOUNT OF \$1,902,905.88
EFT CALPERS MEDICAL INSURANCE \$370,403.62
DIRECT DEPOSIT 100006450-100006546 IN THE AMOUNT OF \$83,700.18, PD.9/30/22

CONTACT: LORI YAMASAKA, ACTING FINANCE DIRECTOR

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

1. APPROVE AN AGREEMENT WITH SECTRA SECURITY, INC. FOR ARMORED VEHICLE SERVICES TO SECURE THE PICKUP OF CASH AND CHECKS FROM CITY HALL AND DELIVER THEM TO THE BANK AT A MONTHLY RATE OF \$480 PLUS GAS SURCHARGES (FOR AN ESTIMATED EXPENDITURE FOR FY 2022-23 OF \$8,000) FOR THE TERM OCTOBER 17, 2022 TO OCTOBER 16, 2023 WITH TWO AUTOMATIC ONE-YEAR EXTENSIONS

CONTACT: LORI YAMASAKA, ACTING FINANCE DIRECTOR

H.5. EXCUSE ABSENCES OF COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS.

CONTACT: ELEANOR MANZANO, CITY CLERK

H.6. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2210-073, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASSIFICATIONS FOR THE POSITION OF HUMAN RESOURCES MANAGER

CONTACT: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

H.7. ADOPT BY TITLE ONLY RESOLUTION NO CC-2210-074, A RESOLUTION OF THE

CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE DEFERRED COMPENSATION PLAN, PLAN NUMBER 301863 TO DECREASE THE AGE FOR AN IN SERVICE WITHDRAWAL FROM AGE 70 ½ TO 59 1/2

CONTACT: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

- H.8.** AMEND THE REDONDO BEACH MUNICIPAL CODE RELATING TO COMPENSATION FOR THE POSITIONS OF MAYOR, CITY COUNCILMEMBER AND CITY CLERK

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3244-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.905 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE MAYOR FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3245-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.906 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY COUNCIL FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3246-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.902 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY CLERK FOR INTRODUCTION AND FIRST READING

CONTACT: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

- H.9.** APPROVE A FOURTH AMENDMENT TO THE AGREEMENT WITH ARDURRA GROUP, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE REDONDO BEACH TRANSIT CENTER PROJECT, JOB NO. 20120 FOR AN ADDITIONAL AMOUNT OF \$60,000 FOR THE EXISTING TERM

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

- H.10.** APPROVE A FOURTH AMENDMENT TO THE AGREEMENT WITH PLACEWORKS, INC. FOR CONSULTING SERVICES ASSOCIATED WITH THE GENERAL PLAN UPDATE FOR AN ADDITIONAL \$325,039 TO BE FUNDED BY THE GENERAL PLAN MAINTENANCE FUND FOR A NEW TOTAL AMOUNT NOT TO EXCEED \$1,761,647 AND TO EXTEND THE TERM TO DECEMBER 31, 2023 WITH AN OPTION TO RENEW THROUGH DECEMBER 31, 2024

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

- H.11.** APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH LISA PADILLA DBA CITYWORKS DESIGN FOR PREPARATION OF OBJECTIVE RESIDENTIAL DESIGN STANDARDS TO EXTEND TO THE CONTRACT TERM THROUGH MARCH 31, 2023 WITH NO CHANGE TO THE ORIGINAL NOT TO EXCEED AMOUNT OF \$139,955 WHICH IS FULLY REIMBURSED BY SB2 GRANT FUNDS

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

- H.12. APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH VERONICA TAM AND ASSOCIATES, INC. FOR SERVICES RELATED TO THE 6TH CYCLE HOUSING ELEMENT UPDATE AND PREPARATION OF AN INCLUSIONARY HOUSING ORDINANCE FOR AN ADDITIONAL AMOUNT OF \$1,500 FOR A NEW NOT TO EXCEED AMOUNT OF \$173,890 AND TO EXTEND THE TERM THROUGH MARCH 31, 2023
CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR
- H.13. APPROVE A THIRD AMENDMENT TO THE AGREEMENT WITH INTERWEST CONSULTING GROUP, INC. FOR PLAN CHECK CONSULTING SERVICES FOR AN ADDITIONAL AMOUNT OF \$25,000 AND A NEW TOTAL NOT TO EXCEED AMOUNT OF \$165,000 FOR THE EXISTING TERM THROUGH FEBRUARY 8, 2024
CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR
- H.14. APPROVE AMENDMENTS TO THE AGREEMENTS FOR TRAFFIC STRIPING SERVICES WITH SUPERIOR PAVEMENT MARKINGS AND WGJ ENTERPRISES, INC., DBA PCI CORPORATION, TO INCREASE THE ANNUAL NOT TO EXCEED AMOUNTS OF EACH AGREEMENT FROM \$54,000 TO \$479,000 AND TO ADD UNIT PRICING FOR PAINTED BICYCLE LANES
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR
- H.15. APPROVE AN AMENDMENT TO THE AGREEMENT WITH E.J. WARD, INC. AND SIMPLYFUEL SOLUTIONS, LLC. FOR FUEL VIEW SOFTWARE FOR A ONE-TIME COST OF \$35,209.54 AND AN ANNUAL COST OF \$8,268 FOR A NEW NOT TO EXCEED AMOUNT OF \$108,109.29 FOR THE TERM OCTOBER 4, 2022 TO JANUARY 2, 2026 WITH AN OPTION TO EXTEND FOR TWO ADDITIONAL YEARS
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR
- H.16. APPROVE AN AGREEMENT WITH SLATER WATERPROOFING, INC. TO RECOAT THE TOP LEVEL OF THE PIER PARKING STRUCTURE, FOR A COST TO THE HARBOR UPLANDS FUND NOT TO EXCEED \$41,724
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR
- H.17. APPROVE THE PURCHASE AND INSTALLATION OF ONE CUMMINS ENGINE FOR FIRE ENGINE/PUMPER E-62 FOR A TOTAL COST NOT TO EXCEED \$65,000 FROM CUMMINS SALES AND SERVICES
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR
- H.18. APPROVE A TWO-YEAR AGREEMENT WITH CJ CONCRETE CONSTRUCTION, INC. TO PROVIDE SIDEWALK REPLACEMENT SERVICES FOR A TOTAL COST NOT TO EXCEED \$375,000
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR
- H.19. APPROVE THE PURCHASE OF FOUR 2023 POLICE VEHICLES FROM NATIONAL AUTO FLEET GROUP FOR USE BY THE POLICE DEPARTMENT'S PATROL DIVISION FOR A TOTAL COST OF \$289,775.43
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

- H.20.** [APPROVE PLANS AND SPECIFICATIONS FOR THE CITYWIDE SLURRY SEAL PROJECT, PHASE 3, JOB NO. 41140 AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE PROJECT FOR COMPETITIVE BIDS](#)

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

- H.21.** [APPROVE AN AGREEMENT WITH VECTOR RESOURCES, INC. TO PURCHASE AND INSTALL SIXTEEN ADDITIONAL CITY SURVEILLANCE CAMERAS AND PROVIDE SYSTEM-WIDE CAMERA MAINTENANCE FOR AN AMOUNT NOT TO EXCEED \\$125,733.50 FOR THE TERM OCTOBER 5, 2022 THROUGH SEPTEMBER 21, 2025](#)

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

- H.22.** [ADOPT BY 4/5THS VOTE AND BY TITLE ONLY RESOLUTION NO. CC 2210-075 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, MODIFYING THE ADOPTED BUDGET FOR FISCAL YEAR 2022-23 TO ACCEPT \\$291,354 IN 2021 STATE HOMELAND SECURITY PROGRAM GRANT FUNDS](#)

[APPROVE A SUBRECIPIENT AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR THE ACCEPTANCE OF STATE HOMELAND SECURITY PROGRAM 2021 GRANT FUNDING](#)

CONTACT: JOE HOFFMAN, CHIEF OF POLICE

- H.23.** [APPROVE A MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY \(LAHSA\) FOR EMERGENCY HOUSING VOUCHER \(EHV\) REFERRALS FROM JULY 1, 2021 THROUGH SEPTEMBER 30, 2023](#)

CONTACT: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

I. EXCLUDED CONSENT CALENDAR ITEMS

J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

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

- J.1.** [For eComments and Emails Received from the Public](#)

K. EX PARTE COMMUNICATIONS

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

L. PUBLIC HEARINGS

- L.1.** [PUBLIC HEARING FOR CONSIDERATION OF AN APPEAL OF THE HISTORIC PRESERVATION COMMISSION DECISION DENYING THE REQUEST FOR THE REMOVAL OF PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC RESOURCES PURSUANT TO THE REQUIREMENTS OF](#)

CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE

PROCEDURE:

The public hearing is to be structured in the following order, subject to the Rules of Conduct for City Council meetings:

1. Announcement and motion to the open public hearing;
2. Motion to receive and file affidavit of publication, case file, and written correspondence;
3. Staff presentation;
4. Public testimony and presentation of evidence;
 - a. Proponent maximum of 1 hour;
 - b. Appellant maximum of 1 hour
 - c. Public comment 3 minutes each;
 - d. Appellant rebuttal 20 minutes;
 - e. Proponent rebuttal 20 minutes.
5. City Council questions;
6. Motion to close public hearing;
7. City Council discussion and debate;
8. Motion and action.

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2210-076, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, OVERTURNING THE PRESERVATION COMMISSION TO DENY THE CERTIFICATE OF APPROPRIATENESS AND APPROVING THE REQUEST TO REMOVE THE PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE;

OR

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2210-077, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, UPHOLDING THE PRESERVATION COMMISSION DECISION TO DENY THE CERTIFICATE OF APPROPRIATENESS REQUESTING THE REMOVAL OF PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORICAL RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

M. ITEMS CONTINUED FROM PREVIOUS AGENDAS

- M.1.** DISCUSSION AND POSSIBLE ACTION REGARDING AN AMENDMENT TO THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CAMPAIGN FINANCE AND CONTRACTING FOR INVESTIGATION SERVICES FOR ALLEGED CAMPAIGN FINANCE REPORTING VIOLATIONS

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3243-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 2, SECTIONS 2-2.303, 2-2.304, 2-2.306 AND 2-2.309 OF THE

REDONDO BEACH MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS FOR ELECTIONS, ON FIRST READING; AND

APPROVE ENGAGEMENT LETTER WITH THE W GROUP, INC. FOR INVESTIGATIVE AND CONSULTING SERVICES PERTAINING TO ALLEGED CAMPAIGN FINANCE REPORTING VIOLATIONS AT A RATE OF \$200 PER HOUR AND OUT-OF-POCKET EXPENSE REIMBURSEMENT

CONTACT: ELEANOR MANZANO, CITY CLERK

N. ITEMS FOR DISCUSSION PRIOR TO ACTION

N.1. DISCUSSION AND POSSIBLE ACTION REGARDING ALL WAY STOP REQUESTS AT EIGHT INTERSECTIONS IN COUNCIL DISTRICT 4

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

N.2. DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A FIFTH EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE FIFTH EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

O. CITY MANAGER ITEMS

P. MAYOR AND COUNCIL ITEMS

P.1. DISCUSSION AND POSSIBLE ACTION TO SUPPORT OR OPPOSE MEASURE E, A CITYWIDE BALLOT INITIATIVE BEING CONSIDERED BY VOTERS IN THE CITY'S OCTOBER 19, 2022 SPECIAL ELECTION TO ADOPT A NEW CANNABIS REGULATION ORDINANCE

CONTACT: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

Q. MAYOR AND COUNCIL REFERRALS TO STAFF

R. RECESS TO CLOSED SESSION

S. RECONVENE TO OPEN SESSION

T. ADJOURNMENT

T.1. ADJOURN IN MEMORY OF ANGELINA MANZANO, MOTHER OF CITY CLERK ELEANOR MANZANO

T.2. ADJOURN IN MEMORY OF DOUGLAS HAWKES, LONG-TIME REDONDO BEACH CROSSING GUARD

The next meeting of the City Council of the City of Redondo Beach will be an Adjourned

Regular meeting to be held at 4:30 p.m. (Closed Session) and a Regular meeting to be held at 6:00 p.m. (Open Session) on Tuesday, October 11, 2022, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.



Administrative Report

D.1., File # 22-4944

Meeting Date: 10/4/2022

TITLE

COMMENDATION TO CHIEF KEITH KAUFFMAN FOR HIS SERVICE TO THE CITY



Administrative Report

D.2., File # 22-4913

Meeting Date: 10/4/2022

PRESENTATION BY JEFFERY KIERNAN FROM THE LEAGUE OF CALIFORNIA CITIES OF THE
2022 HELEN PUTNAM AWARD FOR EXCELLENCE TO THE CITY OF REDONDO BEACH FOR
THE ENHANCED RESPONSE TO HOMELESSNESS PROGRAM



Administrative Report

F.1., File # 22-4762

Meeting Date: 10/4/2022

TITLE

REGULAR MEETING OF THE COMMUNITY FINANCING AUTHORITY

**AGENDA
REGULAR MEETING
REDONDO BEACH COMMUNITY FINANCING AUTHORITY
TUESDAY, OCTOBER 4, 2022 - 6:00 P.M.
REDONDO BEACH CITY COUNCIL CHAMBERS
415 DIAMOND STREET**

The Community Financing Authority, a joint powers authority was formed on January 31, 2012, for the purpose of assisting in providing financing, for purposes which are authorized by law and which could finance, lease, own, operate and maintain public capital improvements for any of its members, or to be owned by any of its members.

CALL MEETING TO ORDER

ROLL CALL

A. APPROVAL OF ORDER OF AGENDA

B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION

B1. BLUE FOLDER ITEMS

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

C. CONSENT CALENDAR

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

C1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Community Financing Authority meeting of October 4, 2022.

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

C3. APPROVAL OF MINUTES:
a. Regular Meeting of September 6, 2022.

C4. APPROVAL OF CHECK NUMBERS 000500 THROUGH 000501 IN THE AMOUNT OF \$2,844.85.

D. EXCLUDED CONSENT CALENDAR ITEMS

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

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

F. EX PARTE COMMUNICATIONS

G. PUBLIC HEARINGS

H. OLD BUSINESS

I. NEW BUSINESS

J. MEMBERS ITEMS AND REFERRALS TO STAFF

K. ADJOURNMENT

The next meeting of the Redondo Beach Community Financing Authority will be a regular meeting to be held at 6:00 p.m. on Tuesday, November 1, 2022, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant of this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis. An Agenda Packet is available 24 hours a day at www.redondo.org under the City Clerk and during City Hall hours. Agenda Packets are also available for review in the Office of the City Clerk.

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



Eleanor Manzano
City Clerk

415 Diamond Street, P.O. Box 270
Redondo Beach, California 90277-0270
www.redondo.org

tel 310 318-0656
fax 310 374-0220

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

AFFIDAVIT OF POSTING

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

Legislative Body	Community Financing Authority
Posting Type	Regular Meeting Agenda
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ Adjacent to Council Chambers
Meeting Date & Time	October 4, 2022 6:00 p.m. Open Session

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

Eleanor Manzano, City Clerk
Redondo Beach Community Financing Authority

Date: September 30, 2022

MOTION TO READ BY TITLE ONLY

and waive further reading of all
Ordinances and Resolutions on the Agenda.

Recommendation - Approve



REGULAR MEETING OF THE REDONDO BEACH COMMUNITY FINANCING AUTHORITY

CALL MEETING

Chair Brand called a Regular Meeting of the Redondo Beach Community Financing Authority (RBCFA) to order at 6:30 p.m.

ROLL CALL

RBCFA Members Present: Emdee, Horvath, Loewenstein, Nehrenheim, Chair Brand
RBCFA Members Absent: Obagi

A. APPROVAL OF ORDER OF AGENDA

Motion by Member Nehrenheim, seconded by Member Loewenstein, to approve the Order of Agenda as presented. There being no objections, Chair Brand so ordered.

B. ADDITIONAL ITEMS FOR IMMEDIATE CONSIDERATION - None

B.1. BLUE FOLDER ITEMS - None

C. CONSENT CALENDAR

C1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Community Financing Authority meeting of September 6, 2022.

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

C3. APPROVAL OF MINUTES: a. Regular Meeting of August 2, 2022.

C4. APPROVAL OF CHECK NUMBER 000499 IN THE AMOUNT OF \$8,387.66.

There were no public comments on this item.

Discussion followed regarding Check No. 175.

Motion by Member Horvath, seconded by Member Nehrenheim, to approve the Consent Calendar, as presented. There being no objections, Chair Brand so ordered.

D. EXCLUDED CONSENT CALENDAR ITEMS - None

E. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS - None

- F. EX PARTE COMMUNICATIONS - None**
- G. PUBLIC HEARINGS - None**
- H. OLD BUSINESS - None**
- I. NEW BUSINESS - None**
- J. MEMBERS ITEMS AND REFERRALS TO STAFF - None**
- K. ADJOURNMENT**

There being no further business to come before the Redondo Beach Community Financing Authority, motion by Member Horvath, seconded by Member Nehrenheim, to adjourn the meeting at 6:32 p.m. to a Regular meeting to be held at 6:00 p.m. on Tuesday, October 4, 2022, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California. There being no objections, Chair Brand so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted,

Eleanor Manzano, City Clerk



Administrative Report

Authority Action Date: October 4, 2022

**To: CHAIRMAN & MEMBERS OF THE COMMUNITY FINANCING
AUTHORITY**

From: LORI YAMASAKA, ACTING FINANCE DIRECTOR

Subject: CHECK APPROVAL

RECOMMENDATION

Approve check numbers 000500 through 000501 in the total amount of \$2,844.85.

EXECUTIVE SUMMARY

The attached Summary Check Register lists check numbers 000500 through 000501 in the amount of \$2,844.85. Check number 000500 is a reimbursement to the City for expenses paid by the City on behalf of the Community Financing Authority. Check 000501 is a payment to the Redondo Pier Association for quarterly dues associated with the Kincaid's Restaurant building.

BACKGROUND

The Redondo Beach Public Financing Authority ("PFA"), a joint powers authority, was formed on June 25, 1996, to provide financing for capital improvement projects. The former Redevelopment Agency of the City Redondo Beach, now known as the Successor Agency ("Agency"), joined with the City to form the PFA. The PFA operated rental property and issued bonds to provide funds for public capital improvements. The PFA has the same governing board as the City, which also performs all accounting and administrative functions for the PFA. With the elimination of the City's Redevelopment Agency, the Public Financing Authority has been renamed the Community Financing Authority ("CFA").

In 1997, the City leased the Pier pad known as 500 Fisherman's Wharf to the PFA. The PFA leased the site and acts as building owner and landlord to its tenant, RUI One Corp. ("RUI" dba Kincaid's). In negotiating the lease, the City was to own the building, but did not have the funding available to build the building. RUI had the ability to build the restaurant building at a lower cost than the City, and the PFA was able to obtain a loan to purchase the building. Thus, RUI built the restaurant building and the PFA utilized loan funds to purchase the building from RUI at completion.

Per the lease agreement, the City is responsible for the cost of monthly service costs for water, sewer, and trash; possessory interest taxes; common area expenses as defined;

and the repairs to the structural portions of the Building. On a monthly basis, the City is reimbursed for such expenses by the CFA.

The payment to the City of Redondo Beach on check number 000500 in the amount of \$1,128.94 is for the reimbursement of September 2022 expenditures made by the City on the Community Financing Authority's behalf.

The payment to the Redondo Pier Association on check number 000501 in the amount of \$1,715.91 is for the July through September 2022 dues in connection with the ownership of the Kincaid's Restaurant building.

COORDINATION

Disbursement of the checks will be coordinated with Financial Services.

FISCAL IMPACT

Check numbers 000500 through 000501 in the total amount of \$2,844.85.

Submitted by:
Lori Yamasaka, Acting Finance Director

Approved for forwarding by:
Mike Witzansky, City Manager

dkaku

Attachment:

- Summary Check Register

COMMUNITY FINANCING AUTHORITY
Summary Check Register

DATE	CHECK NO	AMOUNT	PAYEE	DESCRIPTION
10/04/22	000500	\$ 1,128.94	City of Redondo Beach	Reimbursement - September 2022
10/04/22	000501	\$ 1,715.91	Redondo Pier Association	Dues - July - September 2022
		<u>\$ 2,844.85</u>		



Administrative Report

F.2., File # 22-4924

Meeting Date: 10/4/2022

TITLE

PARKING AUTHORITY - REGULAR MEETING - CANCELLED

NOTICE OF CANCELLED MEETING PARKING AUTHORITY

NOTICE IS HEREBY GIVEN THAT THE REGULAR PARKING AUTHORITY MEETING SCHEDULED FOR OCTOBER 4, 2022 AT 6:00 P.M. HAS BEEN CANCELLED DUE TO LACK OF BUSINESS.

ELEANOR MANZANO

City Clerk



Administrative Report

G.1., File # 22-4911

Meeting Date: 10/4/2022

TITLE

For Blue Folder Documents Approved at the City Council Meeting



Administrative Report

H.1., File # 22-4909

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: ELEANOR MANZANO, CITY CLERK

TITLE

APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF OCTOBER 4, 2022

EXECUTIVE SUMMARY

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

AFFIDAVIT OF POSTING

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

Legislative Body	City Council
Posting Type	Regular Agenda
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ Adjacent to Council Chambers
Meeting Date & Time	OCTOBER 4, 2022 6:00 p.m. Open Session

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

Eleanor Manzano, City Clerk

Date: September 30, 2022



Administrative Report

H.2., File # 22-4910

Meeting Date: 10/4/2022

TITLE

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



Administrative Report

H.3., File # 22-4766

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: LORI YAMASAKA, ACTING FINANCE DIRECTOR

TITLE

PAYROLL DEMANDS

CHECKS 28532-28556 IN THE AMOUNT OF \$24,099.42, PD. 9/30/22

DIRECT DEPOSIT 254226-254756 IN THE AMOUNT OF \$1,974,878.43, PD. 9/30/22

EFT/ACH \$7,582.23, PD. 7/22/22 (PP2215)

EFT/ACH \$367,848.91, PD. 7/26/22 (PP2215)

EFT/ACH \$7,582.23, PD. 8/5/22 (PP2216)

EFT/ACH \$362,287.30, PD. 8/16/22 (PP2216)

ACCOUNTS PAYABLE DEMANDS

CHECKS 105466-105650 IN THE AMOUNT OF \$1,902,905.88

EFT CALPERS MEDICAL INSURANCE \$370,403.62

DIRECT DEPOSIT 100006450-100006546 IN THE AMOUNT OF \$83,700.18, PD.9/30/22

EXECUTIVE SUMMARY

Approval of Payroll and Accounts Payable

ATTACHMENTS

10042022_RECOMMENDATION_TO_APPROVE

10042022_VENDOR_INVOICE_LIST

**RECOMMENDATION TO APPROVE
PAYROLL AND ACCOUNTS PAYABLE
COUNCIL MEETING OCTOBER 4, 2022**

a. Payroll Demands

- Checks 28532-28556, \$24,099.42, Pd.9/30/22
- Direct Deposit 254226-254756, \$1,974,878.43, Pd.9/30/22
- EFT/ACH \$7,582.23, Pd. 7/22/22 (PP2215)
- EFT/ACH \$367,848.91, Pd. 7/26/22 (PP2215)
- EFT/ACH \$7,582.23, Pd. 8/5/22 (PP2216)
- EFT/ACH \$362,287.30, Pd. 8/16/22 (PP2216)

b. Accounts Payable Demands

- Checks 105466-105650, \$1,902,905.88
- EFT CalPERS Medical Insurance \$370,403.62
- Direct Deposit 100006450-100006546, \$83,700.18, Pd. 9/30/22

I hereby approve and authorize for payment the above demands.

Mike Witzansky
City Manager

CITY OF REDONDO BEACH



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
8805 5 ALARM LEATHER										
6407		09/14/2022	10278412	10042022	105466	1,051.05	09/26/2022	INV	PD	SUSPENDERS/GLOVES
6950 A-A BACKFLOW TESTING & MAINTENANCE										
79894		09/16/2022	10278200	10042022	105467	4,950.00	09/16/2022	INV	PD	BACKFLOW 305 N. HARBOR DR
79925		09/16/2022	10278197	10042022	105467	1,920.00	09/16/2022	INV	PD	BACKFLOW 305 N. HARBOR D
						6,870.00				
9686 ABAQUIN, JOY										
090722		09/21/2022	10278532	10042022	105468	60.00	09/26/2022	INV	PD	9/22 League of CA Cities
13269 ABERNATHY-LEAR, GLORIA										
ABERNATHYLEAR2022		09/21/2022	10278352	10042022	105469	100.00	09/21/2022	INV	PD	REFUND ABERNATHYLEAR2022
5820 ADMINISURE										
15426		09/15/2022	10278561	10042022	105470	12,200.00	09/26/2022	INV	PD	GL & WC - OCTOBER 2022
13214 AEC TECHNOLOGIES										
26773	5729	08/23/2022	10278712	10042022	105471	13,100.00	09/28/2022	INV	PD	BLUEBEAM REVU SOFTWARE
13265 ALIDIO, MICHAEL										
20221096		08/30/2022	10278528	10042022	105472	1,748.40	10/04/2022	INV	PD	REFUND PLAN CHECK FEES 25
12747 ALL CITY MANAGEMENT SERVICES INC										
79537	5736	09/07/2022	10278385	10042022	105473	10,187.48	10/04/2022	INV	PD	08/21/22-09/03/22 CROSSIN
131 ALLSTAR FIRE EQUIPMENT INC										
24225		08/31/2022	10278417	10042022	105474	2,904.61	09/26/2022	INV	PD	PPE/UNIFORMS
12739 ALVAREZ, MARTHA ANGELA										
091522		09/26/2022	10278499	10042022	105475	270.00	09/26/2022	INV	PD	MINUTES FOR PUBLIC SAFETY
176 AMERICAN TEXTILE MAINTENANCE COMPANY										
20633461		07/05/2022	10278410	10042022	105476	479.89	09/22/2022	INV	PD	inmate blankets and linen
20635468		07/07/2022	10278408	10042022	105476	461.18	09/22/2022	INV	PD	inmate blankets and linen
20637302		07/11/2022	10278407	10042022	105476	455.61	09/22/2022	INV	PD	inmate blankets and linen
20639295		07/14/2022	10278406	10042022	105476	479.51	09/22/2022	INV	PD	inmate blankets and linen
20671233		09/08/2022	10278405	10042022	105476	464.69	09/22/2022	INV	PD	inmate blankets and linen
20673096		09/12/2022	10278404	10042022	105476	471.81	09/22/2022	INV	PD	inmate blankets and linen
20675060		09/15/2022	10278402	10042022	105476	857.43	09/22/2022	INV	PD	inmate blankets and linen
20676981		09/19/2022	10278401	10042022	105476	513.33	09/22/2022	INV	PD	inmate blankets and linen
20678913		09/22/2022	10278399	10042022	105476	482.24	09/22/2022	INV	PD	inmate blankets and linen

CITY OF REDONDO BEACH



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
3634 ANDERSON, JOHN						4,665.69				
09/13/2022		09/22/2022	10278478	10042022	105477	256.00	09/26/2022	INV	PD	PER DIEM- SLI JAN 2022 1
213 AQUA-FLO										
SI1991993		09/16/2022	10278189	10042022	105478	1,091.81	09/16/2022	INV	PD	MEDIANS-IRRIGATION SUPPLI
13109 ARROYO BACKGROUND INVESTIGATIONS										
2821	5724	08/09/2022	10278492	10042022	105479	1,500.00	09/26/2022	INV	PD	BACKGROUND B CASTORENA
2825	5724	08/17/2022	10278486	10042022	105479	1,500.00	09/26/2022	INV	PD	BACKGROUND J KAHNG
2833	5724	08/31/2022	10278490	10042022	105479	1,500.00	09/26/2022	INV	PD	BACKGROUND LGC LIMON
2825 AT&T						4,500.00				
09012022-0214		09/20/2022	10278571	10042022	105480	51.88	09/20/2022	INV	PD	MONTHLY PHONE CHARGES SEP
09012022-8488		09/20/2022	10278265	10042022	105480	51.88	09/20/2022	INV	PD	PHONE CHARGES SEPT 2022
8029 ATHENS SERVICES						103.76				
12848866	5740	09/20/2022	10278271	10042022	105481	14,751.35	09/20/2022	INV	PD	AUG 2022 - PIER ROLL OFF
12848873	5740	09/20/2022	10278272	10042022	105481	4,337.71	09/20/2022	INV	PD	AUG 2022 - PIER ORGANICS
291 BAKER & TAYLOR						19,089.06				
20346992385		09/07/2022	10278275	10042022	105482	41.27	09/20/2022	INV	PD	BOOKS
2036979588		09/02/2022	10278276	10042022	105482	73.67	09/20/2022	INV	PD	BOOKS
8800 BALLARD & BALLARD INVESTIGATIONS						114.94				
20022-019		08/22/2022	10278552	10042022	105483	4,227.47	09/26/2022	INV	PD	FIRE BACKGROUNDS 08/2022
318 BARTEL ASSOCIATES LLC										
22-572	5611	09/26/2022	10278567	10042022	105484	2,300.00	09/26/2022	INV	PD	ACTUARIAL SERVICES
12946 BEND A EAR INC										
229656		09/25/2022	10278496	10042022	105485	1,022.50	09/25/2022	INV	PD	PARTIAL REFUND - BEND AN
8295 BEST, BEST & KRIEGER, LLP.										
945212		09/21/2022	10278515	10042022	105486	206.50	09/26/2022	INV	PD	8/22 Housing Legal Fees
384 BILL'S SOUND SYSTEMS, INC.										
40154		09/21/2022	10278356	10042022	105487	65.00	09/21/2022	INV	PD	PASSCODE CHANGE. PW, ALTA
40159		09/21/2022	10278357	10042022	105487	65.00	09/21/2022	INV	PD	PD SUBSTATION ALARM PASSC

CITY OF REDONDO BEACH



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
40193		09/21/2022	10278355	10042022	105487	264.00	09/21/2022	INV	PD	N. BRANCH LIBRARY BATTERI
40216		09/21/2022	10278353	10042022	105487	65.00	09/21/2022	INV	PD	MORRELL HOUSE AND MUSEUM
40224		09/19/2022	10278248	10042022	105487	485.00	09/19/2022	INV	PD	PW GARAGE ALARM TROUBLE C
40240		09/19/2022	10278247	10042022	105487	450.00	09/19/2022	INV	PD	TEEN CENTER FIRE ALARM IN
40861		09/21/2022	10278354	10042022	105487	180.00	09/21/2022	INV	PD	RBPAC QUARTERLY ALARM MON
40964		09/19/2022	10278246	10042022	105487	65.00	09/19/2022	INV	PD	PD WAREHOUSE PASSCODE CHA
						1,639.00				
11059 BLACKSTONE PUBLISHING										
2061778		09/07/2022	10278277	10042022	105488	70.00	09/20/2022	INV	PD	LIBRARY MATERIALS
2062176		09/08/2022	10278278	10042022	105488	1,660.03	09/20/2022	INV	PD	LIBRARY MATERIALS
						1,730.03				
3121 BLUE DIAMOND										
2832451		09/19/2022	10278280	10042022	105489	381.82	09/19/2022	INV	PD	SHEET ASPHALT/AC FINE FOR
2872907		09/21/2022	10278298	10042022	105489	296.47	09/21/2022	INV	PD	EMULSION BUCKETS/SHEET AS
2877909		09/16/2022	10278203	10042022	105489	84.72	09/16/2022	INV	PD	AC MAX-STREETS MAINT.
						763.01				
13048 BOOT BARN HOLDINGS										
INV00193817		09/13/2022	10278394	10042022	105490	999.92	10/04/2022	INV	PD	29 COWBOY HATS FOR BEACH
INV00193827		09/13/2022	10278395	10042022	105490	34.48	10/04/2022	INV	PD	1 COWBOY HAT FOR BEACH RA
INV00194371		09/15/2022	10278396	10042022	105490	122.16	10/04/2022	INV	PD	4 COWBOY HATS FOR BEACH R
						1,156.56				
577 CALIFORNIA WATER SERVICE										
0125637138-9-9-22		09/13/2022	10278459	10042022	105491	1,112.94	09/13/2022	INV	PD	FISHERMAN'S WHARF
2211933964-9-12-22		09/13/2022	10278381	10042022	105491	5,954.14	09/13/2022	INV	PD	HARBOR DRIVE
9779295077-6-29		09/13/2022	10278061	10042022	105491	56,540.93	09/13/2022	INV	PD	W. TORRANCE BLVD.
9779295077-8-29-22		09/13/2022	10278375	10042022	105491	52,428.04	09/13/2022	INV	PD	TORRANCE BLVD.
9968051525-6-20		09/13/2022	10278062	10042022	105491	3,768.51	09/13/2022	INV	PD	PORTOFINO WAY
9968051525-8-19-22		09/13/2022	10278379	10042022	105491	4,469.36	09/13/2022	INV	PD	PORTOFINO WAY
						124,273.92				
5289 CALLAHAN, VICKI										
626 S PCH B DEPOSIT		09/26/2022	10278518	10042022	105492	2,900.00	09/26/2022	INV	PD	VASH DEPOSIT ASSISTANCE -
11850 CANNON										
81881	5066	09/19/2022	10278363	10042022	105493	14,711.25	09/19/2022	INV	PD	MBBlvdResurf.DesignSvcs
594 CANON FINANCIAL SERVICES, INC.										
29191128		09/20/2022	10278267	10042022	105494	1,202.88	09/20/2022	INV	PD	COPIER MAINTENANCE SEPT 2
12788 CASERMA, MADICYN										
09/16/2022		09/22/2022	10278461	10042022	105495	156.24	09/26/2022	INV	PD	AUTO MILEAGE- CLETS USER-
09/21/2022		09/22/2022	10278458	10042022	105495	184.00	09/26/2022	INV	PD	PER DIEM-CLETS

CITY OF REDONDO BEACH



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
620 CASHIER-CDFA						340.24				
THIRDQUARTERRBFM		09/27/2022	10278595	10042022	105496	1,148.00	09/27/2022	INV	PD	CFDA 3RD QUARTERJULAU
629 CAVENAUGH & ASSOC										
08/22/2022		07/12/2022	10278489	10042022	105497	1,240.00	09/26/2022	INV	PD	OFFICER TRAINING: FUENTES
660 CHARLES ABBOTT ASSOCIATES INC										
64620	5147	09/19/2022	10278455	10042022	105498	7,300.00	09/19/2022	INV	PD	FOG.NPDES
13000 CHARTER COMMUNICATIONS										
0044044082522		08/25/2022	10278398	10042022	105499	344.10	10/04/2022	INV	PD	08/20/22-09/19/22 PD CABL
7727 CHEMDRY										
09162022		09/16/2022	10278471	10042022	105500	300.00	09/26/2022	INV	PD	Break room carpet cleaned
FS1CARPET-8-18-22		09/16/2022	10278188	10042022	105500	250.00	09/16/2022	INV	PD	CARPET CLEANING-FS1 8/18/
PIERSUBSTA-04-26-22		09/16/2022	10278187	10042022	105500	292.00	09/16/2022	INV	PD	CARPET CLEANING- PD PIER
						842.00				
13270 CHEN, HELEN										
CHEN2022		09/21/2022	10278351	10042022	105501	100.00	09/21/2022	INV	PD	REFUND CHEN2022 2EXC0900-
13271 CHRISTENSEN, ALICE										
CHRISTENSEN2022		09/21/2022	10278349	10042022	105502	100.00	09/21/2022	INV	PD	REFUND CHRISTENSEN2022 2E
700 CITY OF HERMOSA BEACH										
08222022		09/21/2022	10278531	10042022	105503	21,890.01	09/26/2022	INV	PD	8/22 HB Housing Initiati
5448 CITY OF REDONDO BEACH										
09212022		09/15/2022	10278436	10042022	105504	124.71	10/04/2022	INV	PD	PETTY CASH REIMBURSEMENT
709 CITY OF TORRANCE										
CofTorranceSep221820		09/20/2022	10278254	10042022	105505	146.20	09/20/2022	INV	PD	CofTorrance Sept 2022 182
CofTorranceSept22		09/20/2022	10278253	10042022	105505	463.13	09/20/2022	INV	PD	CofTorrance 1571 Kingsdal
						609.33				
11907 COBRA-ADVANTAGE ADMINISTRATORS										
146201		08/31/2022	10278553	10042022	105506	401.00	09/26/2022	INV	PD	AUGUST 2022 78 EE
13272 COE, MARY LEE										
COE2022		09/21/2022	10278347	10042022	105507	200.00	09/21/2022	INV	PD	REFUND COE2022 2EXC0900-0

CITY OF REDONDO BEACH



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
9413 COLANTUONO, HIGHSMITH & WHATLEY, PC										
53217		09/21/2022	10278517	10042022	105508	127.03	09/26/2022	INV	PD	8/22 Under Collection Of
12261 COMMERCIAL BUILDING MANAGEMENT SERVICES										
69132	5682	09/16/2022	10278222	10042022	105509	11,645.00	09/16/2022	INV	PD	JANITORIAL SERVICES 08/22
69133	5682	09/16/2022	10278223	10042022	105509	1,299.00	09/16/2022	INV	PD	JANITORIAL SERVICES-AVIAT
69134	5682	09/21/2022	10278307	10042022	105509	590.20	09/21/2022	INV	PD	08/22 DETAIL CLEANING AT
						13,534.20				
8889 COMMLINE, INC.										
0368077-IN		09/12/2022	10278465	10042022	105510	1,684.44	09/26/2022	INV	PD	MO RADIO MAINT/REPAIRS
784 COMPLETES PLUS										
01CB8832		09/16/2022	10278177	10042022	105511	534.63	09/16/2022	INV	PD	UNIT 135-18 W.O. BRAKE PA
6987 CONTROL, INC.										
3720362		09/13/2022	10278110	10042022	105512	563.01	09/26/2022	INV	PD	COIN BAGS
13096 CSG CONSULTANTS, INC.										
B221625	5640	09/01/2022	10278367	10042022	105513	140.00	10/04/2022	INV	PD	08/2022 BUILDING PLAN CHE
13267 CURNYN, CHRISTINA										
827822323		09/06/2022	10278525	10042022	105514	130.00	10/04/2022	INV	PD	REFUND BUILDING REPORT FE
13282 DEAN'S CAMERA REPAIR										
IN22202		09/06/2022	10278386	10042022	105515	250.00	10/04/2022	INV	PD	REPAIR CANON 5DMIII - HOL
13266 DEBOLT, RITA										
827601410		09/01/2022	10278526	10042022	105516	130.00	10/04/2022	INV	PD	REFUND BUILDING REPORT FE
13261 DEFALCO, HEATHER										
DEFALCO2022		09/21/2022	10278339	10042022	105517	450.00	09/21/2022	INV	PD	REFUND DEFALCO2022 SUMMER
11696 DELAP, ANDREA										
09062022		09/20/2022	10278464	10042022	105518	691.58	09/20/2022	INV	PD	TRAVEL REIMBURS-HOTEL
971 DEPARTMENT OF JUSTICE										
602615		09/06/2022	10278554	10042022	105519	623.00	09/26/2022	INV	PD	FINGERPRINTS AUGUST 2022
11965 DOGGIE WALK BAGS, INC.										
0101882-IN		09/19/2022	10278281	10042022	105520	629.63	09/19/2022	INV	PD	DOGGIE BAGS FOR PARKS
0102437-IN		09/19/2022	10278243	10042022	105520	629.63	09/19/2022	INV	PD	DOGGIE BAGS FOR PARKS DIV

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
11962 DR. PAUL'S IMMEDIATE CARE						1,259.26				
01-2022		09/21/2022	10278320	10042022	105521	495.00	10/04/2022	INV	PD	OK TO BOOK SERVICES JAN 2
02-2022		09/21/2022	10278322	10042022	105521	335.00	10/04/2022	INV	PD	OK TO BOOK SERVICES FEB 2
04202022		09/21/2022	10278376	10042022	105521	185.00	10/04/2022	INV	PD	OKAY TO BOOK SERVICES APR
05102022-05202022		09/21/2022	10278378	10042022	105521	1,110.00	10/04/2022	INV	PD	OKAY TO BOOK SERVICES MAY
06022022-06232022		09/21/2022	10278380	10042022	105521	740.00	10/24/2022	INV	PD	OKAY TO BOOK SERVICES JUN
07062022		09/15/2022	10278383	10042022	105521	370.00	10/04/2022	INV	PD	OKAY TO BOOK SERVICES JUL
08012022-08212022		09/15/2022	10278384	10042022	105521	1,494.00	10/04/2022	INV	PD	OKAY TO BOOK SERVICES AUG
5852 DUMKE, ANNE						4,729.00				
09142022		09/14/2022	10278137	10042022	105522	240.00	09/26/2022	INV	PD	SEPTEMBER ADMINISTRATIVE
1050 EAGLE SPORTS & AWARDS COMPANY										
11516		09/16/2022	10278158	10042022	105523	481.53	09/16/2022	INV	PD	11516 AFTERSCHOOL SHIRTS
11521		09/28/2022	10278717	10042022	105523	481.53	09/28/2022	INV	PD	EAGLE SPORTS RED STAFF SH
11709 ELIE FARAH, INC						963.06				
NO 2-FINAL	5383	09/19/2022	10278219	10042022	105524	350.00	09/19/2022	INV	PD	OnCallContract.Ref PO2019
1088 EMBROIDME - REDONDO										
E85431		09/19/2022	10278474	10042022	105525	187.19	09/26/2022	INV	PD	V. Rich uniforms
6730 EMERGENCY RESPONSE CRIME SCENE CLEANING										
T2022-430		09/06/2022	10278476	10042022	105526	650.00	09/26/2022	INV	PD	decontamination of unit 6
1099 EMPLOYMENT DEVELOPMENT DEPT										
MIS-00002976		09/15/2022	10278416	10042022	105527	22.82	10/15/2022	INV	PD	ABSTRACT FORMS 04/01/2022
1110 ENTENMANN-ROVIN COMPANY										
0167636-IN		08/05/2022	10278140	10042022	105528	421.14	10/04/2022	INV	PD	RETIREMENT BADGES - LT FR
13264 ESPARZA, MICHAEL										
20221668		08/29/2022	10278524	10042022	105529	875.00	10/04/2022	INV	PD	REFUND MODIFICATION FEE 9
1176 FEDERAL EXPRESS CORPORATION										
787822063		09/09/2022	10278112	10042022	105530	47.81	09/26/2022	INV	PD	SHIPPING FEES
10479 FLYING LION, INC.										
1326		05/09/2022	10278390	10042022	105531	3,816.20	10/04/2022	INV	PD	FY21 INVOICE DRONE PROGRA
1353	5703	07/18/2022	10278391	10042022	105531	3,664.00	10/04/2022	INV	PD	DRONE 7/4, 7/8, 7/10, 7/1

CITY OF REDONDO BEACH

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
1377	5703	09/13/2022	10278392	10042022	105531	3,537.40	10/04/2022	INV	PD	DRONE 9/2, 9/3, 9/4, 9/9,
1378	5703	09/13/2022	10278393	10042022	105531	279.99	10/04/2022	INV	PD	09/2022 DRONE INTERNET PA
						11,297.59				
10191 FRONTIER										
09102022-0410		09/20/2022	10278266	10042022	105532	123.97	09/20/2022	INV	PD	CIRCUIT ID SEPT 2022
09132022-0796		09/26/2022	10278497	10042022	105532	32,442.49	09/26/2022	INV	PD	MONTHLY PHONE CHARGES SEP
09132022-3093		09/26/2022	10278500	10042022	105532	94.68	09/26/2022	INV	PD	MONTHLY PHONE CHARGES SEP
						32,661.14				
3202 GALE										
78945313		09/06/2022	10278274	10042022	105533	121.51	09/20/2022	INV	PD	BOOKS
1289 GALLS INCORPORATED										
BC1636337	5572	09/20/2022	10278433	10042022	105534	838.80	09/26/2022	INV	PD	REPLACEMENT FF NOMEX UNIF
BC1691989		08/22/2022	10278477	10042022	105534	197.06	09/26/2022	INV	PD	juan rubio swat boots
BC1694006	5572	09/20/2022	10278434	10042022	105534	342.62	09/26/2022	INV	PD	REPLACEMENT FF NOMEX UNIF
BC1700965	5572	09/20/2022	10278431	10042022	105534	263.94	09/26/2022	INV	PD	REPLACEMENT FF NOMEX UNIF
BC1700972		09/02/2022	10278426	10042022	105534	348.56	09/26/2022	INV	PD	FF/PM UNIFORM ACC
BC1704307		09/08/2022	10278428	10042022	105534	84.17	09/26/2022	INV	PD	FF/PM UNIFORM
BC1704419		09/08/2022	10278427	10042022	105534	34.04	09/26/2022	INV	PD	FF/PM UNIFORM ACC
BC1705733	5572	09/20/2022	10278430	10042022	105534	611.09	09/26/2022	INV	PD	REPLACEMENT FF NOMEX UNIF
BC1713181		09/20/2022	10278429	10042022	105534	262.88	09/26/2022	INV	PD	FF/PM UNIFORM
						2,983.16				
9598 GENERAL INDUSTRIAL TOOL AND SUPPLY										
1194205-01		09/19/2022	10278239	10042022	105535	300.64	09/19/2022	INV	PD	STREETS MAINT. SUPPLIES-
1194223-01		09/19/2022	10278238	10042022	105535	601.48	09/19/2022	INV	PD	STREETS MAINT. SUPPLIES-
1194289-01		09/19/2022	10278242	10042022	105535	1,300.86	09/19/2022	INV	PD	PIER SAFETY SUPPLIES-DISP
						2,202.98				
13273 GOMEZ, LUCIA										
GOMEZ2022		09/21/2022	10278345	10042022	105536	100.00	09/21/2022	INV	PD	REFUND GOMEZ2022 2EXC0900
13274 GREGORY, WILLA										
GREGORY2022		09/21/2022	10278344	10042022	105537	100.00	09/21/2022	INV	PD	REFUND GREGORY2022 2EXC09
1416 HAAKER EQUIPMENT COMPANY										
W1A0E0		09/21/2022	10278297	10042022	105538	511.14	09/21/2022	INV	PD	PIER SCRUBBER MAINT. UNIT
W1A0OC		09/16/2022	10278178	10042022	105538	1,022.43	09/16/2022	INV	PD	UNIT 326 W.O DIAGNOSE TRA
						1,533.57				
6288 HINDERLITER, DE LLAMAS & ASSOCIATES										
SIN021489	5685	08/31/2022	10278377	10042022	105539	5,375.00	10/04/2022	INV	PD	08/2022 CANNABIS MANAGEME
1494 HITECH SYSTEMS INC										

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
7640		09/22/2022	10278441	10042022	105540	1,520.00	09/22/2022	INV	PD	SafetyNet Informer
1500 HOFFMAN, JOSEPH										
09/16/2022		09/22/2022	10278456	10042022	105541	34.50	09/26/2022	INV	PD	PER DIEM- TEMECULA LACPCA
1530 HUNT DESIGN ASSOCIATES INC										
9853		09/19/2022	10278211	10042022	105542	3,000.00	09/19/2022	INV	PD	HDA PROJECT RB HISTORY MA
3519 HUNTINGTON BEACH HONDA										
111204		09/16/2022	10278468	10042022	105543	446.67	10/04/2022	INV	PD	BATTERY & INSTALL 2019 HO
12138 INSIGHT PUBLIC SECTOR SLED										
1100978686	5603	09/20/2022	10278269	10042022	105544	1,398.71	09/20/2022	INV	PD	EPSON RECEIPT PRINTERS CA
10806 INTEGRATED EOD CONCEPTS LLC										
1		08/12/2022	10278491	10042022	105545	2,300.00	09/26/2022	INV	PD	HALEY AND PLUGGE- K-9 TEA
10755 INTERNATIONAL BUSINESS INFORMATION TECHNOLOGIES, I										
INV-001203	5752	09/01/2022	10278054	10042022	105546	9,018.81	09/13/2022	INV	PD	Training Management Softw
12826 INTERWEST CONSULTING GROUP INC										
81372	5497	09/13/2022	10278374	10042022	105547	2,422.50	10/04/2022	INV	PD	08/2022 BUILDING PLAN CHE
12704 JAS PACIFIC										
PC6383	5411	09/14/2022	10278373	10042022	105548	1,125.00	10/04/2022	INV	PD	08/2022 BUILDING PLAN CHE
11296 JOE MAR POLYGRAPH & INVESTIGATION										
2022-08-008		08/20/2022	10278485	10042022	105549	200.00	09/26/2022	INV	PD	APPLICANT: GONZALEZ, STEP
2022-09-009		09/09/2022	10278484	10042022	105549	200.00	09/26/2022	INV	PD	APPLICANT: ARELLANO, PATR
						400.00				
13275 JOHNSON, BETHANY										
JOHNSON2022		09/21/2022	10278343	10042022	105550	100.00	09/21/2022	INV	PD	REFUND JOHNSON2022 2EXC09
13268 JONATHAN DEMIAN INC.										
827122063		08/29/2022	10278520	10042022	105551	130.00	10/04/2022	INV	PD	REFUND DOUBLE CHARGE BUIL
1747 KING FENCE INC										
45093	5615	06/01/2022	10278593	10042022	105552	14,425.32	09/27/2022	INV	PD	CHAIN LINK FENCE FOR DOMI
12546 KINGDOM CAUSES										
2022-080052		09/21/2022	10278514	10042022	105553	10,709.00	09/26/2022	INV	PD	8/22 RB Outreach & Engag

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
13256 KIRCHWEHM, MARY										
0002		09/26/2022	10278505	10042022	105554	240.00	09/26/2022	INV	PD	MINUTES FOR HARBOR COMMIS
0004		09/26/2022	10278507	10042022	105554	300.00	09/26/2022	INV	PD	MINUTES FOR PLANNING COMM
0006		09/26/2022	10278509	10042022	105554	180.00	09/26/2022	INV	PD	MINUTES FOR PLANNING COMM
001		09/26/2022	10278503	10042022	105554	360.00	09/26/2022	INV	PD	MINUTES FOR CHARTER REVIEW
003		09/26/2022	10278506	10042022	105554	480.00	09/26/2022	INV	PD	MINUTES FOR CHRTER REVIEW
						1,560.00				
10317 KMTS AUDIO TO TEXT SOLUTIONS										
0718km		09/21/2022	10278521	10042022	105555	565.55	09/26/2022	INV	PD	7/22 Transcriptions Fees
8444 KRONOS INCORPORATED										
11952844	5708	08/23/2022	10278074	10042022	105556	1,659.58	09/13/2022	INV	PD	07/23/2022-08/22/2022 TEL
11965462	5708	09/26/2022	10278511	10042022	105556	16,595.81	09/26/2022	INV	PD	Telestaff software hostin
						18,255.39				
12848 LEADING RESOURCES INC										
3699	5758	09/19/2022	10278250	10042022	105557	9,686.03	09/19/2022	INV	PD	STRATEGIC PLANNING FACILI
11194 LEECH TISHMAN FUSCALDO & LAMPL INC.										
279654		09/21/2022	10278299	10042022	105558	1,350.00	09/26/2022	INV	PD	8/22 B. Ridenour (CN20) L
279655		09/21/2022	10278296	10042022	105558	165.00	09/26/2022	INV	PD	8/22 B. Ridenour (CN21) L
279656		09/21/2022	10278295	10042022	105558	382.50	09/26/2022	INV	PD	8/22 J. Sapien (IA) Legal
279657		09/21/2022	10278304	10042022	105558	7,307.50	09/26/2022	INV	PD	8/22 R. Carlborg Legal Fe
279658		09/21/2022	10278303	10042022	105558	1,397.50	09/26/2022	INV	PD	8/22 N. Schultz (PERS IDR
279659		09/21/2022	10278302	10042022	105558	455.00	09/26/2022	INV	PD	8/22 D. Glenn Legal Fees
279660		09/21/2022	10278301	10042022	105558	2,892.50	09/26/2022	INV	PD	8/22 City Prosecutor Inve
279661		09/21/2022	10278300	10042022	105558	162.50	09/26/2022	INV	PD	8/22 Bandy (Sick Leave IA
						14,112.50				
13257 LEU, ANNE										
2020 Vanderbilt #4		09/26/2022	10278510	10042022	105559	3,920.00	09/26/2022	INV	PD	Deposit Assistance - Kimi
5953 LEXISNEXIS										
32814143		09/21/2022	10278529	10042022	105560	317.89	09/26/2022	INV	PD	8/22 CA Criminal Discover
1887 LIFE ASSIST, INC.										
1247209		09/06/2022	10278422	10042022	105561	1,081.18	09/26/2022	INV	PD	PARAMEDIC SUPPLIES
1248007		09/07/2022	10278419	10042022	105561	189.80	09/26/2022	INV	PD	MEDICAL AID SUPPLIES
1249119		09/09/2022	10278423	10042022	105561	2,993.58	09/26/2022	INV	PD	PARAMEDIC SUPPLIES
1249725		09/13/2022	10278420	10042022	105561	56.70	09/26/2022	INV	PD	MEDICAL AID SUPPLIES
1250383		09/14/2022	10278424	10042022	105561	205.31	09/26/2022	INV	PD	MEDICAL AID SUPPLIES
1251788		09/20/2022	10278425	10042022	105561	630.73	09/26/2022	INV	PD	MEDICAL AID SUPPLIES
						5,157.30				
1938 LOS ANGELES COUNTY ASSESSOR										

CITY OF REDONDO BEACH



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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
23ASRE011		08/22/2022	10278590	10042022	105562	47.92	10/04/2022	INV	PD	ASSESSOR MAP BOOK UPDATES
1951 LOS ANGELES COUNTY SHERIFF'S DEPT										
230263BL		09/13/2022	10278413	10042022	105563	1,607.61	09/22/2022	INV	PD	INMATE FOOD SERVICE 08/20
1963 LOS ANGELES UNIFIED SCHOOL DISTRICT										
3094		09/15/2022	10278555	10042022	105564	90.00	09/26/2022	INV	PD	BILLNGUAL TESTING ESTELA
10274 MACKAY METERS, INC.										
1062473		08/19/2022	10278106	10042022	105565	499.76	09/26/2022	INV	PD	M-SERIES PLUS KEYS
1062474		08/19/2022	10278107	10042022	105565	2,082.07	09/26/2022	INV	PD	MKBEACON SPARE PARTS
1062634	5716	08/31/2022	10278108	10042022	105565	3,600.00	09/26/2022	INV	PD	FY23 MACKAY METERS MONTHL
1062635		08/31/2022	10278109	10042022	105565	429.00	09/26/2022	INV	PD	LOT 13 AND NEW MERCHANT A
11202 MARK43						6,610.83				
INV0695	5757	09/19/2022	10278230	10042022	105566	208,340.00	09/19/2022	INV	PD	M43 CAD/RMS Dev & Mainten
INV0734	5757	09/19/2022	10278233	10042022	105566	10,000.00	09/19/2022	INV	PD	M43 Data Lake Access Subs
INV0735	5757	09/19/2022	10278231	10042022	105566	35,000.00	09/19/2022	INV	PD	M43 Laserfiche Dev
4387 MARTIN CHEVROLET						253,340.00				
821246		09/16/2022	10278170	10042022	105567	22.20	09/16/2022	INV	PD	UNIT 652- W.O. WINDSHIELD
822306		09/16/2022	10278169	10042022	105567	105.37	09/16/2022	INV	PD	UNIT 400-16 W.O SPARE KE
13276 MATHOS, JOANNE						127.57				
MATHOS2022		09/21/2022	10278341	10042022	105568	100.00	09/21/2022	INV	PD	REFUND MATHOS2022 2EXC090
2084 MCCUNE & HARBER, LLP.										
111261		09/21/2022	10278293	10042022	105569	49.00	09/26/2022	INV	PD	6/22 D. Klebe Legal Fees
111656		09/21/2022	10278294	10042022	105569	171.50	09/26/2022	INV	PD	7/22 D. Klebe Legal Fees
9908 MICHAEL BAKER INTERNATIONAL						220.50				
1158114		09/21/2022	10278535	10042022	105570	1,050.00	09/26/2022	INV	PD	8/22 M. Neal RB Consultin
7177 MICHEL & ASSOCIATES, P.C.										
11016TS/7313QB		09/21/2022	10278539	10042022	105571	500.80	09/26/2022	INV	PD	7/22 D. Barker Legal Fees
11018TS		09/21/2022	10278544	10042022	105571	780.00	09/26/2022	INV	PD	7/22 S. Friggle Legal Fee
11019TS/7311QB		09/21/2022	10278541	10042022	105571	3,466.46	09/26/2022	INV	PD	8/22 B. Haroldson Legal F
11021TS		09/21/2022	10278545	10042022	105571	245.00	09/26/2022	INV	PD	7/22 M. Nunez Legal Fees
11021TS/7314QB		09/21/2022	10278542	10042022	105571	762.83	09/26/2022	INV	PD	7/22 M. Purcell Legal Fee
11022TS/7310QB		09/21/2022	10278547	10042022	105571	454.15	09/26/2022	INV	PD	7/22 O. Quinn Legal Fees
11023TS		09/21/2022	10278543	10042022	105571	50.00	09/26/2022	INV	PD	7/22 E. Sunu Legal Fees

CITY OF REDONDO BEACH



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6080 MOFFATT & NICHOL						6,259.24				
00772703	3712	09/19/2022	10278446	10042022	105572	2,382.06	09/19/2022	INV	PD	Municipal&SportFishingTim
13283 MORALLO, MARGARET										
090722		09/21/2022	10278533	10042022	105573	61.74	09/26/2022	INV	PD	9/22 League of CA Cities
11608 MOSTERO, JON										
2013 MATHEWS #5		09/26/2022	10278512	10042022	105574	2,500.00	09/26/2022	INV	PD	EHV LANDLORD INCENTIVE -
2217 NAFCO, INC.										
45539		09/13/2022	10278111	10042022	105575	3,481.16	09/26/2022	INV	PD	PERMIT HANGERS
2219 NAN MCKAY & ASSOCIATES, INC										
INV272517		08/31/2022	10278414	10042022	105576	3,560.00	09/22/2022	INV	PD	WEBINAR TRAINING
3552 NATIONAL CONSTRUCTION RENTALS, INC.										
6616599		09/19/2022	10278245	10042022	105577	1,067.63	09/19/2022	INV	PD	SANI UNI RENTAL ALTA VIST
6616633		09/16/2022	10278191	10042022	105577	1,691.78	09/16/2022	INV	PD	SANI UNI RENTAL 309 ESPLA
13260 NGUYEN, THIEN						2,759.41				
NGUYEN2022		09/21/2022	10278314	10042022	105578	265.00	09/21/2022	INV	PD	REFUND NGUYEN2022 2TEN110
10711 NICHOLS CONSULTING ENGINEERS, CHTD										
910033013	4930	09/19/2022	10278364	10042022	105579	2,200.00	09/19/2022	INV	PD	PavementMgmtSurveyUpdate.
6445 NOBLE CONSULTANTS, INC.										
2021251	2856	09/19/2022	10278213	10042022	105580	1,207.50	09/19/2022	INV	PD	C-1411-131 SSLagoon/BoatL
4796 OCCU-MED,LTD.										
0922900		08/31/2022	10278557	10042022	105581	1,984.60	09/26/2022	INV	PD	PRE-EMPLOYMENT PHYSICALS
0922900.1		08/31/2022	10278558	10042022	105582	318.00	09/26/2022	INV	PD	PRE-EMPLOYMENT PHYSICAL D
0922900.2		08/31/2022	10278559	10042022	105583	6,736.20	09/26/2022	INV	PD	PRE-EMPLOYMENT PHYSICALS
10183 ON THE WING FALCONRY						9,038.80				
781064	5739	09/09/2022	10278128	10042022	105584	4,200.00	09/26/2022	INV	PD	PEST BIRD ABATEMENT SERVI
10315 PACIFIC ADVANCED CIVIL ENGINEERING, INC.										
6438	3606	09/19/2022	10278217	10042022	105585	3,499.00	09/19/2022	INV	PD	P&S.SewerPumpStations.Rin

CITY OF REDONDO BEACH



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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
12266 PALLET SPC										
200308		09/21/2022	10278534	10042022	105586	20,128.34	09/26/2022	INV	PD	6/22 RB Pallet Shelters
12759 PARKMOBILE LLC										
INV29923		08/31/2022	10278113	10042022	105587	1,524.25	09/26/2022	INV	PD	AUGUST END USER FEES
13008 PAYBYPHONE TECHNOLOGIES INC.										
INVPBPHQ4584		08/31/2022	10278114	10042022	105588	92.34	09/26/2022	INV	PD	WATERFRONT TRANSACTION FE
INVPBPHQ4585		08/31/2022	10278115	10042022	105588	225.36	09/26/2022	INV	PD	CITY TRANSACTION FEE
8133 PCI STRIPING						317.70				
10998C-01	5661	09/16/2022	10278196	10042022	105589	16,169.00	09/16/2022	INV	PD	CITYWIDE TRAFFIC STRIPING
12725 PINEDO, MICHELLE										
09132022		09/19/2022	10278194	10042022	105590	61.93	09/19/2022	INV	PD	AUGUST MILEAGE
10521 PLACEWORKS										
79433	3751	08/31/2022	10278371	10042022	105591	18,974.25	10/04/2022	INV	PD	08/2022 GENERAL PLAN UPDA
2485 PLAYPOWER LT FARMINGTON INC.										
1400260678		09/16/2022	10278190	10042022	105592	101.65	09/16/2022	INV	PD	PLAYGROUND EQUIPMENT SUPP
5485 PORTOFINO HOTEL & YACHT CLUB										
09122022		09/12/2022	10278409	10042022	105593	2,340.66	09/26/2022	INV	PD	FUEL 801
10541 PROACTIVE CONSULTING GROUP										
0008583	3759	09/19/2022	10278214	10042022	105594	3,200.00	09/19/2022	INV	PD	CONSULTANT TO OBTAIN AQMD
10446 PSYCHOLOGICAL CONSULTING ASSOCIATES, INC.										
525731		07/29/2022	10278494	10042022	105595	2,502.50	09/26/2022	INV	PD	DEBRIEFING-RBPD WOLFINGER
525747		08/22/2022	10278487	10042022	105595	1,760.00	09/26/2022	INV	PD	APPLICANTS- PYSCH
525780		08/31/2022	10278488	10042022	105595	880.00	09/26/2022	INV	PD	APPLICANT: RBPD
525799		09/09/2022	10278556	10042022	105596	990.00	09/26/2022	INV	PD	FIREFIGHTER PHYS 2 SEPT.
525820		09/16/2022	10278481	10042022	105595	440.00	09/26/2022	INV	PD	APPLICANTS: CSO
12198 PUB CONSTRUCTION, INC.						6,572.50				
304628		09/19/2022	10278369	10042022	105597	4,563.01	09/19/2022	INV	PD	WATER PIPE FIX
12024 QUADIENT, INC.										
59213676		09/22/2022	10278443	10042022	105598	968.40	09/22/2022	INV	PD	COPY CENTER TECHNOLOGY EQ
59219514		09/22/2022	10278445	10042022	105598	459.90	09/22/2022	INV	PD	COPY CENTER MAILING EQUIP

CITY OF REDONDO BEACH



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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
59219515		09/22/2022	10278444	10042022	105598	525.60	09/22/2022	INV	PD	COPY CENTER MAILING EQUIP
5029 QUEST TAEKWONDO						1,953.90				
SUMMER2022		09/16/2022	10278149	10042022	105599	318.50	09/16/2022	INV	PD	SUMMER2022 QUEST 1YPG6020
12696 REACHING EDUCATIONAL MILESTONES										
229655		09/25/2022	10278495	10042022	105600	534.50	09/25/2022	INV	PD	PARTIAL REFUND - REM 9/22
2632 REDONDO BEACH ROTARY CLUB										
08212022		09/14/2022	10278078	10042022	105601	1,000.00	09/14/2022	INV	PD	RBPD ANNUAL RESERVE BANQU
2633 REDONDO BEACH ROUND TABLE										
RT092222FD		09/26/2022	10278589	10042022	105602	30.00	09/26/2022	INV	PD	SEPTEMBER LUNCHEON 092222
2635 REDONDO BEACH UNIFIED SCHOOL DIST										
21-22-5077		09/26/2022	10278562	10042022	105603	147,068.81	09/26/2022	INV	PD	LEASE - 200 NORTH PCH -EL
21-22-5114		09/26/2022	10278563	10042022	105603	2,575.05	09/26/2022	INV	PD	LEASE - 200 NORTH PCH - E
22-23-1002		09/26/2022	10278564	10042022	105603	4,189.26	09/26/2022	INV	PD	LEASE - 200 NORTH PCH -EL
22-23-1005		09/26/2022	10278565	10042022	105603	3,593.00	09/26/2022	INV	PD	LEASE - 200 NORTH PCH - E
8253 REDONDO CHAMBER COMMUNITY FOUNDATION						157,426.12				
0024		09/19/2022	10278368	10042022	105604	950.00	09/19/2022	INV	PD	LEADERSHIP REDONDO CLASS
0025		09/19/2022	10278366	10042022	105604	950.00	09/19/2022	INV	PD	LEADERSHIP REDONDO CLASS
9637 REGIONAL TAP CENTER						1,900.00				
0091622		09/20/2022	10278268	10042022	105605	174.03	09/20/2022	INV	PD	Invoice and Payment for T
6017471		09/20/2022	10278255	10042022	105605	331.00	09/20/2022	INV	PD	City Hall TAP Aug 2022
6017527		09/20/2022	10278256	10042022	105605	20.00	09/20/2022	INV	PD	TAP Family Aug 2022
RedondoBeach09152022		09/20/2022	10278257	10042022	105605	1,600.00	09/20/2022	INV	PD	Commemorative Card Fee
2685 RICHARDS, WATSON & GERSHON						2,125.03				
238832		09/21/2022	10278286	10042022	105606	936.00	09/26/2022	INV	PD	8/22 Pipeline Franchise I
238833		09/21/2022	10278288	10042022	105606	286.00	09/26/2022	INV	PD	8/22 NPDES Issues-Seaside
238835(A)		09/21/2022	10278291	10042022	105606	1,976.00	09/26/2022	INV	PD	8/22 Housing Issues
238835(B)		09/21/2022	10278287	10042022	105606	312.00	09/26/2022	INV	PD	8/22 Election Issues
238836		09/19/2022	10278360	10042022	105606	390.00	09/19/2022	INV	PD	AUGUST SVCS R6900-1055 EM
238837		09/21/2022	10278289	10042022	105606	94.62	09/26/2022	INV	PD	8/22 CEQA Challenge Again
238840		09/21/2022	10278290	10042022	105606	2,184.00	09/26/2022	INV	PD	8/22 Utility Users' Tax-V
8888 RINCON CONSULTANTS, INC.						6,178.62				
42452	5245	09/19/2022	10278370	10042022	105607	718.75	10/04/2022	INV	PD	08/2022 AACAP PARKING STU

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42576	5701	09/21/2022	10278365	10042022	105607	1,457.50	10/04/2022	INV	PD	08/2022 CATALINA VILLAGE
						2,176.25				
11510 RUSS BASSETT CORP										
91145	5576	08/29/2022	10278072	10042022	105608	27,621.63	09/28/2022	INV	PD	Communications Center con
2783 SAFETY-KLEEN CORPORATION										
88978708		09/16/2022	10278174	10042022	105609	130.75	09/16/2022	INV	PD	STOCK OIL FOR GARAGE
89647358		09/16/2022	10278175	10042022	105609	730.32	09/16/2022	INV	PD	PICK UP USED OIL-GARAGE
89829526		09/16/2022	10278173	10042022	105609	1,840.05	09/16/2022	INV	PD	STOCK OIL FOR GARAGE
						2,701.12				
2811 SANTA ANA COLLEGE										
15841		09/01/2022	10278483	10042022	105610	5,428.00	09/26/2022	INV	PD	RECRUITS- 4 BASIC ACADEM
15851		09/01/2022	10278482	10042022	105610	460.00	09/26/2022	INV	PD	PRE-ACADEMY (4 RECRUITS)
						5,888.00				
3031 SC FUELS										
IN-0000122915	5755	09/16/2022	10278186	10042022	105611	20,448.23	09/16/2022	INV	PD	4,000 GALLONS DIESEL
8595 SCOTT ROBINSON CHRYSLER, DODGE, JEEP, RAM										
341410		09/16/2022	10278183	10042022	105612	859.20	09/16/2022	INV	PD	UNIT 663-10 W.O CAMSHAFT
4861 SECTRAN SECURITY, INC.										
22082043		09/27/2022	10278594	10042022	105613	999.36	09/27/2022	INV	PD	SECTRAN SSL AUGUST2022 22
22091491		09/16/2022	10278156	10042022	105613	388.68	09/16/2022	INV	PD	AV ARTESIA SECTRAN FOR SE
						1,388.04				
6612 SEEDS OF JOY VILLAGE, INC.										
OCTOBER2022		09/28/2022	10278718	10042022	105614	7,234.50	09/28/2022	INV	PD	SOJ OCTOBER2022 5YPG0407
10361 SHUTE, MIHALY & WEINBERGER LLP										
278368		09/21/2022	10278519	10042022	105615	132.00	09/26/2022	INV	PD	8/22 Advise re Accessory
13258 SIGNATURE COINS										
08052022-229		08/05/2022	10278397	10042022	105616	614.00	10/04/2022	INV	PD	100 CHALLENGE COINS
11214 SOUTH BAY CENTER SPE, LLC										
090122		09/14/2022	10278099	10042022	105617	3,083.53	09/14/2022	INV	PD	SBGTC Cleaning Monthly Fe
100122		09/27/2022	10278569	10042022	105617	3,083.53	09/27/2022	INV	PD	CRBE -SBGTC
						6,167.06				
2990 SOUTH BAY FORD										
401221		09/16/2022	10278182	10042022	105618	32.52	09/16/2022	INV	PD	UNIT 101-09 W.O. WHEEL ST

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INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
401615		09/16/2022	10278181	10042022	105618	95.41	09/16/2022	INV	PD	UNIT 266- W.O. BLINKER SW
2999 SOUTH BAY SHELL						127.93				
SHELLCARWASH-08/22		09/19/2022	10278224	10042022	105619	428.00	09/19/2022	INV	PD	CITY VEHICLES CAR WASHES
3016 SOUTHERN CALIFORNIA EDISON										
600001012446-9-9-22		09/13/2022	10278340	10042022	105620	61,961.91	09/13/2022	INV	PD	HARBOR DRIVE CAMINO REAL
700062327897-8-5-22		09/13/2022	10278064	10042022	105620	2,457.91	09/13/2022	INV	PD	MARINA WAY PORTOFINO WAY
700062360940-7-15-22		09/13/2022	10278063	10042022	105620	1,613.71	09/13/2022	INV	PD	N. HARBOR DRIVE CATALIN
700062360940-8-15-22		09/13/2022	10278342	10042022	105620	834.64	09/13/2022	INV	PD	HARBOR DRIVE CATALINA
700062474209-8-10		09/13/2022	10278315	10042022	105620	4,771.82	09/13/2022	INV	PD	BLOSSOM CARNEGIE STEINH
700063072575-7-15-22		09/13/2022	10278311	10042022	105620	87,546.64	09/13/2022	INV	PD	FARRELL MBB ROCKEFELLE
700063072575-8-16-22		09/13/2022	10278346	10042022	105620	108,433.32	09/13/2022	INV	PD	ERNEST MBB FARRELL DIA
700165291478-7-15-22		09/13/2022	10278332	10042022	105620	362.83	09/13/2022	INV	PD	YACHT CLUB WAY
700354269811-7-29		09/13/2022	10278331	10042022	105620	917.80	09/13/2022	INV	PD	1521 1/2 KINGS DALE - TP
700635098046-7-29-22		09/13/2022	10278309	10042022	105620	497.05	09/13/2022	INV	PD	1850 KINGS DALE
11324 STALLEY, FRED C.						269,397.63				
08232022		08/23/2022	10278136	10042022	105621	6,027.78	09/26/2022	INV	PD	AVIATION SIP GRANT REIMB
12748 SWA GROUP										
191951	5413	09/19/2022	10278333	10042022	105622	11,621.04	09/26/2022	INV	PD	WATERFRONT AMENITIES PLAN
10355 T-MOBILE USA, INC.										
9504939289		08/09/2022	10278388	10042022	105623	100.00	10/04/2022	INV	PD	GPS LOCATED 4XX-XXX-2920
9715 T2 SYSTEMS CANADA INC.										
7246		09/19/2022	10278249	10042022	105624	514.50	09/26/2022	INV	PD	EXTEND BY PHONE - AUGUST,
11819 TAKAHAMA, RUBY										
08/18/2022		09/22/2022	10278447	10042022	105625	556.47	09/26/2022	INV	PD	REIMBURSEMENT- ESRI CONFER
9290 TELECOM LAW FIRM, P.C.										
13486	4289	09/19/2022	10278361	10042022	105626	417.85	09/19/2022	INV	PD	TELECOM CONSULTING SERVIC
5851 THE SOHAGI GROUP, A PROFESSIONAL LAW GROUP										
17388		09/21/2022	10278516	10042022	105627	150.00	09/26/2022	INV	PD	8/22 Land Use Legal Fees
9019 THOMSON REUTERS - WEST										
847030319		09/21/2022	10278530	10042022	105628	1,034.41	09/26/2022	INV	PD	9/22 Library Plan Charges
71 TIME WARNER CABLE										

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0004790090622		09/20/2022	10278261	10042022	105629	5,579.12	09/20/2022	INV	PD	DARK FIBER SEPT 2022
11361 TIREHUB, LLC										
29621582		09/16/2022	10278176	10042022	105630	289.08	09/16/2022	INV	PD	TIRES FOR GARAGE STOCK
3219 TOMAHAWK LIVE TRAP COMPANY										
390951		09/13/2022	10278273	10042022	105631	371.50	09/26/2022	INV	PD	AC TRAPS
12656 TOWER ESCROW INC										
828505643		09/07/2022	10278527	10042022	105632	260.00	10/04/2022	INV	PD	REFUND DOUBLE CHARGE BUIL
7361 TRANSPORTATION CONCEPTS										
516-08-2022	5697	09/20/2022	10278259	10042022	105633	269,918.19	09/20/2022	INV	PD	Transit Expenses Through
3261 TURF STAR INC										
7242451-00		09/16/2022	10278184	10042022	105634	144.19	09/16/2022	INV	PD	UNIT 295 W.O DOOR HANDLE
3273 U.S. ARMOR CORPORATION										
38976		09/12/2022	10278475	10042022	105635	895.05	09/26/2022	INV	PD	Vest for Officer Sageghi
3702 US BANK										
6638294		08/25/2022	10278568	10042022	105636	2,500.00	09/26/2022	INV	PD	ADMIN FEES FOR RBCFA LEAS
5885 U.S. BANK CORPORATE PAYMENT SYSTEM										
027008222022		08/22/2022	10278285	10042022	105637	786.26	10/04/2022	INV	PD	PORTOLESE L CALCARD 08/22
03048222022		09/07/2022	10278096	10042022	105637	2,407.29	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - J.
040408222022		08/22/2022	10278251	10042022	105637	23.94	09/19/2022	INV	PD	NAVARRO CALCARD 08-22-22
046208222022		08/22/2022	10278210	10042022	105637	677.15	10/04/2022	INV	PD	ANDERSON J CALCARD 08/22/
067308222022		08/22/2022	10278120	10042022	105637	1,478.75	10/04/2022	INV	PD	HAVRILCHAK E CALCARD 08/2
077108222022		09/15/2022	10278138	10042022	105637	11.28	09/15/2022	INV	PD	CHRISTENSEN CALCARD SAILI
08222022-1945		09/28/2022	10278711	10042022	105637	1,548.99	09/28/2022	INV	PD	MATT CALCARD AUG 2022
08222022-3861		09/20/2022	10278260	10042022	105637	-2,689.98	09/20/2022	CRM	PD	CHRIS CAL CARD AUG 2022 C
09068222022		09/07/2022	10278125	10042022	105637	1,740.74	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - C.
10178222022		09/19/2022	10278202	10042022	105637	233.20	09/19/2022	INV	PD	CAL CARD AUGUST 2022 - A.
152708222022		08/22/2022	10278229	10042022	105637	6,272.61	10/04/2022	INV	PD	ANTES J CALCARD 08/22/202
15808222022		09/07/2022	10278088	10042022	105637	5,606.84	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - D.
1615-08222022		09/01/2022	10278157	10042022	105637	35.00	09/19/2022	INV	PD	B.BOSTER CC 08/22
171008222022		08/22/2022	10278284	10042022	105637	1,586.69	10/04/2022	INV	PD	SOULES L CALCARD 08/22/20
185708222022		09/08/2022	10277945	10042022	105637	466.56	09/08/2022	INV	PD	RMICHEL CALCARD 082022
204208222022		08/22/2022	10278209	10042022	105637	758.96	10/04/2022	INV	PD	MANLEY C CALCARD 08/22/20
20768222022		09/07/2022	10278075	10042022	105637	11,415.83	09/07/2022	INV	PD	CAL CARD AUG. 2022 - M. K
2180-08222022		09/16/2022	10278163	10042022	105637	32.98	09/16/2022	INV	PD	CAL-CARD - BYRD 08-22-22
23618222022		09/19/2022	10278244	10042022	105637	13,949.12	09/19/2022	INV	PD	CAL CARD AUGUST 2022 - G.
246908222022		09/08/2022	10277940	10042022	105637	1,600.00	09/08/2022	INV	PD	CHORVATH CALCARD 082022
26028222022		09/07/2022	10278098	10042022	105637	5,083.70	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - R.
28258222022		09/07/2022	10278042	10042022	105637	1,402.24	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - T.
287008222022		08/22/2022	10278195	10042022	105637	100.15	10/04/2022	INV	PD	PRESTIA C CALCARD 08/22/2

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293608222022		08/22/2022	10278234	10042022	105637	49.99	10/04/2022	INV	PD	LONG B CALCARD 08/22/2022
2968-08222022		09/01/2022	10278160	10042022	105637	-35.60	09/19/2022	CRM	PD	C. MOHONEY CC 08/22
302708222022		09/15/2022	10278141	10042022	105637	1,319.19	09/15/2022	INV	PD	AGUIRRECALCARD CAMPSUPPLI
309608222022		09/15/2022	10278133	10042022	105637	756.56	09/15/2022	INV	PD	SNEEDCALCARD OFFICE SUPPL
311608222022		09/08/2022	10277943	10042022	105637	807.02	09/08/2022	INV	PD	LEMDEE CALCARD 082022
3290-08222022		09/01/2022	10278166	10042022	105637	347.61	09/19/2022	INV	PD	C.LUBBA CC 08/22
343908222022		08/22/2022	10278129	10042022	105637	1,827.58	10/04/2022	INV	PD	DYBERG M CALCARD 08/22/20
34718222022		09/07/2022	10278116	10042022	105637	1,046.19	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - V.
3478-08222022		09/01/2022	10278162	10042022	105637	648.20	09/19/2022	INV	PD	R.STOUT CC 08/22
3686-08222022		09/01/2022	10278154	10042022	105637	8.99	09/19/2022	INV	PD	B.REGAN CC 08/22
368908222022		09/19/2022	10278237	10042022	105637	5,560.45	09/19/2022	INV	PD	JACK MEYER CAL CARD - 8/2
392608222022		08/22/2022	10278205	10042022	105637	4,805.15	10/04/2022	INV	PD	FIZULICH M CALCARD 08/22/
40648222022		09/07/2022	10278127	10042022	105637	1,629.40	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - J.
46088222022		09/07/2022	10277766	10042022	105637	855.09	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - A.
469408222022		09/07/2022	10277765	10042022	105637	1,645.94	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - S.
4737-08222022		09/01/2022	10278161	10042022	105637	1,569.09	09/19/2022	INV	PD	G.DAILY CC 08/22
490308222022		08/22/2022	10278207	10042022	105637	368.44	10/04/2022	INV	PD	WARREN C CALCARD 08/22/20
498008222022		09/08/2022	10277942	10042022	105637	1,326.30	09/08/2022	INV	PD	TLOEWENSTEIN CALCARD 0820
50748222022		09/07/2022	10278104	10042022	105637	481.17	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - C.
51518222022		09/07/2022	10278089	10042022	105637	1,082.89	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - J.
53550822022		08/22/2022	10278118	10042022	105637	234.53	10/04/2022	INV	PD	SHAKENBORG M CALCARD 08/2
561708222022		09/08/2022	10277785	10042022	105637	1,222.00	09/08/2022	INV	PD	Rooney - 8-22-22 Cal Card
56528222022		09/07/2022	10278086	10042022	105637	576.13	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - E.
56968222022		09/19/2022	10278193	10042022	105637	181.49	09/19/2022	INV	PD	CAL CARD AUGUST 2022 - A.
5704-08222022		09/01/2022	10278155	10042022	105637	20.00	09/19/2022	INV	PD	K. KAUFFMAN CC 08/22
5708-08222022		09/01/2022	10278165	10042022	105637	2,527.45	09/19/2022	INV	PD	J.MAY CC 08/22
5730-08222022		09/01/2022	10278159	10042022	105637	259.89	09/19/2022	INV	PD	J.BROWN CC 08/22
576310042022		08/22/2022	10277680	10042022	105637	257.27	09/19/2022	INV	PD	LK AUGUST 2022 CAL CARD
58978222022		09/07/2022	10278097	10042022	105637	2,092.95	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - C.
600108222022		08/22/2022	10278130	10042022	105637	724.31	10/04/2022	INV	PD	MENDENCE J CALCARD 08/22/
609908222022		08/22/2022	10278701	10042022	105637	2,611.18	09/28/2022	INV	PD	Cal Card for Zach Painter
6273-08222022		09/01/2022	10278168	10042022	105637	1,290.98	09/19/2022	INV	PD	D.CONARD CC 08/22
63668222022		09/07/2022	10278145	10042022	105637	2,883.85	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - B.
63908222022		09/07/2022	10278148	10042022	105637	853.49	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - M.
64418222022		09/07/2022	10278037	10042022	105637	159.31	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - M.
649408222022		09/14/2022	10278083	10042022	105637	30.00	09/14/2022	INV	PD	ZOBAGIJR CALCARD 082022
664508222022		08/22/2022	10278282	10042022	105637	384.00	10/04/2022	INV	PD	SHIANG S CALCARD 08/22/20
671408222022		08/22/2022	10278232	10042022	105637	2,942.90	10/04/2022	INV	PD	TEMPRANO M CALCARD 08/22/
674908222022		08/22/2022	10278123	10042022	105637	13.95	10/04/2022	INV	PD	WIDMAN W CALCARD 08/22/20
675108222022		08/22/2022	10278201	10042022	105637	1,609.65	10/04/2022	INV	PD	SPRENGEL S CALCARD 08/22/
682608222022		08/22/2022	10278206	10042022	105637	1,143.15	10/04/2022	INV	PD	DILEVA V CALCARD 08/22/20
689408222022		09/08/2022	10277937	10042022	105637	123.87	09/08/2022	INV	PD	NNEHRENHEIM CALCARD 08202
693208222022		09/07/2022	10277760	10042022	105637	5,293.19	09/07/2022	INV	PD	CAL CARD -AUGUST 2022 - M
710608222022		08/22/2022	10278122	10042022	105637	142.75	10/04/2022	INV	PD	ROSE S CALCARD 08/22/2022
716608222022		08/22/2022	10278225	10042022	105637	1,371.06	10/04/2022	INV	PD	CARLBORG R CALCARD 08/22/
728308222022		08/22/2022	10278228	10042022	105637	2,200.36	10/04/2022	INV	PD	PLUGGE A CALCARD 08/22/20
749008222022		09/07/2022	10277741	10042022	105637	18,290.79	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - F.
752008222022		08/22/2022	10278084	10042022	105637	767.88	09/14/2022	INV	PD	LIBRARY/VILHAUER
753108222022		09/07/2022	10277747	10042022	105637	1,072.03	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - J.
759808222022		09/15/2022	10278135	10042022	105637	1,916.46	09/15/2022	INV	PD	DIAZCALCARD SAILING/AV SU
760608222022		09/15/2022	10278139	10042022	105637	1,127.26	09/15/2022	INV	PD	PIERCECALCARD GYM SUPPLIE
76638222022		09/07/2022	10278147	10042022	105637	4,123.85	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - J.
7739-08222022		09/15/2022	10278119	10042022	105637	502.23	09/15/2022	INV	PD	MANZANO- AUG CAL CARD
775408222022		09/08/2022	10277936	10042022	105637	350.00	09/08/2022	INV	PD	MWITZANSKY CALCARD 082022
783408222022		08/22/2022	10278132	10042022	105637	75.00	10/04/2022	INV	PD	DRURY J CALCARD 08/22/202

CITY OF REDONDO BEACH

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
7933-08222022		09/01/2022	10278153	10042022	105637	65.09	09/19/2022	INV	PD	I. YANG CC 08/22
79528222022		09/07/2022	10278076	10042022	105637	2,979.89	09/07/2022	INV	PD	CAL CARD AUG. 2022 - R.LA
81298222022		09/07/2022	10278041	10042022	105637	289.33	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - J.
834608222022		08/22/2022	10278235	10042022	105637	6,070.05	10/04/2022	INV	PD	MORALES L CALCARD 08/22/2
836608222022		08/22/2022	10278226	10042022	105637	959.21	10/04/2022	INV	PD	HALEY D CALCARD 08/22/202
852808222022		08/22/2022	10278699	10042022	105637	-195.48	09/28/2022	CRM	PD	GOMEZ MAYRA CAL CARD SFS
878008222022		08/22/2022	10278283	10042022	105637	788.00	10/04/2022	INV	PD	FORBES B CALCARD 08/22/20
880708222022		08/22/2022	10278421	10042022	105637	122.37	09/22/2022	INV	PD	DEPARTMENT SUPPLIES
885308222022		08/22/2022	10278204	10042022	105637	2,527.65	10/04/2022	INV	PD	HOFFMAN J CALCARD 08/22/2
8888-082222		09/15/2022	10278144	10042022	105637	565.41	09/19/2022	INV	PD	8/22 J. Espinoza Cal Card
899608222022		09/07/2022	10277754	10042022	105637	3,176.47	09/07/2022	INV	PD	CAL CARD -AUGUST 2022 - J
918508222022		08/22/2022	10278227	10042022	105637	345.29	10/04/2022	INV	PD	DELERY D CALCARD 08/22/20
9231082222		09/08/2022	10277938	10042022	105637	950.00	09/08/2022	INV	PD	B BRAND CALCARD 082022
92348222022		09/07/2022	10278079	10042022	105637	265.00	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - M,
9360-082222		09/15/2022	10278142	10042022	105637	15.70	09/19/2022	INV	PD	8/22 C. Park Cal Card
9371-082222		09/15/2022	10278121	10042022	105637	33.00	09/15/2022	INV	PD	KRONEBERGER- AUG CAL CARD
967008222022		08/22/2022	10278198	10042022	105637	856.41	10/04/2022	INV	PD	LEWIS A CALCARD 08/22/202
9760-08222022		09/01/2022	10278164	10042022	105637	3,736.00	09/19/2022	INV	PD	D.SMITH CC 08/22
98198222022		09/07/2022	10278090	10042022	105637	1,826.38	09/07/2022	INV	PD	CAL CARD AUGUST 2022 - E.
991708222022		08/22/2022	10278131	10042022	105637	617.09	10/04/2022	INV	PD	LOFSTROM K CALCARD 08/22/
Amaya CalCard8.22.22		09/08/2022	10277897	10042022	105637	1,294.32	09/08/2022	INV	PD	Diane Amaya Cal Card 8.22
						167,290.34				
3283 ULINE										
153021248		09/16/2022	10278179	10042022	105638	89.28	09/16/2022	INV	PD	SHOP-STICKERS/HAZMAT MATE
5332 UNITED RENTALS NORTHWEST, INC.										
185398016-027		09/21/2022	10278538	10042022	105639	175.20	09/26/2022	INV	PD	9/22 RB Homeless Ct Porta
207727211-002		09/16/2022	10278221	10042022	105639	2,104.34	09/16/2022	INV	PD	ARTICULATING BOOM PIER LI
						2,279.54				
4616 UNITED SITE SERVICES OF CALIFORNIA, INC.										
114-13355700		09/21/2022	10278536	10042022	105640	1,149.49	09/26/2022	INV	PD	RB Homeless Shelter Porta
3844 URLAUB ACCOUNTING & COMPUTER SERVICES										
2021-1760		09/01/2022	10278151	10042022	105641	720.00	09/16/2022	INV	PD	Accounting Services
8088 VERIZON BUSINESS SERVICES										
Z8422892		09/20/2022	10278262	10042022	105642	2,016.86	09/20/2022	INV	PD	PRIVATE IP SEPT 2022
3621 VERIZON WIRELESS										
9914329944		09/20/2022	10278264	10042022	105643	3,631.23	09/20/2022	INV	PD	PD MODEMS CHARGES SEPT 20
9914721287		09/01/2022	10278403	10042022	105643	4,495.47	10/04/2022	INV	PD	09/01/2022 BILL DATE
9914801952		09/20/2022	10278263	10042022	105643	259.85	09/20/2022	INV	PD	CHRIS CELLPHONE CHARGES S
9914802031		09/21/2022	10278358	10042022	105643	345.70	09/21/2022	INV	PD	PW EMERGENCY CELL PHONES
9915725782		09/26/2022	10278502	10042022	105643	231.40	09/26/2022	INV	PD	CHRIS CELLPHONE CHARGES S
						8,963.65				
6081 VERONICA TAM & ASSOCIATES										

CITY OF REDONDO BEACH



VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
3170	5161	08/22/2022	10278382	10042022	105644	10,580.00	10/04/2022	INV	PD	07/2022 HOUSING ELEMENT S
3388 WALKER PARKING CONSULTANTS/ENGINEERS, IN										
370093970006	5429	09/19/2022	10278362	10042022	105645	3,032.50	09/19/2022	INV	PD	WALKER PARKING CONSULTANT
12916 WALLACE & ASSOCIATES CONSULTING, LLC										
w800654	5546	09/19/2022	10278372	10042022	105646	4,478.00	09/19/2022	INV	PD	ALTA VISTA PUMP STATION P
w800655	5655	09/19/2022	10278215	10042022	105646	2,730.00	09/19/2022	INV	PD	BASIN 2 SEWER PUMP OUT
						7,208.00				
3408 WAXIE SANITARY SUPPLY										
79034984CM		09/21/2022	10278337	10042022	105647	-35.22	09/21/2022	CRM	PD	CREDIT MEMO
79845555CM		09/21/2022	10278334	10042022	105647	-213.77	09/21/2022	CRM	PD	CREDIT MEMO
80445090CM		09/21/2022	10278336	10042022	105647	-159.52	09/21/2022	CRM	PD	CREDIT MEMO
80462708CM		09/21/2022	10278328	10042022	105647	-203.23	09/21/2022	CRM	PD	CREDIT MEMO
80506196CM		09/21/2022	10278329	10042022	105647	-248.35	09/21/2022	CRM	PD	CREDIT MEMO
80810817CM		09/21/2022	10278330	10042022	105647	-1,763.50	09/21/2022	CRM	PD	CREDIT MEMO
81055507		09/21/2022	10278338	10042022	105647	342.23	09/21/2022	INV	PD	SEWERS CLEANING SUPPLIES
81061957		09/21/2022	10278310	10042022	105647	19.37	09/21/2022	INV	PD	JANITORIAL SUPPLIES RBPAC
81068207		09/21/2022	10278313	10042022	105647	262.25	09/21/2022	INV	PD	JANITORIAL SUPPLIES- RB P
81072425		09/21/2022	10278317	10042022	105647	728.74	09/21/2022	INV	PD	JANITORIAL SUPPLIES SEASI
81085128		09/21/2022	10278316	10042022	105647	4,676.38	09/21/2022	INV	PD	JANITORIAL SUPPLIES-PIER
81085166		09/21/2022	10278326	10042022	105647	760.35	09/21/2022	INV	PD	JANITORIAL SUPPLIES-PARKS
81094609		09/21/2022	10278312	10042022	105647	434.53	09/21/2022	INV	PD	JANITORIAL SUPPLIES RBPAC
81094634		09/21/2022	10278308	10042022	105647	292.15	09/21/2022	INV	PD	JANITORIAL SUPPLIES RBPAC
81118098		09/21/2022	10278319	10042022	105647	160.86	09/21/2022	INV	PD	JANITORIAL SUPPLIES SEASI
81124828		09/21/2022	10278321	10042022	105647	329.34	09/21/2022	INV	PD	JANITORIAL SUPPLIES SEASI
81154627		09/21/2022	10278324	10042022	105647	1,156.13	09/21/2022	INV	PD	JANITORIAL SUPPLIES-PARKS
81175755		09/21/2022	10278323	10042022	105647	616.47	09/21/2022	INV	PD	JANITORIAL SUPPLIES-PARKS
						7,155.21				
3421 WEST COAST ARBORISTS INC										
187771	5457	09/28/2022	10278716	10042022	105648	18,310.00	09/28/2022	INV	PD	BIENNIAL TREE PRUNNING 6/
188414	5457	09/16/2022	10278220	10042022	105648	10,979.00	09/16/2022	INV	PD	LILIENTHAL & PERRY ALLISO
189331	5457	09/16/2022	10278216	10042022	105648	12,438.00	09/16/2022	INV	PD	SPECIALS-CARNELLIAN & PCH
189332	5457	09/16/2022	10278212	10042022	105648	300.00	09/16/2022	INV	PD	LILIENTHAL STUMP REMOVAL
						42,027.00				
10426 WEST MARINE PRO										
004216		09/10/2022	10278454	10042022	105649	96.34	09/26/2022	INV	PD	TOOLS/EQUIP 0091022
4049 ZIP REPORTS										
52705220827		09/01/2022	10278150	10042022	105650	38.00	09/16/2022	INV	PD	Reports ordered August 20
						38.00				

VENDOR INVOICE LIST

INVOICE	P.O.	INV DATE	VOUCHER	CHECK RUN	CHECK #	INVOICE NET	DUE DATE	TYPE	STS	INVOICE DESCRIPTION
437 INVOICES						1,902,905.88				

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



Administrative Report

H.4., File # 22-4693

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: LORI YAMASAKA, ACTING FINANCE DIRECTOR

TITLE

APPROVE CONTRACTS UNDER \$35,000:

1. APPROVE AN AGREEMENT WITH SECTRAN SECURITY, INC. FOR ARMORED VEHICLE SERVICES TO SECURE THE PICKUP OF CASH AND CHECKS FROM CITY HALL AND DELIVER THEM TO THE BANK AT A MONTHLY RATE OF \$480 PLUS GAS SURCHARGES (FOR AN ESTIMATED EXPENDITURE FOR FY 2022-23 OF \$8,000) FOR THE TERM OCTOBER 17, 2022 TO OCTOBER 16, 2023 WITH TWO AUTOMATIC ONE-YEAR EXTENSIONS

EXECUTIVE SUMMARY

Approve Contracts Under \$35,000

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Sectran Security, Inc.
- Insurance - Sectran Security, Inc.

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

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Sectran Security, Incorporated, a California corporation ("Contractor" or "Consultant"). The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

- 1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any

other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Contractor.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons

for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.

13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or

written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act

are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within 90 days after accrual of the cause of action.

31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

SECTRAN SECURITY, INCORPORATED
a California corporation

William C. Brand, Mayor

By: _____
Name: _____
Title: _____

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall perform the following services.

1. Route Pickup and Delivery: Contractor shall provide conjunctive, sequential, on route pickup and delivery of items at the following location(s) to/from City's designated, mutually agreed-upon location.

Type	SECTRA BRANCH	UNIT # / LOCATION	MAXIMUM LIABILITY COVERAGE	SERVICE FREQUENCY	FEE for SERVICE
Pickup	PICO	CITY OF REDONDO BEACH CITY HALL 415 DIAMOND ST REDONDO BEACH, CA 90277	\$100,000.00 per shipment	MONDAY – FRIDAY (5)	\$480.00 per month plus Gas surcharge as described in Exhibit "C".
Delivery	Bank	BANK OF AMERICA CCV			

**The City will confirm the daily pickup schedule with Contractor at least seven (7) days prior to the pickup.*

2. Service: Contractor shall pick up, receive from, and/or deliver to City, or any designated agent, securely sealed or locked shipments which may contain any or all of the following: currency, coin, checks, securities, or other valuables. If the shipment container(s) does not appear to be securely locked or sealed, Contractor reserves the right to refuse to accept such container(s) and will not receive said container(s) from the City or its designated agent. If Contractor accepts sealed container(s), Contractor shall give the City a receipt for said sealed container(s), transport and deliver such sealed container(s) to the consignee designated by the City. City will not conceal or misrepresent any material fact or circumstances concerning the property delivered to Contractor pursuant to this Agreement.
3. Holiday Service: Contractor shall provide service as described herein except for the following holidays: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Columbus Day, Thanksgiving Day, Christmas Day.
4. Specials: Unscheduled pickups or deliveries are available under the same conditions and provisions of this Agreement.
5. Liability: Contractor shall provide liability coverage as set forth in the table provided in Section 1 of this Exhibit "A".

6. Insurance. Contractor shall also comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence October 17, 2022 and expire October 16, 2023 ("Term"), unless otherwise terminated as herein provided. At the end of the Initial Term and each renewal term, this Agreement shall automatically renew for an additional term of twelve (12) months, unless the City provides written notice to Contractor at least fifteen (15) days prior to the end of the then current term. However, in no event shall the term of this Agreement go beyond October 16, 2025.

EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT.** Contractor shall be paid as follows

- a. Scheduled Pick and Delivery Days. Contractor shall be in accordance with the table set forth below.

SECTRAN BRANCH	UNIT # / LOCATION	FEE for SERVICE
PICO	CITY OF REDONDO BEACH CITY HALL 415 DIAMOND ST REDONDO BEACH, CA 90277	\$480.00 per month plus gas surcharge.

- b. Non Scheduled Pick and Delivery Days. Contractor shall be paid \$35.00 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). 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.

Minimum	Maximum	Per Gallon	Fee (%)
\$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%

Minimum	Maximum	Per Gallon	Fee (%)
\$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%
\$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 pickup and branch, date of service, 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 and addressed to or personally served on the following parties.

Contractor: Sectran Security, Incorporated

7633 Industry Avenue
Pico Rivera, CA 90660
Attention: Accounts Payable

City: City of Redondo Beach
City Treasurer's Office
415 Diamond Street
Redondo Beach, CA 90278
Attention: Nileshe Mehta

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer's Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the 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: AW

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/25/2022

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

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

PRODUCER Associated Insurance Services 106 West Main Street P.O. Box 630 Plainville, CT 06062-0630 Associated Insurance Services	860-793-9601 CONTACT NAME: Associated Insurance Services PHONE (A/C, No, Ext): 860-793-9601 FAX (A/C, No): 860-747-3580 E-MAIL ADDRESS: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A: The Hartford</td> <td>29424</td> </tr> <tr> <td>INSURER B: Philadelphia Insurance Company</td> <td>18058</td> </tr> <tr> <td>INSURER C: Scottsdale Insurance Company</td> <td></td> </tr> <tr> <td>INSURER D: Lloyds</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: The Hartford	29424	INSURER B: Philadelphia Insurance Company	18058	INSURER C: Scottsdale Insurance Company		INSURER D: Lloyds		INSURER E:		INSURER F:	
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INSURER C: Scottsdale Insurance Company															
INSURER D: Lloyds															
INSURER E:															
INSURER F:															
INSURED Sectran Security, Inc. 7633 Industry Avenue Pico Rivera, CA 90660															

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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <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"/>		PHPK2347087	11/22/2021	11/22/2022	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
A	AUTOMOBILE LIABILITY <input checked="" 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	11/22/2021	11/22/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$	<input checked="" type="checkbox"/>		XLS0121362	11/22/2021	11/22/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / N <input checked="" type="checkbox"/> N / A If yes, describe under DESCRIPTION OF OPERATIONS below			02WEOI4328	11/22/2021	11/22/2022	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Cash In Transit			B0901EE1906409000	08/27/2022	08/27/2023	Transit \$ 1,000,000 Vault \$ 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

NOTEPAD:

HOLDER CODE

INSURED'S NAME **Sectran Security, Inc.****SECTR-1****OP ID: AW**PAGE **2**Date **08/25/2022**

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.



Administrative Report

H.5., File # 22-4946

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: ELEANOR MANZANO, CITY CLERK

TITLE

EXCUSE ABSENCES OF COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS.

EXECUTIVE SUMMARY

<u>Commissioner/Member</u>	<u>Board/Commission</u>	<u>Meeting Date</u>
Mara Lang	Rec & Parks	September 14, 2022
Alan Klainbaum	Public Safety	September 19, 2022
Daniel J. Marinelli	Public Safety	September 19, 2022
Dan J. Commiato	Historical	September 21, 2022
Larry J. Glass	Public Works	September 26, 2022
Bhuvan Bajaj	Public Works	September 26, 2022
Craig M. Funabashi	Public Works	September 26, 2022
Ashish Sharma	Public Art	September 28, 2022
Matthew Stodder	GPAC	September 29, 2022
Leslie Chrzan	GPAC	September 29, 2022
Roger Carlson	Harbor	October 10, 2022
Vicki Lin Callahan	Harbor	November 14, 2022

On September 20, 2022, the City Clerk received notification from Commissioner Lang requesting an excused absence for September 14, 2022, Recreation & Parks Commission Meeting for business reasons.

On September 15, 2022, the City Clerk received notification from Commissioner Klainbaum requesting an excused absence for September 19, 2022, Public Safety Commission Meeting for personal reasons.

On September 19, 2022, the City Clerk received notification from Commissioner Marinelli requesting an excused absence for September 19, 2022, Public Safety Commission Meeting for personal reasons

On September 19, 2022, the City Clerk received notification from Commissioner Commiato requesting an excused absence for September 21, 2022, Historical Commission Meeting for personal reasons.

On September 20, 2022, the City Clerk received notification from Commissioner Glass requesting an excused absence for September 26, 2022, Public Works Commission Meeting for personal reasons.

On September 26, 2022, the City Clerk received notification from Commissioner Bajaj requesting an excused absence for September 26, 2022, Public Works Commission Meeting for personal reasons.

On September 26, 2022, the City Clerk received notification from Commissioner Funabashi requesting an excused absence for September 26, 2022, Public Works Commission Meeting for personal reasons.

On September 28, 2022, the City Clerk received notification from Commissioner Sharma requesting an excused absence for September 28, 2022, Public Art Commission Meeting for personal reasons.

On September 29, 2022, the City Clerk received notification from Committee member Stodder requesting an excused absence for September 29, 2022, GPAC Meeting for personal reasons.

On September 29, 2022, the City Clerk received notification from Committee member Chrzan requesting an excused absence for September 29, 2022, GPAC Meeting for personal reasons.

On September 27, 2022, the City Clerk received notification from Commissioner Carlson requesting excuse absences for October 10, 2022, Harbor Commission Meeting for personal reasons.

On September 26, 2022, the City Clerk received notification from Commissioner Callahan requesting an excused absence for November 14, 2022, Public Works Commission Meeting for personal reasons.

BACKGROUND

As of September 3, 2019, the City Council authorized the City Clerk to revise the policy pertaining to requests for excused absences, whereby Board Members and Commissioners are now required to communicate impending absences directly to the City Clerk for processing.

APPROVED BY:

Eleanor Manzano, City Clerk

FISCAL IMPACT

None



Administrative Report

H.6., File # 22-4903

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2210-073, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL BOOK OF CLASSIFICATIONS FOR THE POSITION OF HUMAN RESOURCES MANAGER

EXECUTIVE SUMMARY

The City maintains an official book of class specifications for positions in service to the City of Redondo Beach. Pursuant to Article 6, Chapter 3 of the Municipal Code, as recruitments for open positions are initiated, approved class specifications are created, reviewed and/or updated to validate current job duties, responsibilities and qualifications. During the FY 2022-23 budget adoption process, the City Council approved a decision package directing the reclassification of a Human Resources Analyst position into a Human Resources Manager position. Approval of the proposed Resolution will allow for execution of the budget action.

BACKGROUND

During the FY 2022-23 budget adoption the City Council authorized the reclassification of a budgeted Human Resources Analyst position into a Human Resources Manager position within the Human Resources Department. As this will be a new position to the City, there is no existing job specification available. The attached resolution and job specification put forth the scope and duties of the position in conformance with the City's current goals and work objectives. The specification includes language related to staff supervision, as well as the higher level task and project management duties for which the position will be responsible.

The Human Resources Manager will be an unclassified, at-will position assigned to the Management and Confidential employee group. Attached is a resolution and proposed job classification for Council review and consideration of approval.

COORDINATION

The Human Resources Department coordinated this revised class specification with the City Attorney's Office.

FISCAL IMPACT

Funding for the position is available in the Human Resources Department's FY 2022-23 budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - Human Resources Manager Amendments and Class Specification

RESOLUTION NO. CC-2210-073

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
REDONDO BEACH, CALIFORNIA, AMENDING THE OFFICIAL
BOOK OF CLASSIFICATIONS FOR THE POSITION OF
HUMAN RESOURCES MANAGER**

WHEREAS, pursuant to Sections 2-3.602 and 2-3.603 of Article 6, Chapter 3, Title 2 of the Redondo Beach Municipal Code, the Mayor and City Council shall set forth from time to time the Class Titles and Specifications for job classifications; and,

WHEREAS, it is necessary to amend the Official Book of Classifications to reflect such action of the City Council.

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

SECTION 1. That the Official Book of Classifications is hereby amended, as reflected in the attached Exhibit "A" relating to the class specification for the position of Human Resources Manager

SECTION 2. This resolution shall take effect immediately upon its adoption by the City Council.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 4th day of October, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2210-073 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 4th day of October, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

Exhibit “A”

TITLE: HUMAN RESOURCES MANAGER

Initial Salary Range \$ 7585 - \$9481/month

DEFINITION

Under general direction of the Human Resources Director, organizes and manages a variety of complex and professional functions and analyses in support of city departments, such as recruitment and selection, employee relations, labor relations, classification, compensation, training and employee development, benefit and leave administration, organizational development, and personnel research; supervises professional, technical and support staff; is accountable as a supervisor for the Human Resources Department to achieve results in support of the City's mission, goals, policies, and objectives; and performs related duties as required.

EXAMPLES OF DUTIES, RESPONSIBILITIES AND EXPECTATIONS:

This position is accountable as a member of the management team to perform duties including but not limited to:

Develops and manages the implementation of goals, objectives, policies, procedures and work standards for the Human Resources divisions

Works collaboratively with City staff in resolving organizational and human resources issues, questions and challenges, while interpreting the MOU, internal policy and practice, and legal requirements

Provides guidance and supports managers and supervisors effectively in managing employee performance, evaluation and discipline, including assisting with reviewing or drafting performance evaluations, performance improvement plans and disciplinary documents and advising on legal and MOU requirements

Oversees and participates in a variety of organizational and operational studies; directs the conduct of surveys to determine the City's position in the labor market and identify wage, benefit and working condition trends; recommends development of or modifications to new and existing classification and compensation descriptions, policies and procedures

Manages, administers and monitors a broad variety of recruitment, testing, and selection procedures; works with management and hiring department representatives in order to establish recruitment methods and testing and selection processes for new and vacant positions

Manages, administers and oversees various employee benefit programs and employee leave administration

Administers and coordinates employee training and development programs; conducts training and orientation programs for specific subject curricula; coordinates training

programs where required by law; develops, reviews, and approves training course content and media; manages City's various training programs and portals; assesses the success of training programs and offers suggestions and solutions for improvement as needed

Participates in labor negotiations; may serve on the City's labor negotiations team to assist in negotiating wages, hours, and other terms and conditions of employment; formulates and implements effective bargaining strategies and techniques; participates in the meet and confer process

Conducts, evaluates and reviews results of investigations of discrimination and harassment claims, actions of potential misconduct, and grievances as delegated by the Human Resources Director; provides findings and recommendations, and oversees the work of staff or contractors conducting investigations

Assists in the preparation, oversight and monitoring of the departmental budget; monitors expenditures and provides updates for assigned human resources and risk management programs

Researches and assists applicants, employees, other internal departments, agencies, and the general public regarding questions related to the City's employment and personnel practices and policies

Acts as the Department liaison to internal and external teams, committees, outside agencies, and the general public; represents the Department at meetings and conferences; and leads or participates in City-wide committees

Provides effective leadership to accomplish the administrative objectives of the City Manager and the policy goals of the City Council

Works irregular hours including evenings nights, weekends and holidays (when necessary); must be available for call-back and automatic return to work with a reasonable response time during off-duty hours for major emergencies, disasters, critical incidents and as otherwise required.

Conducts regular performance evaluations of personnel, giving frequent and specific feedback about personnel performance; holding employee accountable for doing their jobs and celebrating accomplishments and successes

Delivers outstanding internal and external customer service while solving problems and proactively creating sustainable solutions to issues

Conducts duties, responsibilities, tasks and assignments with a constructive, cooperative, positive, professional attitude and demeanor

Supports the City's mission, goals, policies and objectives

Supports the City's core values of: Openness and honesty; integrity and ethics; accountability; outstanding customer service; teamwork; excellence; and fiscal and environmental responsibility

Performs other related duties as required

CLASSIFICATION

This position is designated as Unclassified and is exempt from coverage under the Fair Labor Standards Act (FLSA) overtime regulations.

QUALIFICATIONS

This position requires:

Knowledge of: Federal and State Labor laws, Equal Employment Opportunity laws and nondiscrimination regulations; principles and practices of public human resources administration, including recruitment, testing, selection, classification, job evaluation, compensation, training, organizational development; benefits, leaves, labor relations, and employee relations; personnel policies and labor contract provisions; research and analysis methods; principles of sound business communications; proper English usage, including spelling, punctuation, and grammar; word processing, spreadsheet, and human resources information systems and records management practices; budgeting techniques; customer service practices; principles of employee supervision and evaluation; and analytical practices, techniques and methods to accomplish the City's goals and objectives by combining the appropriate people, resources, process and time to achieve results.

The skills and/or ability to: Lead and provide technical direction to professional and technical staff; plan and administer projects and studies; conduct research and analyze human resources policies, practices, and programs; work collaboratively with other City staff in allocating and aligning resources with the needs of the organization; provide options and solutions to organizational and departmental challenges in the framework of MOU, rule and policy requirements; prepare, review, and evaluate report data; work effectively with applicants, staff, management, vendors, consultants, and the general public; organize and prioritize tasks to meet deadlines; exercise tact and diplomacy in dealing with sensitive, confidential personnel issues; listen actively and communicate effectively, both orally and in writing; exercise independent judgment and initiative within established guidelines; select, train, supervise and evaluate professional, technical and support staff; maintain confidentiality of sensitive data; operate computer hardware and modern office equipment and use word processing, spreadsheet, and human resources information systems software.

Education and Experience: Bachelor's degree in Human Resources Management, Public Administration, Business Administration, or a related field is required. A Master's degree in a related field is highly desirable. Five (5) years of increasingly responsible human resources professional experience in employee relations, labor relations, personnel policies and program research, recruitment and selection, classification and compensation, employee relations, benefits and leave administration and/or related areas is required. Previous experience with HRIS, applicant tracking and automated processes is highly desirable.

Other Requirements: Possession of a current California Driver License is required. Professional certification from an accredited human resources association such as a PHR, SPHR, SHRM-CP, or SHRM-SCP, is highly desirable.

In addition, this position requires computer literacy with knowledge in the use of Microsoft Office; the ability to communicate using email programs; and an understanding of and adherence to City policies for information technology.

The position's expected competencies are sound decision-making skills; critical thinking ability; problem solving and innovation skills; drive for results; analytic skills; interpersonal, customer service and diplomatic skills; ethical conduct; and proven top performances.

The position requires meeting the physical employment standards for the job classification.

Job description statements describe the general nature and levels of work performed by employees and are not intended as an exhaustive list of all responsibilities, duties and skills required.

PHYSICAL, MENTAL AND ENVIRONMENTAL WORKING CONDITIONS:

Physical Abilities: While performing the duties of this class, the employee is required to sit for extended periods of time, and occasionally to stand and walk. Finger dexterity and light grasping is required to handle, feel, or operate computer hardware and standard office equipment; and reach with hands and arms above and below shoulder level. The employee occasionally lifts and carries records and documents typically weighing less than 25 pounds.

Sensory Requirements: Sensory demands include the ability to see, talk, and hear.

Environmental Factors: Classification typically works in office conditions with controlled temperature settings. Some tasks may require working outdoors and include exposure to weather conditions, air pollution, traffic noise, and/or other conditions associated with outdoor activities.



Administrative Report

H.7., File # 22-4918

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO CC-2210-074, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE DEFERRED COMPENSATION PLAN, PLAN NUMBER 301863 TO DECREASE THE AGE FOR AN IN SERVICE WITHDRAWAL FROM AGE 70 ½ TO 59 1/2

EXECUTIVE SUMMARY

Mission Square Retirement (formerly called ICMA-RC) is the administrator of the City's 457(b), 401a, Roth IRA, and Retirement Health Savings plans. Through Mission Square, employees are provided with opportunities for retirement savings via various investment options.

In 2019, Congress passed the "Setting Every Community Up for Retirement Enhancement Act" (the Secure Act) which modifies several retirement plan provisions. Under the Secure Act, the Internal Revenue Service now allows governmental 457(b) plans to decrease the age for in-service withdrawals from age 70 1/2 to 59 ½. An "in-service withdrawal" is one that takes place while the employee is still working for the employer.

BACKGROUND

As plan administrator, the City of Redondo Beach must adopt a resolution if it desires to amend provisions of the 457(b) plan. The purpose of the attached Resolution is to amend the City of Redondo Beach's 457(b) plan rules to decrease the in-service withdrawal age from 70 ½ to 59 ½. As noted, an "in-service withdrawal" is one that takes place while the employee is still working for the employer. Previously, participants under age 70 ½ could only withdraw funds after leaving employment, or with an IRS-designated emergency reason. This amendment will allow existing employees who attain the age of 59 ½ to obtain their funds while still remaining employed.

COORDINATION

The Human Resources Department coordinated the resolution with the City Attorney's Office.

FISCAL IMPACT

There is no fiscal impact to the City for allowing this plan amendment.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - Amending Deferred Compensation Plan
- Exhibit A - Secure Election Form

RESOLUTION NO. CC-2210-074

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE DEFERRED COMPENSATION PLAN, PLAN NO. 301863 TO DECREASE THE AGE FOR AN IN-SERVICE WITHDRAWAL FROM AGE 70 ½ TO AGE 59 ½

WHEREAS, the Setting Every Community Up for Retirement Enhancement Act of 2019 (the "Secure Act") modifies retirement plan provisions; and

WHEREAS, under the Secure Act, governmental 457(b) plans may decrease the age for an in-service withdrawal from age 70 ½ to age 59 ½; and

WHEREAS, the City of Redondo Beach ("City") has established a deferred compensation, Plan No. 301863 in the form of the ICMA Retirement Corporation 457 Governmental Deferred Compensation Plan & Trust (the "Plan") to serve the interest of the City by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the City desires to decrease the age for an in-service withdrawal to age 59 ½ to serve the foregoing objectives.

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

SECTION 1. That the Plan is hereby amended to decrease the age for an in-service withdrawal from age 70 ½ to age 59 ½; as described in the Secure Act Election Form attached as Exhibit "A".

SECTION 2. That the assets of the Plan shall be held in Trust, with the City of Redondo Beach serving as Trustee ("Trustee"), for the exclusive benefit of the Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in Vantage Trust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries.

SECTION 3. That the City of Redondo Beach agrees to serve as Trustee under the Plan.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 4th day of October, 2022.

William C Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2210-074 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 4th day of October, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

EXHIBIT "A"

SECURE ACT ELECTION FORM

The form is attached.

Use this form to adopt any of the provisions made available by The Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 and related legislation.

A. In-Service Distributions at Age 59.5

The Plan will permit in-service withdrawals at age 59.5 (*NOTE: Not applicable to 401(a) Profit Sharing Plans, as this provision is already available in your plan. You can change the in-service distribution age by submitting a revised Adoption Agreement.*)

☒ Yes ☐ No (**"No" is the default provision under the Plan if no selection is made.**)

B. Qualified Birth and Adoption Distribution

The plan will permit participants to receive, upon written request, a distribution of up to \$5,000 per qualifying birth or adoption (not to exceed \$5,000 across all retirement accounts of the participant. (Note to 401(a) Money Purchase Plan Sponsors: such a withdrawal can only be undertaken if the participant meets the plan's existing in-service withdrawal criteria.)

Such a distribution is exempt from the 10% early distribution tax penalty and is exempt from the mandatory 20% withholding; and can be repaid into the account without regard to the usual 60-day time limit for rollovers if elected. A qualified adoption distribution would be limited to the adoption of children who are under age 18 or who are physically or mentally incapable of self-support.

☐ Yes ☒ No (**"No" is the default provision under the Plan if no selection is made.**)

401(a) Money Purchase Plan and 401(a) Profit Sharing Plan Sponsors Only: Please indicate whether you wish to waive the limit of two in-service withdrawals per year to allow for one or more Qualified Birth and Adoption distribution.

☐ Yes ☒ No (**"No" is the default provision under the Plan if no selection is made.**)

If you elect to offer a Qualified Birth and Adoption distribution, please indicate whether plan participants will be able to roll a Qualified Birth and Adoption distribution back into the plan regardless of whether the plan allows for other incoming rollovers.

☐ Yes ☒ No (**"Yes" is the default provision under the Plan if no selection is made.**)

C. MissionSquare Retirement Income Advantage In-Service Distribution (NOTE: only applicable to plans that have the MissionSquare Retirement Income Advantage as an available investment option).

In the event the MissionSquare Retirement Income Advantage Fund is no longer an investment option under the plan, a Participant shall, upon written request, be permitted to roll these assets to another plan. Such a distribution can be undertaken regardless of the participants eligibility pertaining to in-service distributions.

☒ Yes ☐ No (**"No" is the default provision under the Plan if no selection is made.**)

By signing below, we intend to amend the plan to allow these procedures as of the date below or as soon as administratively feasible. Please submit one form per plan number.

Employer Plan Number: 301863 Employer Plan Name: City of Redondo Beach 457

Signature of Authorized Plan Representative: _____

Print Name: William C. Brand Title: Mayor Date: / / (MM/DD/YYYY)

This form can be returned by email, fax, or mail using the information below.

Email to: PlanAdoptionServices@msqplanservices.org
Fax to: (202) 682-6439
ATTN: Workflow Management Team

Mail to: MissionSquare Retirement
ATTN: Workflow Management Team
777 North Capitol Street, NE, Suite 600
Washington, DC 20002-4240

AC: 48364-0720-W2624



Administrative Report

H.8., File # 22-4914

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

TITLE

AMEND THE REDONDO BEACH MUNICIPAL CODE RELATING TO COMPENSATION FOR THE POSITIONS OF MAYOR, CITY COUNCILMEMBER AND CITY CLERK

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3244-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.905 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE MAYOR FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3245-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.906 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY COUNCIL FOR INTRODUCTION AND FIRST READING

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3246-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.902 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY CLERK FOR INTRODUCTION AND FIRST READING

EXECUTIVE SUMMARY

Under the City Charter, the salary for elected officials must be set at least 30 days prior to the nomination period for a new four-year term. The filing period for the March 2023 election will open on November 14, 2022. Therefore, adjustments to salaries, if any, must be codified in an adopted ordinance no later than October 14, 2022.

At their meeting on September 20, 2022, the City Council reviewed the salary of the Mayor, City Council, City Clerk and City Treasurer positions after receiving recommendations from the Budget and Finance Commission. During that meeting, the City Council voted to adjust some of the salaries for the positions being considered, at the beginning of their next term. Specifically, the City Council voted to increase the salaries for the positions of Mayor, City Councilmember and City Clerk, while keeping the salary of the City Treasurer position the same. For the District 3 and 5 City Councilmember positions, and the City Clerk position, new terms start in April 2023. For the Mayor

and District 1, 2 and 4 Councilmember positions, the new terms start in April 2025.

The various position's salary adjustments are clarified in the chart below:

Position	From	To	Effective Date
Mayor	\$927.31/mo	\$1669.16/mo	April 1, 2025
City Council (District 3 & 5)	\$927.31/mo	\$1669.16/mo	April 1, 2023
City Council (District 1, 2 & 4)	\$927.31/mo	\$1669.16/mo	April 1, 2025
City Clerk	\$10,558/mo	\$10,874.74/mo	April 1, 2023
City Treasurer	\$2083.33/mo	\$2083.33/mo	No Change

Attached for Council review and consideration are three proposed ordinances that, if approved, would codify these adjustments.

BACKGROUND

Mayor and City Council Positions: The compensation and benefits for the Mayor and City Councilmembers is specified in the Municipal Code and established by the City Council via ordinance. The compensation has been reviewed by the City Council five times since 2008. The pay for the Mayor and City Councilmembers has not increased since April 1, 2007. Current compensation for both Mayor and Councilmembers is \$927.31 per month (\$11,127.72 per year). The Mayor and City Council also receive deferred compensation in the amount of 12% of their salary, and the same fringe benefits provided to Management and Confidential employees.

The City Charter requires that any changes to the Mayor or City Council's salary must be made at least 30 days prior to the nomination period for a new four-year term. Government Code Section 36516 lays out regulations for general law cities regarding how Councilmember salaries may be adjusted. Also, the Redondo Beach City Charter states that Mayor and Council salaries shall be set by ordinance in conformance with the above Government Code section. Section 36516 allows salaries to increase no more than 5% per year from the last increase.

On April 1, 2023, it will be 16 years since the last increase (in April 1, 2007), where the monthly salary was established at \$927.31 per month by Ordinances 2959-05 and 2960-05, for the Mayor and Councilmember positions, respectively. Therefore, salaries are eligible to be adjusted by up to 80%, which equates to a new salary of \$1669.16 per month.

At their meeting of September 19, 2022, the Budget and Finance Commission provided a recommendation to increase City Council salaries by 48% (which equated to 3% per year times 16 years). After receiving this recommendation and deliberating further, the City Council voted 4-0 to increase the City Council District 3 and 5 Council salaries to \$1669.16 per month effective April 1, 2023. They also voted to increase the Mayor's salary and Districts 1, 2 and 4 Council salaries, to \$1669.16 per month effective April 1, 2025.

City Clerk Position: The compensation and benefits for the City Clerk was last set via Ordinance 3124-14, which was adopted in 2014. The Ordinance established the City Clerk salary with yearly adjustments from 2015 through 2018. In 2018, the City Council reviewed the salary of the City Clerk position again, and voted to make no additional changes. The salary has been set at \$10,558 per

month since April 1, 2018.

The City Charter requires that any changes to the City Clerk's salary must also be made at least 30 days prior to the nomination period for a new four-year term. It cannot be increased or decreased from that point until the completion of a subsequent four-year term.

The elected City Clerk position oversees three full time employees and is responsible for stand-alone elections, records management, City Council and agency agendas and minutes, administering the Commission appointment process, maintaining the City's legislative history and other functions.

At their meeting of September 19, 2023, the Budget and Finance Commission recommended providing the City Clerk position with a one-time 3% increase in April 2023. The City Council reviewed this recommendation and deliberated further, voting 4-0 instead to increase the City Clerk salary 3% in 2023 (to \$10,874.74/month) with additional 2% increases each year in 2024, 2025 and 2026. Per ordinance, the City Clerk position receives the same benefits as the Management and Confidential Employee Unit. No changes to these benefits are currently being proposed.

It should be noted that no change to the City Treasurer's salary is being considered at this time.

COORDINATION

The Human Resources Department coordinated this report with the Finance Department and the City Attorney's Office.

FISCAL IMPACT

Upon adoption of the FY 2022-2023 annual budget, the City Council approved \$12,500 in funding for Council position increases. The funding is sufficient to cover the proposed increases, which will take effect with three months of the fiscal year remaining. Compensation changes affecting future fiscal years will be included in future operating budgets.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ord - City Council Salary Adjustment
- Ord - Mayor Salary Adjustment
- Ord - City Clerk Salary Adjustment

ORDINANCE NO. 3245-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.906 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY COUNCIL

THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 2-3.906, Article 9, Chapter 3, Title 2 of the Redondo Beach Municipal Code, is hereby amended to read as follows:

Sec. 2-3.906. **Salary of Councilmembers: Entitlement to Fringe Benefits**

“Effective April 1, 2023, the salary of the District 3 and District 5 City Councilmembers shall be, and the same is hereby determined fixed and established at the sum of One Thousand Six Hundred Sixty-Nine and 16/100ths (\$1,669.16) Dollars per month. The Councilmembers shall receive in addition, deferred compensation in the amount of twelve (12%) percent of salary, and shall be entitled to receive those other fringe benefits applicable to the position and similar to which the Management and Confidential employees, from time to time, may be entitled.”

“Effective April 1, 2025, the salary of the District 1, District 2 and District 4 City Councilmembers shall be, and the same is hereby determined fixed and established at the sum of One Thousand Six Hundred Sixty-Nine and 16/100ths (\$1,669.16) Dollars per month. The Councilmembers shall receive in addition, deferred compensation in the amount of twelve (12%) percent of salary, and shall be entitled to receive those other fringe benefits applicable to the position and similar to which the Management and Confidential employees, from time to time, may be entitled.”

SECTION 2. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 3. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 11th day of October, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3245-22 was introduced at a regular meeting of the City Council held on the 4th day of October, 2022, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 11th day of October, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

ORDINANCE NO. 3245-22
AMENDING SECTION 2-3.906 OF ARTICLE 9, CHAPTER 3,
TITLE 2 OF RBMC, ESTABLISHING SALARY &
BENEFITS FOR THE CITY COUNCILMEMBERS

ORDINANCE NO. 3244-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.905 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE MAYOR

THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 2-3.905, Article 9, Title 2 of the Redondo Beach Municipal Code, is hereby amended to read as follows:

Sec. 2-3.905. Salary of Mayor: Entitlement to Fringe Benefits

“Effective April 1, 2025, the salary of the Mayor shall be, and the same is hereby determined fixed and established at the sum of One Thousand Six Hundred Sixty-Nine and 16/100ths (\$1,669.16) Dollars per month. The Mayor shall receive in addition, deferred compensation in the amount of twelve (12%) percent of salary, and shall be entitled to receive those other fringe benefits applicable to the position and similar to which the Management and Confidential employees, from time to time, may be entitled.”

SECTION 2. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 3. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 11th day of October, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

ORDINANCE NO. 3244-22
AMENDING SECTION 2-3.905 OF ARTICLE 9, CHAPTER 3,
TITLE 2 OF RBMC, ESTABLISHING SALARY &
BENEFITS FOR THE MAYOR

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3244-22 was introduced at a regular meeting of the City Council held on the 4th day of October, 2022, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 11th day of October, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

ORDINANCE NO. 3244-22
AMENDING SECTION 2-3.905 OF ARTICLE 9, CHAPTER 3,
TITLE 2 OF RBMC, ESTABLISHING SALARY &
BENEFITS FOR THE MAYOR

ORDINANCE NO. 3246-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.902 OF ARTICLE 9, CHAPTER 3, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY CLERK

THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 2-3.902, Article 9, Chapter 3, Title 2 of the Redondo Beach Municipal Code, is hereby amended to read as follows:

Sec. 2-3.902. Salary of City Clerk: Entitlement to Fringe Benefits

“Effective April 1, 2023, the salary of the City Clerk shall be, and the same is hereby determined fixed and established at the sum of Ten Thousand Eight Hundred Seventy-Four and 74/100ths (\$10,874.74.00) Dollars per month. Such salary shall be increased by two (2%) percent on April 1, 2024; two (2%) percent on April 1, 2025; and two (2%) percent on April 1, 2026. The City Clerk shall receive those fringe benefits to which the Management and Confidential Unit, from time to time, may be entitled.”

SECTION 2. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 3. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 11th day of October, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3246-22 was introduced at a regular meeting of the City Council held on the 4th day of October, 2022, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 11th day of October, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

ORDINANCE NO. 3246-22
AMENDING SECTION 2-3.902 OF ARTICLE 9,
TITLE 2 OF RBMC, ESTABLISHING SALARY &
BENEFITS FOR THE CITY CLERK



Administrative Report

H.9., File # 22-4923

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE A FOURTH AMENDMENT TO THE AGREEMENT WITH ARDURRA GROUP, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE REDONDO BEACH TRANSIT CENTER PROJECT, JOB NO. 20120 FOR AN ADDITIONAL AMOUNT OF \$60,000 FOR THE EXISTING TERM

EXECUTIVE SUMMARY

Ardurra Group, Inc. (Ardurra) provides services to manage construction efforts to complete the Redondo Beach Transit Center Project. These services include contractor management, construction inspection, contractor and subcontractor payroll review, and geotechnical and materials testing services. As construction has progressed, the demand for support services provided by Ardurra has increased due to necessary plan revisions, changes to contractor scope and unforeseen circumstances. The original Agreement was amended in May 2021. A second amendment was approved in February 2022 and a third amendment in June 2022. Additional project delays and extensions have occurred, requiring more time (hours) for the service provided by Ardurra. Staff is now recommending the fourth amendment to increase the contract value by \$60,000 for a total not to exceed amount of \$1,395,000. Funding for this Agreement and the Redondo Beach Transit Center Project is composed entirely of restricted transportation and grant funds. No additional funding is needed to award the fourth amendment.

BACKGROUND

On December 17, 2019, the City Council approved a time and materials Construction Management agreement with Ardurra in the amount of \$600,000 to provide Construction Management services during construction of the Redondo Beach Transit Center Project. At the time, the City had negotiated the total price downward from Ardurra's proposal due to some uncertainty of timing regarding additional funding for the project. Ardurra was willing to lower the contract value as long as there was some reduction in the expected number of hours, with the understanding that if the project required additional time and effort, the City would consider an amendment for the additional work. After the original award, the City secured additional funding from Metro (in the amount of \$2.75 M) for the project.

The City approved the First Amendment to provide necessary funding to increase contract value from the spartan estimate provided at the time the contract was awarded and before the additional funding was available. A Second Amendment was approved in February 2022 to account for project delays related unforeseen field conditions and design deficiencies. A Third Amendment was approved on

June 21, 2022 to continue to provide services for the project. A copy of the original Agreement, and previous amendments can be viewed at:

<http://laserweb.redondo.org/weblink/0/doc/332745/Page1.aspx>.

The project continues to be impacted by unforeseen conditions, design deficiencies and small changes to scope that require an increase services from Ardurra. The contractor now estimates the transit center portion of the project to be in service in November 2022 and some of this time is justified due to conditions beyond his control. Ardurra, working as an extension of staff to oversee and inspect the onsite activities requires additional contract hours to continue to provide that service.

Ardurra has performed well and is providing important services to ensure the project is implemented as efficiently and economically as possible. Therefore, staff recommends the fourth amendment to the Agreement be awarded, increasing the contract value by \$60,000 to a new not to exceed amount of \$1,395,000.

COORDINATION

The Fourth Amendment was prepared by and approved as to form by the City Attorney's Office.

FISCAL IMPACT

Funding for this Agreement and the Redondo Beach Transit Center Project is composed entirely of restricted transportation and grant funds. The funds for this amendment are available in the overall project budget and require no additional appropriation.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Fourth Amendment to Ardurra Group, Inc.

**FOURTH AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND ARDURRA GROUP INC.**

THIS FOURTH AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Ardurra Group Inc., a California Corporation ("Consultant").

WHEREAS, on December 17, 2019, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on May 18, 2021, the parties entered into the First Amendment to the Agreement (the "First Amendment") to increase the Consultant's total compensation due to the need for additional services; and

WHEREAS, on February 15, 2022, the parties entered into the Second Amendment to the Agreement (the "Second Amendment") to increase the Consultant's total compensation due to the need for additional services; and

WHEREAS, on June 14, 2022, the parties entered into the Third Amendment to the Agreement (the "Third Amendment") to increase the Consultant's total compensation due to the need for additional services; and

WHEREAS, construction has been delayed due to unforeseen circumstances and Consultant services require additional hours; and

WHEREAS, the parties desire to enter into this Fourth Amendment to further increase Consultant's total compensation.

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.** Exhibits "C" to "C-3" of the Agreement are hereby amended to add Exhibit "C-4" to increase the limit for the total compensation paid to Consultant by \$60,000, for a total compensation limit of \$1,395,000. Exhibit "C-4" is attached hereto and incorporated by reference. Consultant shall be compensated for the services described in Exhibit "A" of the Agreement in accordance with Exhibit "C-4".
2. **NO OTHER AMENDMENTS.** Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, the First Amendment, Second Amendment, the Third Amendment and this Fourth

Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, the First Amendment, Second Amendment, the Third Amendment and this Fourth Amendment, the terms of this Fourth Amendment shall prevail.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH

ARDURRA GROUP INC.

William C. Brand, Mayor

Lisa M. Penna, PE, Vice President

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "C-4"

COMPENSATION

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

- I. **AMOUNT.** Consultant shall be paid in accordance with the following rate schedule for additional work of the Third Amendment.

<u>Title</u>	<u>Hourly Billing Rate</u>
Principal-in-Charge	\$220.00
Construction Manager	\$180.00
Project Controls / Office Engineer	\$108.00
Public Works Inspector	\$138.00
Sub-consultants	Cost +10% Maximum
Total Not to Exceed Amount for Additional Labor	\$58,750
Reimbursable Expenses	At Cost +5%
Not to Exceed Amount for Additional Expenses	\$1,250
Total Not to Exceed Amount Paid to Consultant	\$1,395,000

- II. **EXPENSES.** Consultant shall be reimbursed for expenses at cost plus 5%. Expenses eligible for reimbursement include non-salary cost directly attributable to the Project such as oversized and color reproduction costs, site facility phone line and or internet service charges, travel expenses to remote fabrication yards per batch plant for required material inspections, and overnight postage and couriers. Travel charges to a remote fabrication yard or batch plant shall include the hourly billing rate plus travel expenses as listed in the current edition of the Caltrans Travel Guide.
- III. **NOT TO EXCEED AMOUNT.** Consultant's total not to exceed compensation, shall be increased by \$60,000. However, in no event shall Consultant's total compensation, including materials, phone calls, equipment, data, mileage, fuel, insurance and drive time, exceed \$ 1,395,000.
- IV. **METHOD OF PAYMENT.** Consultant shall provide invoices to City for approval and payment. Invoices must provide staff title, hourly rates, number of hours worked, description of work performed, expenses incurred (if applicable), and attach all City approved and documented subcontractor invoices. Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, and include the prior written authorization of the City and copies of receipts to substantiate expense requests. Consultant may be required to provide back-up material upon request. If no work is performed in a given month, no invoice is required.

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

VI. NOTICE. Written notices shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Consultant: Ardurra Group Inc.
1960 East Grand Avenue, Suite 300
El Segundo, CA 90245
Attention: Dino D'Emilia

City City of Redondo Beach
415 Diamond Street, Door 2
Redondo Beach, CA 90277
Attention: Andrew Winje

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.



Administrative Report

H.10., File # 22-4216

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

APPROVE A FOURTH AMENDMENT TO THE AGREEMENT WITH PLACEWORKS, INC. FOR CONSULTING SERVICES ASSOCIATED WITH THE GENERAL PLAN UPDATE FOR AN ADDITIONAL \$325,039 TO BE FUNDED BY THE GENERAL PLAN MAINTENANCE FUND FOR A NEW TOTAL AMOUNT NOT TO EXCEED \$1,761,647 AND TO EXTEND THE TERM TO DECEMBER 31, 2023 WITH AN OPTION TO RENEW THROUGH DECEMBER 31, 2024

EXECUTIVE SUMMARY

In October 2016, the City approved a contract with Placeworks, Inc. to update the Redondo Beach General Plan. In December 2016, the City Council established the General Plan Advisory Committee (GPAC) to guide the project.

The GPAC has conducted twenty-Six (26) meetings since April 27, 2017. GPAC meetings are typically 3 hours in duration and held on the last Thursday of each month. The Background section of this report includes a brief summary of the general topics of the GPAC's meetings to date.

There is one (1) GPAC meeting remaining under the current agreement. The GPAC's planned schedule for their remaining contracted meeting is to complete their discussions and recommendations on a final draft General Plan document inclusive of an Introduction and Goals, Policies, and Implementation Measures for updated Land Use, Open Space and Conservation, Safety and Noise Elements.

The fourth amendment to the contract is necessary to support the multiple additional public hearings and buildout analyses that were required to develop and approve a draft Land Plan that could accommodate the City's Regional Housing Needs Assessment (RHNA) allocation and support the certification by the California Department of Housing and Community Development (HCD) of the City's 6th Cycle Housing Element, which was certified September 1, 2022. Increased contract funding is also required to address changes/new requirements in State CEQA and General Plan laws that have occurred since the date of the original contract in 2016. Additionally, "new tasks" not originally scoped in 2016 are proposed, including an additional traffic analysis required by Article XXVII and the inclusion of an "Introduction to General Plan" section. Finally, budget is required for additional team meetings and project administration as a result of the extended schedule to complete the General Plan update.

In summary, the net cost of the additional services outlined in the Fourth Amendment is \$325,039,

which includes reimbursables (\$30,119) and contingency (\$10,000). With approval of the fourth amendment, the total cost for this agreement will increase from \$1,436,608 to an amount not to exceed \$1,761,647.

The funding source for the additional services outlined in the fourth amendment is the General Plan Maintenance Fund. The remaining balance in the General Plan Maintenance Fund, after the drawdown for the fourth amendment would be \$112,672. The City has also been able to utilize SB2 funds for current advanced planning projects that otherwise would have been funded through the General Plan Maintenance Fund.

BACKGROUND

The City's three-year Strategic Plan goal to "Ensure sustainability, livability, and health by completing the General Plan update and by implementing environmentally responsible programs" was first approved by the City Council on March 29, 2016, and continues to be a key element of the Strategic Plan.

GPAC Background - Status - Progress - Schedule Forward: In September 2016, the City Council approved an updated Strategic Plan for the formation of a GPAC.

On December 13, 2016 the City Council approved Resolution No. CC-1612-122 establishing the GPAC to provide direct community stakeholder input to the update of the General Plan including analysis and recommendations addressing concerns regarding density and development associated with the City's mixed-use zoning and development standards, and addressing concerns related to the availability and amount of recreation and parks, and open space areas within the City. Additionally, per the Resolution, the GPAC shall perform any other functions that may be designated by motion or resolution of the City Council.

The GPAC was originally comprised of 27 City of Redondo Beach residents initially appointed on February 21, 2017. The Mayor selected two (2) members, one (1) of whom is designated to serve as the Chair. Each City Council Member selected five (5) members, three (3) of whom reside in their District. There have been some changes in the GPAC membership over time, with a current membership of 21 (mostly due to members moving out of Redondo Beach). The current membership has remained dedicated and diligent in their commitment to the process that has now spanned over five (5) years.

The GPAC held its first meeting on April 27, 2017 and have conducted 26 meetings to date. GPAC's 27th and final meeting will be conducted in Winter 2022/2023. The GPAC's final recommended draft General Plan update document and the City Council approved draft Land Use Plan will be presented to the public for comments at a Community Meeting and then submitted to the Planning Commission and the City Council for the formal public hearing process. Below is a summary of the schedule forward for the draft General Plan update:

Winter 2022/2023

- **GPAC meeting #27:** Review completed draft updated General Plan Land Use, Noise, Safety, and Parks/Recreation/Open Space/Conservation Elements document, inclusive of "Introduction"

Environmental Impact Report (EIR) Preparation Fall 2022 through Summer 2023**Summer 2023**

- **Community Meeting #4:** Presentation of draft land use map, goals and policies, and EIR at an open house
- Planning Commission and City Council Meetings: Adoption hearings

Winter 2023/Spring 2024

- Citywide Vote and Coastal Commission Review

Existing Contracts with Placeworks, Inc.: On October 4, 2016 the City Council completed a Strategic Plan objective by awarding a Contract ("Original Agreement") for Planning and Environmental Consulting Services with Placeworks in an amount of \$699,917 for updates to the Land Use Element and the Conservation, Recreation and Parks, and Open Space Element of the City's General Plan and preparation of the required environmental documents (EIR).

On December 19, 2017 the City Council approved the first amendment to the Original Agreement to include the development of the Artesia & Aviation Corridors Area Plan, an update to the City's Environmental Hazards/Natural Hazards Element (Safety and Noise Elements) of the General Plan, the City's Local Hazard Mitigation Plan, and ten (10) additional GPAC meetings (the "Original Agreement" included only ten (10) GPAC meetings total). The cost of the additional services outlined in the First Amendment was \$507,590. The total cost for the entire contract increased from \$699,917 to an amount not to exceed \$1,207,507 with the approval of the First Amendment.

On April 16, 2019 the City Council approved the second amendment to the Agreement to include GPAC's development of draft Guiding Principles and Vision Statement and a determination to present multiple draft land use plan options at the City's first Community Meeting rather than a single preferred land use plan. Three (3) additional GPAC meetings were also included in this second amendment. Additionally, some repurposing and reallocations of tasks/budgets were also included in the second amendment (\$24,994). The cost of the additional services outlined in the second amendment was \$140,785. The total cost for the entire contract increased from \$1,207,507 (the amount after the first amendment) to an amount not to exceed \$1,348,292 with the approval of the second amendment.

On March 17, 2020 the City Council approved the third amendment to the Agreement to add budget for multiple refinements to the land use diagrams and plans to address changes in State Housing Law and the RHNA allocation, and additional project administration costs. Four (4) additional GPAC meetings and one (1) additional Community Workshop were also included in the third amendment for a final total of 27 GPAC meetings and four (4) Community Workshops. Additionally, some repurposing and reallocations of tasks/budgets were also included in the third amendment (\$18,224). The cost of the additional services outlined in the third amendment was \$88,316. The total cost for the entire contract increased from \$1,348,292 (the amount after the second amendment) to an amount not to exceed \$1,436,608 with the approval of the third amendment.

Fourth Amendment to Existing Agreement with Placeworks, Inc.: The main reason for the fourth Amendment is to address the significant RHNA requirement. A contract amendment to the project

budget is necessary to support the multiple additional public hearings (held in Spring 2021) and multiple versions of buildout analyses that were required to develop and approve a draft Land Plan that could accommodate the City's RHNA allocation and support the certification by the California Department of Housing and Community Development (HCD) of the City's 6th Cycle Housing Element (Certified September 1, 2022). Funding is also required to address changes/new requirements in State CEQA and General Plan laws that have occurred since the date of the original contract in 2016. There are new tasks that were not originally scoped in 2016, including an additional traffic analysis required by Article XXVII (since CEQA has been transitioned to a Vehicle Miles Traveled analysis) and the inclusion of an "Introduction to General Plan" section. The following list details the budgets of each task requiring additional scope/funds and includes the proposed funding necessary to complete the Task. Where applicable, a brief description of the associated additional services has been provided.

Task 2.5 Study Sessions and Public Hearings

- (\$20,982 originally budgeted)
- (\$4,000 repurposed/reallocated with Third Amendment)
- \$12,000 additional required to complete task

Task 3.2 Land Use Constraints and Issues - Infrastructure (Subconsultant Fuscoe)

- (\$18,284 originally budgeted)
- \$2,300 additional required to complete task

Phase 4 Land Use Element

- (\$60,698 originally budgeted)
- \$65,000 additional required to complete task

Task 4.4 Fiscal Impacts of Land Use Scenarios (Subconsultant BAE)

- (\$18,014 originally budgeted)
- (\$13,650 of the originally budgeted funds were repurposed administratively for additional economic analysis and participation of the economic consultant at GPAC meetings in the development of AACAP - Tasks 12.4 and 12.12 AACAP)
- (\$10,000 additionally budgeted, Third Amendment)
- \$15,400 additional required to complete task

Phase 8 CEQA Review Process

- (\$98,752 originally budgeted)
- \$37,305 additional required to complete task

Task 9.3 Air Quality & Greenhouse Gas Emissions

- (\$14,392 originally budgeted)
- \$15,455 additional required to complete task

Task 9.5 Noise and Vibration Studies

- (\$10,0098 originally budgeted)
- \$16,500 additional required to complete task

Task 9.6.5 Article XXVII Traffic Analysis (New Task - Subconsultant Fehr & Peers)

- (\$0, not originally budgeted)
- \$40,900 required to complete task

Task 9.7 Water, Wastewater, and Storm Water Utility Systems (Subconsultant Fuscoe)

- (\$22,000 originally budgeted)
- \$4,840 additional required to complete task

Task 9.8 Technical Studies - Energy (New Task)

- (\$0, not originally budgeted)
- \$5,250 required to complete task

Task 9.9 Technical Studies - Wildfire (New Task)

- (\$0, not originally budgeted)
- \$6,550 required to complete task

Task 10.1 Day-To-Day Project Coordination and Schedule

- (\$25,949 originally budgeted)
- (\$15,480 additionally budgeted, Second Amendment)
- \$12,000 additional required to complete task

Task 10.2 Team Meetings

- (\$23,868 originally budgeted)
- (\$30,000 additionally budgeted, Second Amendment)
- (\$15,840 additional budgeted, Third Amendment)
- \$43,420 additional required to complete task

Task 10.3 Introduction to General Plan (New Task)

- (\$0, not originally budgeted)
- \$5,500 required to complete task

Task 11.1 Safety Element Preparation

- (\$7,500 originally budgeted)
- (\$10,000 additionally budgeted, Third Amendment)
- \$2,500 additional required to complete task

Subtotal - Fourth Amendment	\$284,920
Reimbursables -	\$30,119
Contingency -	\$10,000
GRAND TOTAL - FOURTH AMENDMENT	\$325,039

The attached fourth amendment presents a comprehensive and detailed scope for performing the amendments noted above.

COORDINATION

The proposed fourth amendment to the Agreement for consulting services with Placeworks, Inc. was

prepared by the City Attorney's Office.

FISCAL IMPACT

The net cost of the additional services outlined in the fourth amendment is \$325,039 which includes reimbursables and additional contingency expenses. The total cost for the Agreement will increase from \$1,436,608 to an amount not to exceed \$1,761,647.

The table below entitled "General Plan Update Fiscal Impact" summarizes the sources, and amounts of "Revenues" and "Expenditures" for the original Agreement, first amendment, second amendment, third amendment, and the proposed fourth amendment with Placeworks, Inc. for Planning and Environmental Consulting Services.

The remaining balance in the General Plan Maintenance Fund after allocations for the original Agreement, first amendment, second amendment, third amendment and the recommended fourth amendment would be \$112,672.

General Plan Update Fiscal Impact	
Original Agreement	
Revenues	Expenditures
Fiscal Year 2015-16 Mid-Year Budget one-time appropriation of \$500,000 (General Fund - March 15, 2016)	Land Use and Open Space/Conservation/Parks and Recreation Elements: \$699,917
General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) \$199,917	
<i>Total of Original Agreement: \$699,917</i>	<i>Total of Agreement \$699,917</i>
First Amendment	
Revenues	Expenditures
Fiscal Year 2016-17 Mid-Year Budget one-time appropriation of \$176,900 (General Fund - June 20, 2017)	Vision Statement; Aviation-Artesia Corridor Area Plan; Update of the Environmental Hazards/Natural Hazards Element of the General Plan (Safety and Noise Element Update); Local Hazard Mitigation Plan: \$507,590
Fiscal Year 2016-2017 \$40,000 Carry Over Funding (November 21, 2017)	
General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) \$290,690	
<i>Total of First Amendment: \$507,590</i>	<i>Total of Agreement After First Amendment \$1,207,507</i>
Second Amendment	

Revenues		Expenditures	
Repurpose of funds from Tasks 1.2, 2.2, and 7.1 and 12.9 (Original Agreement and First Amendment)		GPAC Meetings; Draft Guiding Principles; Multiple GPAC Draft Land Plan Options; Project Collateral-Flyers; FAQ's; etc., Content for City Website and Media; Update and Refine Land Use Diagram; Project Administration and Schedule; Project Team Meetings; and Reimbursables: \$140,785	
General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) \$140,785			
Total of Second Amendment: \$140,785		Total of Agreement After Second Amendment \$1,348,292	
Third Amendment			
Revenues		Expenditures	
Repurpose of funds from Tasks 2.5, 4.3, 7.2 and Phase 14 (Original Agreement, First Amendment, and Second Amendment)		GPAC Meetings; Community Workshop; Additional Surveys; Revisiting GPAC's Recommended Draft Land Plan Due to Recent Changes in State's Housing Laws; Update and Refine Land Use Diagram; Fiscal Impact Analysis Report; Additional Open Space Analysis; Additional Safety Element Requirements; Project Team Meetings; and Reimbursables: \$88,316	
General Plan Deposit Account (Account Number 800-42000-260045) \$88,316			
Total of Third Amendment: \$88,316		Total of Agreement After Third Amendment \$1,436,608	
Fourth Amendment			
Revenues		Expenditures	

General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) \$325,039	Additional Study Sessions and Public Hearings; Refine Land Plan, Diagrams, and Buildouts in Support of Certified 6 th Cycle Housing Element; Additional and Updated CEQA Technical Studies to Address Changes in State Environmental Laws and Consultant Rate Changes since 2016; Project Coordination and Schedule; Team Meetings; Develop "Introduction to General Plan"; Reimbursables and Contingency: \$325,039
	<i>Total of Agreement After All Amendments</i> \$1,761,647

APPROVED BY:*Mike Witzansky, City Manager***ATTACHMENTS**

- Agmt - Proposed Fourth Amendment to Agreement with Placeworks, Inc.
- Agmt - Third Amendment to Agreement with Placeworks, Inc., On March 17, 2020
- Agmt - Second Amendment to Agreement with Placeworks, Inc., April 16, 2019
- Agmt - First Amendment to Agreement with Placeworks, Inc., December 19, 2017
- Agmt - Original Agreement with Placeworks, Inc., October 4, 2016

**FOURTH AMENDMENT TO AGREEMENT FOR CONSULTING
SERVICES BETWEEN THE CITY OF REDONDO BEACH AND PLACEWORKS, INC.**

THIS FOURTH AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Fourth Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Placeworks, Inc., a California corporation ("Consultant" or "Contractor").

WHEREAS, on October 4, 2016, the parties hereto originally entered into that certain Agreement for Consulting Services between the City and Consultant ("Agreement"); and

WHEREAS, on December 19, 2017, the parties hereto entered into that certain First Amendment to the Agreement between the City and Consultant ("First Amendment"); and

WHEREAS, on April 16, 2019, the parties hereto entered into that certain Second Amendment to the Agreement between the City and Consultant ("Second Amendment"); and

WHEREAS, on March 17, 2020, the parties hereto entered into that certain Third Amendment to the Agreement between the City and Consultant ("Third Amendment"); and

WHEREAS, City and Consultant desire to amend the Agreement, First Amendment, Second Amendment, and Third Amendment (collectively "Amended Agreement") pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree to make the following amendments to the Amended Agreement:

a. Study Sessions and Public Hearings

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.5 Study Sessions and Public Hearings**" is hereby amended to add the following duties and deliverables:

"Study Sessions

At the City's request, Consultant shall co-host study session(s) with the Planning Commission and City Council (joint session if desirable) to provide preliminary feedback regarding the concepts and approaches related to the land use plan.

The format and intent of the study session(s) will vary from the public hearings to adopt the General Plan. These session(s) are intended to keep decision makers informed, get informal approval at key points, and provide an additional opportunity for community participation. Consultant(s) may participate in these study session(s) as determined by the City in lieu of Consultant(s) attending the same number of public hearings prescribed below.

Public Hearings

Consultant shall participate in up to four (4) public hearings for the public draft Revised Land Use; Conservation, Recreation and Parks, and Open Space; Noise; and Safety Elements with both the Planning Commission and City Council (total of eight hearings) as determined by the City. This task includes some preparation in support of the study session(s) or hearings with the City to prepare the PowerPoint presentations and staff reports and the Consultant(s) to be in attendance by up to two staff members of the Consultant as well as representatives from Sub-Consultants Fehr and Peers and BAE, as needed. Sub-Consultant Fehr and Peers will attend up to 3 public meetings (study session or public hearing) and will provide input on the preparation of presentation materials as it relates to land use changes and their effect on transportation.

Consultant(s) shall work with City staff in support of the City staff's development of required staff reports and PowerPoint presentations. At the study session(s) and/or hearings, the Consultant shall be available for presentations and responding to questions and comments received.

City will be responsible for any subsequent work related to revisions of the adopted Local Coastal Program (including text changes or coordination/hearings with the California Coastal Commission).

Deliverables:

- Support City staff's preparation of staff reports and PowerPoint presentations
- Attendance at Study Sessions or Public Hearings (up to 8 total, at Planning Commission and City Council)."

b. Land Use Constraints and Issues - Infrastructure

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Agreement entitled, "**II. Consultant's Duties, Phase 3. Review Existing Conditions and Data, Task 3.2 Review of Existing General Plan Land Use and Zoning, Land Use Constraints and Issues - Infrastructure**" is hereby amended to add the following duties and deliverables:

“Land Use Constraints and Issues - Infrastructure

Consultant shall meet with Redondo Beach Public Works staff to assess the availability and adequacy of existing and planned infrastructure to support future development. Analyses shall include wastewater collection and treatment, water supply and distribution facilities, storm drainage infrastructure, and solid and hazardous waste disposal based on review of existing studies and reports. In addition, Consultant shall consult with external service agencies, including Southern California Gas, Southern California Edison, and telecommunications providers. Fuscoe Engineering (FEI) will review available records provided by the City on drainage and wet utilities (water and sewer) to compile “existing conditions” exhibits including a focused effort on infrastructure age, condition, adequacy and capacity. Excludes water supply analysis.

Sub-Consultant (Fuscoe) shall also evaluate the general capacity of the City's infrastructure (storm drain, water and sewer) related to projected land use changes, growth and additional demands on the infrastructure systems. Sub-Consultant (Fuscoe) shall identify opportunities and constraints related to future land use changes and recreational and open space areas for infrastructure improvements and water quality/water conservation opportunities. Prepare an assessment of potential impacts on new development and suggested infrastructure remedies. Sub-Consultant (Fuscoe) shall summarize findings for the general plan with narratives and graphics, including:

- Drainage & Flood Control
- MS4/NPDES Compliance and Regional Water Quality Improvement Opportunities
- Sanitary Sewer
- Domestic Water Services

c. Fiscal Impacts of Land Use Scenarios

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, **“II. Consultant's Duties, Phase 4. Prepare Draft Land Use Element, Task 4.4 Evaluate Fiscal Impacts of Land Use Scenarios”** is hereby amended to add the following duties and deliverables:

“For this task, Sub-Consultant BAE shall conduct a fiscal impact analysis to determine the net fiscal impacts to the City's General Fund for the proposed Land Use Plan. A fiscal impact model shall be prepared to measure the recurring annual impacts of the proposed Land Use Plan at project build out.

Sub-Consultant BAE shall prepare the fiscal model using the City's most recent budget.

Revenues will be based on a hybrid average revenue/marginal revenue approach. Sub-Consultant BAE shall project revenues using a marginal approach (e.g., property taxes, property tax in lieu of VLF, sales taxes) based on development characteristics. Sub-Consultant BAE shall project revenues using an average revenue approach based on the anticipated increase in service population (i.e., new residents plus half of new employment). Sub-Consultant BAE shall use an average cost approach to project new costs. Sub-Consultant BAE shall compare projected revenues to costs in order to determine whether revenues from new development are sufficient to cover the costs of providing municipal services.

Deliverables:

- Fiscal Impact Analysis Report (for proposed Land Use Plan)”

d. Draft Land Use Element

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**II. Consultant's Duties, Phase 4. Prepare Draft Land Use Element**” is hereby amended to add the following duties and deliverables:

“Consultant shall prepare a draft updated Land Use Element incorporating revisions to the Land Use Diagram, goals and policies, and implementation programs in consideration of the analyses completed in the preceding work tasks and input from the public outreach and engagement process. In developing the Diagram, one or more alternatives may be identified for areas of change, evaluated for their comparative impacts, and a preferred use selected. Consultant and City shall select the preferred land use plan. Goals and policies shall be revised to reflect the selected plan diagram and address issues regarding continuing utility and relevance.

Consultant supported multiple additional meetings required by GPAC, Planning Commission, and City Council for determining the proposed Land Use Plan to comply with Housing Element requirements. Buildout numbers required multiple reruns. Additional coordination and work with F&P to model and provide input/adjustments based on new buildouts. Additional hours required to prepare element and make final revisions to Element.

Deliverables:

- Administrative draft updated Land Use goals and policies

- Revised draft updated Land Use goals and policies
- Additional exhibits, research, technical consultant reviews, and buildout reruns required in support of additional meetings in the development of the proposed Land Use Plan.”

e. CEQA Review Process

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**Phase 8. CEQA Review Process**” is hereby amended to revise the following duties and deliverables:

“Phase 8. CEQA Review Process

Consultant shall conduct a two-phase environmental review process that includes preparing an Initial Study to "scope out" impacts found to be less than significant, then preparing a program-level Environmental Impact Report that is limited to analyses of potentially significant environmental topics. Consultant shall work alongside the City Staff and Consultant's Team and Sub-Consultants to incorporate General Plan policies that mitigate environmental impacts.

Additional consultant resources and updated billing rates are required across the scope of the CEQA review process to address changes in State Environmental Laws since the initial scoping of this Phase in 2016.”

f. Air Quality & Greenhouse Gas Emissions

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**Phase 9. Technical Studies, Task 9.3 Air Quality & Greenhouse Gas Emissions**” is hereby amended to revise the following duties and deliverables:

“Task 9.3 Air Quality & Greenhouse Gas Emissions

Consultant shall prepare an air quality and greenhouse gas (GHG) emissions analysis for the City of Redondo Beach General Plan EIR. The air quality and GHG analysis shall be based on the current methodology of the South Coast Air Quality Management District (SCAQMD) for projects in the South Coast Air Basin (SoCAB), and modeling files shall be included as an appendix to the EIR.

Additional qualitative documentation in the Draft EIR to address CEQA caselaw is required for:

- Air Quality (e.g., Friant Ranch) – The EIR section will document the relationship of the regional significance thresholds to health-based impacts in the South Coast Air Basin based on the statements made in

the Amicus Brief by the South Coast Air Quality Management District and the San Joaquin Valley Air Pollution Control District.

- Greenhouse gas emissions (e.g., Golden Door) – Efficiency-based targets that are based on the statewide GHG emissions inventory and forecast in the Scoping Plan may no longer be used as significance thresholds in CEQA. Additionally, the Scoping Plan is being updated to address carbon neutrality targets identified in Executive Order B-55-18. The EIR section will need to address the latest GHG regulations and approach for plan-level analyses to ensure consistency with the latest GHG emissions reduction targets.
- Criteria Air Pollutant Emissions Inventories (Existing and General Plan Buildout): The air quality analysis shall provide an estimate of long-term criteria air pollutant emissions using the latest models (e.g., EMFAC, OFFROAD, CalEEMod). Buildout of the General Plan would generate emissions from an anticipated increase in trips and vehicle miles traveled (VMT) associated with land uses in the City. In addition, use of natural gas and other area sources generate criteria air pollutants. Construction of individual development projects would also generate emissions from vehicles, off-road equipment, off-gas emissions, and fugitive dust. Potential impacts from construction activities associated with implementation of the General Plan shall be described qualitatively. The EIR shall compare criteria air pollutants generated by existing land uses (CEQA Baseline) in the City of Redondo Beach compared to land uses projected at buildout of the City (i.e., not a plan-to-plan analysis). An inventory of criteria air pollutants generated by existing land uses and proposed land uses shall be based on an existing inventory of land uses on the ground and future buildout statistics generated for the proposed Land Use Plan. Cumulative air quality impacts from buildout of the General Plan shall be described based on the emissions inventory compared to SCAQMD's regional significance thresholds.
- Air Quality Management Plan Consistency: The SoCAB is designated nonattainment of the National and/or California ambient air quality standards (MQS) for ozone, nitrogen dioxide, and particulate matter (PM10 and PM2.5). Consistency of the project's regional emissions shall also be evaluated against SCAQMD's Air Quality Management Plan.
- CO Hotspots: The SoCAB has been designated as attainment of the state and federal carbon monoxide (CO) ambient air quality standards. Given that no intersection has exceeded the CO standards since redesignation, quantitative evaluation is not warranted. Instead, the

potential for the proposed project to generate a CO hotspot shall be addressed qualitatively by the Consultant.

- Nuisance Odors: The air quality impact analysis shall describe land uses in the City that have the potential to generate nuisance odors. Buffer distances and/or control measures for sources listed in the SCAQMD's guidelines shall be incorporated.
- GHG Emissions Inventories for the General Plan EIR (CEQA Baseline and General Plan Buildout): Pursuant to current CEQA Guidelines, all phases of the project must be considered (CEQA Guidelines Section 15126). Because the time horizon of a General Plan extends beyond the GHG reduction target year of Assembly Bill 32 (AB 32) (i.e., 2020 compared to General Plan buildout), the GHG impact analysis for the EIR shall identify GHG emissions associated with full buildout of the General Plan. To date, there is no comprehensive statewide plan that identifies GHG reduction programs past 2020. However, the California Air Resources Board (CARB) is currently in the process of updating the Scoping Plan to address interim targets to reach the 2030 goal of reducing GHG emissions to 40 percent below 1990 levels pursuant to Executive Order B-30-15 (anticipated by fall 2017).

The EIR shall include a GHG emissions inventory for the City for the CEQA baseline year and General Plan buildout. The GHG inventory for CEQA baseline and buildout shall provide an estimate of long-term GHG emissions using the latest models (e.g., EMFAC, OFFROAD) for the applicable GHG emissions sectors. Sources of GHG emissions in the City shall be based on those within the City's jurisdictional control and shall utilize the recent GHG emissions inventory and forecast compiled by the City for the Energy Efficiency Climate Action Plan (EECAP) and shall include:

- Residential and Nonresidential Energy (based on electricity use provided by Southern California Edison and natural gas use provided by the Southern California Gas Company)
- Transportation (on-road vehicles based on VMT provided by Sub-Consultant (Fehr & Peers))
- Water Use and Wastewater Treatment (from California Water Services)
- Other Area Sources (e.g., off-road equipment)
- Permitted Sources (GHG for this sector shall be presented, if available from SCAQMD)

The inventories shall be adjusted by the Consultant for reductions associated with statewide programs that have been adopted to reduce GHG emissions. The EIR shall evaluate the impact from the change in GHG emissions in the

City compared to CEQA baseline conditions pursuant to SCAQMD's draft thresholds.

- **Consistency with Plans Adopted for the Purpose of Reducing GHG Emissions:** The GHG section in the EIR shall discuss the City's commitment to reducing GHG emissions in accordance with the GHG reduction goals of AB 32 and Senate Bill 375. Project consistency with CARB's Scoping Plan and the Southern California Association of Governments' (SCAG) 2016 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) shall be reviewed by the Consultant, in accordance with the CEQA requirements.

In addition, the San Gabriel Valley Council of Government (SAVCOG), in partnership with Southern California Edison (SCE), implemented an Energy Wise Partnership for cities in the San Gabriel Valley. As part of this program, an Energy Efficiency chapter of the Climate Action Plan (EECAP) for the City of Redondo Beach was prepared and includes measures to reduce energy use and associated GHG emissions. Consistency with the recommended energy action measures shall be incorporated to ensure consistency with this regional program for the San Gabriel Valley.

Deliverables:

- Analysis incorporated into the EIR and model outputs included as an appendix
- Analysis to include required additional information to address recent CEQA caselaw

g. Noise and Vibration Studies

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**Phase 9. Technical Studies, Task 9.5 Noise and Vibration**" is hereby amended to revise the following duties and deliverables:

"Task 9.5 Noise and Vibration

Consultant shall prepare noise and vibration technical analyses to evaluate potential acoustical impacts associated with the Draft General Plan Update. The EIR shall identify the impacts on sensitive land uses from implementation of the focused update of the General Plan. Particular attention shall be paid to areas in the City that are expected to experience the most growth in the coming years. The EIR shall discuss relevant standards and criteria for noise exposure, and the assessment of impacts shall be based on federal, state, and local ordinances, policies, and

standards, including those in the City of Redondo Beach's existing Municipal Code and updated Noise Element.

Additionally, recent CEQA case law and new topical sections concerning Noise and Vibration are now required to be included in the scope of the EIR analysis concerning this issue area.

Existing Noise Conditions

Consultant shall use Consultant's knowledge of similar noise environments to evaluate existing ambient noise conditions and identify potential issues, opportunities, and challenges with respect to noise and land use compatibility.

Transportation Noise

Existing and future vehicular traffic noise shall be assessed using a version of the US Federal Highway Administration (FHWA) Traffic Noise Model. These contours shall rely on traffic forecasts provided in the traffic impact analyses for the General Plan. These analyses shall identify areas along freeway and roadway segments that would be exposed to noise increases above criteria in the City's General Plan Noise Element. In addition, the noise analysis shall identify potential noise impacts to noise-sensitive uses in the City from railways. Aircraft noise from operations at nearby airports (outside the City limits, including LAX, Torrance, and Hawthorne Municipal Airports) would be expected to have minimal impacts on the general community, but shall be addressed for CEQA completeness on a qualitative basis.

Stationary Noise and Land Use Compatibility

Noise impacts from nontransportation sources such as major commercial/industrial uses shall be discussed in terms of potential impacts to nearby noise-sensitive receptors. Future ambient noise and land use compatibility that could be affected by land use changes or by changes in traffic patterns shall be discussed qualitatively in light of the recent related California Supreme Court ruling (CB/A v BAAQMD).

Construction Noise and Vibration

Construction impacts with implementation of the project shall be evaluated at a programmatic level for the General Plan. Future noise and vibration effects from construction activities shall be discussed in terms of accepted standards from the US Federal Transit Administration (FTA). Feasible mitigation measures shall be identified to minimize future construction-related impacts in the study area.

The results of the above analyses shall be summarized in the EIR noise section, and pertinent calculation details shall be provided in an appendix.

Deliverables:

- Analysis incorporated into the EIR, and model outputs included as an appendix
- Incorporation of most recent CEQA case law and new topical sections into the analysis of this issue area.

h. Major Changes in Allowable Land Uses – Article XXVII Traffic Analysis

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**Phase 9. Technical Studies, Task 9.6.5 Article XXVII Traffic Analysis**" is hereby added with the following duties and deliverables:

"Task 9.6.5 Article XXVII Traffic Analysis

Consultant shall prepare a focused traffic analysis pursuant to the required provisions within Article XXVII. Major Changes in Allowable Land Use. The Sub-Consultant (Fehr & Peers) shall calculate trips and Level of Service (LOS) at all required "Critical Corridors" and "Critical Intersections" pursuant to Article XXVII. Major Changes in Allowable Land Use resulting from the proposed Land Use Plan. PlaceWorks and City Staff will provide support as necessary.

Deliverables:

- Article XXVII Traffic Impact Analysis for City Staff review (1 electronic version in Word and PDF format)
- Final Article XXVII Traffic Impact Analysis will be attached to the EIR as an addendum (1 electronic version in Word and PDF format)."

i. Water, Wastewater, and Storm Water Utility Systems

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**Phase 9. Technical Studies, Task 9.7 Water, Wastewater, and Storm Water Utility Systems**" is hereby amended to revise the following duties and deliverables:

"Task 9.7 Water, Wastewater, and Storm Water Utility Systems

Consultant and Sub-Consultant (Fusco Engineering) shall prepare the Utilities and Service Systems section of the EIR, covering water,

wastewater, and storm Water utility systems. Consultant shall utilize the Baseline Assessment Memorandum, prepared by Sub-Consultant (Fusco Engineering) as part of the General Plan Update process in Phase 3, to inform the environmental setting section. This shall include information on the age, condition, adequacy, and capacity of utilities infrastructure in Redondo Beach.

To assess utilities-related impacts and identify any needed mitigation measures, Consultant shall utilize the results of Sub-Consultant's (Fusco's) evaluation, performed as part of Phase 4, of the general capacity of the City's infrastructure (storm drain, water and sewer) related to projected land use changes, growth, and additional demands on the infrastructure systems. Recommended improvements needed to serve planned future development shall be integrated into both the EIR and the General Plan.

Providers and management organizations that compose the utilities and service system in Redondo Beach include, but are not limited to:

- Los Angeles County Sanitation Districts
- Hermosa-Redondo District, California Water Services Company (CalWater)
- Carson Joint Water Pollution Control Plant
- City of Redondo Beach Solid Waste Division
- Athens Services
- Los Angeles County Department of Public Works
- Cal Recycle
- Southern California Edison
- Southern California Gas Company

Sub-Consultant (Fusco Engineering) shall prepare a technical report to serve as an appendix to the EIR covering infrastructure and water quality evaluations. This report shall include analyses and conclusions per the CEQA Appendix G checklist, as well as concept-level hydrology comparison of existing versus proposed conditions, and all MS4 LID/BMP measures required. Analysis is to exclude any water or sewer hydraulic modeling related to the proposed land use changes. All water and sewer hydraulic modeling analysis to be provided by City or City's hydraulic modeling consultant.

Deliverables:

- Draft Water, Wastewater, and Storm Water Utility Systems Technical Report (1 electronic version in Word and PDF format)

- Final Water, Wastewater, and Storm Water Utility Systems Technical Report (1 electronic version in Word and PDF format)”

j. Technical Studies – Energy (New Task)

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**Phase 9. Technical Studies, Task 9.8 Energy**” is hereby added with the following duties and deliverables:

“Task 9.8 Energy

Pursuant to recent changes in CEQA concerning this issue area, additional specific analysis is required. Additional work includes preparation of a standalone EIR section in response to Appendix F checklist questions on whether energy use is wasteful or inefficient. Substantial evidence is needed in support of the Energy section, a quantified analysis of energy impacts shall be completed for operational phase electricity, natural gas, and transportation fuels.

Deliverables:

- Standalone EIR section to include information/analysis to confirm whether energy use is wasteful or inefficient
- Standalone EIR energy section will also include quantified analysis of energy impacts resulting from the proposed Land Use Plan.”

k. Technical Studies – Wildfire (New Task)

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**II. Consultant’s Duties, Phase 9. Technical Studies, Task 9.9 Wildfire**” is hereby added with the following duties and deliverables:

“Task 9.8 Wildfire

Pursuant to recent changes in CEQA concerning this issue area, additional specific analysis is required. Additional work includes preparation of a standalone EIR section in response to Appendix F checklist questions on wildfire hazards and evacuation. Although this is a minor issue for the City of Redondo Beach, substantial evidence is needed to explain potential impacts.

Deliverables:

- Standalone EIR section to include information/analysis to confirm impacts and potential mitigation for this issue area

- Standalone EIR wildfire and evacuation section will also include an analysis and identification of potential impacts of from the proposed Land Use Plan concerning this issue area.”

I. Introduction to General Plan (New Task)

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, **“II. Consultant’s Duties, Phase 10. Project Administration, Task 10.3 Introduction to General Plan”** is hereby added with the following duties and deliverables:

“Task 10.3 Introduction to General Plan

Consultant shall prepare an “Introduction” chapter that will serve to document the overall process, general assumptions, and context that supported the General Plan Advisory Committee, and other appointed and elected officials in the development of the General Plan Update. Additionally, the “Introduction” shall provide an overview of the Vision and Guiding Principles and also new goals and policies related to community engagement. The “Introduction” shall also serve to reference/connect/organize, with a “Table of Contents”, the various General Plan Elements that are included in this update as well as those existing General Plan Elements that have not been updated.

Deliverables:

- General Plan Introduction Chapter that includes:
 - Summary of the overall process, general assumptions, and context that supported the General Plan Advisory Committee, and other appointed and elected officials in the development of this General Plan Update.
 - An overview of the Vision and Guiding Principles and also new goals and policies related to community engagement.
 - References/connects/organizes (table of contents) the various General Plan Elements that are included in this update as well as those existing General Plan Elements that have not been updated.”

m. EXHIBIT "B" SCHEDULE FOR COMPLETION of the Amended Agreement is hereby amended as follows:

“The term of this Agreement shall extend to December 31, 2023 (“Term”) unless otherwise terminated as herein provided. The Agreement shall automatically renew for a subsequent annual term upon the City Manager providing notice to Consultant at least 30 days prior to the expiration of

the Term. In no event shall the Agreement extend beyond December 31, 2024.”

- n. **EXHIBIT "C" COMPENSATION** of the Amended Agreement is hereby amended and revised to increase the total cost for this Fourth Amendment from **\$1,436,608** to an amount not to exceed **\$1,761,647**. Tasks with budgets available for repurpose/reallocation are itemized first followed by additional budgets required to complete identified tasks.

STUDY SESSIONS AND PUBLIC HEARINGS	
Task 2.5	
<ul style="list-style-type: none"> • (\$20,982 originally budgeted) • (\$4,000 repurposed/reallocated with Third Amendment) • \$12,000 additional required to complete task 	\$12,000
TOTAL Task 2.5 (Fourth Amendment)	\$12,000

LAND USE CONSTRAINTS AND ISSUES – INFRASTRUCTURE (SUBCONSULTANT FUSCOE)	
Task 3.2	
<ul style="list-style-type: none"> • (\$18,284 originally budgeted) • \$2,300 additional required to complete task 	\$2,300
TOTAL Task 3.2 (Fourth Amendment)	\$2,300

DRAFT LAND USE ELEMENT	
Phase 4	
<ul style="list-style-type: none"> • (\$60,698 originally budgeted) • \$65,000 additional required to complete task 	\$65,000
TOTAL Phase 4 (Fourth Amendment)	\$65,000

FISCAL IMPACTS OF LAND USE SCENARIOS (SUBCONSULTANT BAE)	
Task 4.4	
<ul style="list-style-type: none"> • (\$18,014 originally budgeted) • (\$13,650 of the originally budgeted funds were repurposed administratively for additional economic analysis and participation of the economic consultant at GPAC meetings in the development of AACAP – Tasks 12.4 and 12.12 AACAP) • (\$10,000 additionally budgeted, Third Amendment) • \$15,400 additional required to complete task 	\$15,400
TOTAL Task 4.4 (Fourth Amendment)	\$15,400

CEQA REVIEW PROCESS	
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Phase 8	
• (\$98,752 originally budgeted)	
• \$37,305 additional required to complete task	\$37,305
TOTAL Phase 8 (Fourth Amendment)	\$37,305

AIR QUALITY & GREENHOUSE GAS EMISSIONS	
Task 9.3	
• (\$14,392 originally budgeted)	
• \$15,455 additional required to complete task	\$15,455
TOTAL Task 9.3 (Fourth Amendment)	\$15,455

NOISE AND VIBRATION STUDIES	
Task 9.5	
• (\$10,0098 originally budgeted)	
• \$16,500 additional required to complete task	\$16,500
TOTAL Task 9.5 (Fourth Amendment)	\$16,500

MAJOR CHANGES IN ALLOWABLE LAND USES – ARTICLE XXVII TRAFFIC ANALYSIS (NEW TASK – SUBCONSULTANT FEHR & PEERS)	
Task 9.6.5 Article XXVII Traffic Analysis (New Task)	
• (\$0, not originally budgeted)	
• \$40,900 required to complete task	\$40,900
TOTAL Task 9.6.5 (New Task – Fourth Amendment)	\$40,900

WATER, WASTEWATER, AND STORM WATER UTILITY SYSTEMS (SUBCONSULTANT FUSCOE)	
Task 9.7	
• (\$22,000 originally budgeted)	
• \$4,840 additional required to complete task	\$4,840
TOTAL Task 9.7 (Fourth Amendment)	\$4,840

TECHNICAL STUDIES – ENERGY (NEW TASK)	
Task 9.8 Technical Studies - Energy (New Task)	
• (\$0, not originally budgeted)	
• \$5,250 required to complete task	\$5,250
TOTAL Task 9.8 (New Task – Fourth Amendment)	\$5,250

TECHNICAL STUDIES – WILDFIRE (NEW TASK)	
Task 9.9 Technical Studies - Wildfire (New Task)	
• (\$0, not originally budgeted)	
• \$6,550 required to complete task	\$6,550
TOTAL Task 9.9 (New Task – Fourth Amendment)	\$6,550

DAY-TO-DAY PROJECT COORDINATION AND SCHEDULE	
Task 10.1	
<ul style="list-style-type: none"> • (\$25,949 originally budgeted) • (\$15,480 additionally budgeted, Second Amendment) • \$12,000 additional required to complete task 	\$12,000
TOTAL Task 10.1 (Fourth Amendment)	\$12,000

PROJECT TEAM MEETINGS	
Task 10.2	
<ul style="list-style-type: none"> • (\$23,868 originally budgeted) • (\$30,000 additionally budgeted, Second Amendment) • (\$15,840 additional budgeted, Third Amendment) • \$43,420 additional required to complete task 	\$43,420
TOTAL Task 10.2 (Fourth Amendment)	\$43,420

INTRODUCTION TO GENERAL PLAN (NEW TASK)	
Task 10.3 Introduction to General Plan (New Task)	
<ul style="list-style-type: none"> • (\$0, not originally budgeted) • \$5,500 required to complete task 	\$5,500
TOTAL Task 10.3 (New Task – Fourth Amendment)	\$5,500

SAFETY ELEMENT PREPARATION	
Task 11.1	
<ul style="list-style-type: none"> • (\$7,500 originally budgeted) • (\$10,000 additionally budgeted, Third Amendment) • \$2,500 additional required to complete task 	\$2,500
TOTAL Task 11.1 (Fourth Amendment)	\$2,500

Subtotal – Fourth Amendment **\$284,920**

Reimbursables – PlaceWorks: Additional required to complete project	\$10,819
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Reimbursables – Fehr & Peers: Additional required to complete project	\$19,300
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Contingency: Additional to complete project	\$10,000
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GRAND TOTAL – Fourth Amendment	\$325,039
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Notes: Reimbursable expenses are estimated above and include the costs for printing, photography, copies, blueprinting, and deliveries. The above budget

is an estimate. Actual reimbursable expenses will be billed at cost plus 12.5%.

o. Modification

Except as expressly set forth herein, the Agreement, the First Amendment, the Second Amendment, and the Third Amendment shall continue in full force and effect. The Agreement together with the First Amendment, Second Amendment, Third Amendment and this Fourth Amendment constitute the entire agreement between the parties and supersedes any previous oral or written agreement. In the event of any inconsistency between this Fourth Amendment and the Agreement, First Amendment, Second Amendment, and Third Amendment the terms of this Fourth Amendment shall prevail. This Fourth Amendment may be modified or amended only by a subsequent writing executed by all of the parties and approval by the City Council.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have entered into this Fourth Amendment as of this 4th day of October 2022.

CITY OF REDONDO BEACH
A chartered municipality

PLACEWORKS, INC.
a California Corporation

William C. Brand, Mayor

By: _____
Name: _____
Title: _____

ATTEST:

APPROVED

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

**THIRD AMENDMENT TO AGREEMENT FOR CONSULTING
SERVICES BETWEEN THE CITY OF REDONDO BEACH AND PLACEWORKS, 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 Placeworks, Inc., a California corporation ("Consultant" or "Contractor").

WHEREAS, on October 4, 2016, the parties hereto originally entered into that certain Agreement for Consulting Services between the City and Consultant ("Agreement"); and

WHEREAS, on December 19, 2017, the parties hereto entered into that certain First Amendment to the Agreement between the City and Consultant ("First Amendment"); and

WHEREAS, on April 16, 2019, the parties hereto entered into that certain Second Amendment to the Agreement between the City and Consultant ("Second Amendment"); and

WHEREAS, City and Consultant desire to amend the Agreement, First Amendment, and Second Amendment (collectively "Amended Agreement") pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree to make the following amendments to the Amended Agreement:

a. Additional General Plan Advisory Committee (GPAC) Meetings.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.3 General Plan Advisory Committee (GPAC)**" is hereby amended to add the following duties and deliverables:

"The Consultant shall jointly facilitate the GPAC meetings with the City during the General Plan and Aviation-Artesia Corridor Area Plan preparations. Consultant shall prepare for and attend up to 27 GPAC meetings as directed by the City. Additional meeting attendance (other than that stated above) must be approved by the City.

Four (4) additional meetings of the GPAC (ten (10) originally contracted, ten (10) per the First Amendment, and three (3) per the Second Amendment) are required to better balance the interest by the City to provide more meaningful opportunities for input and feedback from this body and the community. The

additional GPAC meetings have become necessary to revisit GPAC's draft land plan recommendations in light of recent changes in State Housing Law and the pending Regional Housing Needs Assessment (RHNA) allocation, further assessment, analysis, and integration of the City's open spaces (parks and recreation areas, conservation resources, and public spaces), and a final review by GPAC of the updated General Plan document. These matters were not included in the scope of the Original Agreement, First Amendment, or Second Amendment.

Deliverables:

- Preparation for, attendance at, and follow up to, 27 GPAC Meetings (four (4) additional GPAC Meetings plus three (3) GPAC Meetings per the Second Amendment plus ten (10) GPAC Meetings per the First Amendment plus the ten (10) originally contracted."

b. Community-Wide Workshops.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.4 Community-Wide Workshops**" is hereby amended to add the following duties and deliverables:

"The Consultant shall conduct up to four (4) community-wide outreach workshops at various locations throughout the City over the course of the project to present the community with the existing context and process, obtain feedback on the draft land use plan, conservation, parks and recreation, and open space concepts, the Safety and Noise Element updates, and the Aviation-Artesia Corridor Area Plan. Three (3) community-wide workshops were originally contracted, a fourth (4) was added with the First Amendment to focus specifically on the Aviation-Artesia Corridor Area Plan only, and the Second Amendment determined the Aviation-Artesia Corridor Area Plan would be a combined Community-Wide Workshop along with all of GPAC's land use plan recommendations reducing the number of Community-Wide Workshops to three (3). This Third Amendment serves to align the Community-Wide Workshops program with what was planned with the First Amendment. All four (4) community-wide workshops shall be before the public hearing phase of the Draft Proposed General Plan Updates.

The Draft Proposed Plans shall be developed in coordination with the GPAC, the City Manager's Artesia/Aviation Revitalization Committee, and City based on the public feedback received and the Council-approved Strategic Plan, Mission, and Vision. The feedback received on the Draft Proposed Plans shall be packaged and forwarded to the Planning Commission and the Council for their review. The Proposed Plans shall also be available online, and online users will have the opportunity to comment on the plans digitally; those

comments shall also be presented to the Planning Commission and the City Council.

The Consultant shall gather information through the use of multiple visual and interactive tools to engage the community in a discussion about the future of the City. Activities shall be designed to engage adults and children and may also enlist the participation of other City departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, facilitation of, and follow up to, community workshops (four (4) workshops total)
- Online engagement tools (Survey Monkey)
- Preparation of summary of big ideas and take-aways from each workshop"

c. Study Sessions and Public Hearings

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.5 Study Sessions and Public Hearings**" is hereby amended to add the following duties and deliverables:

"Study Sessions

At the City's request, Consultant shall co-host study session(s) with the Planning Commission and City Council (joint session if desirable) to provide preliminary feedback regarding the concepts and approaches related to the land use plan.

The format and intent of the study session(s) will vary from the public hearings to adopt the General Plan. These session(s) are intended to keep decision makers informed, get informal approval at key points, and provide an additional opportunity for community participation. Consultant(s) may participate in these study session(s) as determined by the City in lieu of Consultant(s) attending the same number of public hearings prescribed below.

Public Hearings

Consultant shall participate in up to two (2) public hearings for the public draft Revised Land Use; Conservation, Recreation and Parks, and Open Space; Noise; and Safety Elements with both the Planning Commission and City Council (two adoption hearings held for both Planning Commission and City Council – total of four hearings) as determined by the City. This task includes some preparation in support of the study session(s) or hearings with the City to prepare the PowerPoint presentations and staff reports and the Consultant(s) to be in attendance by up to two staff members of the Consultant as well as representatives from Sub-Consultants Fehr and Peers

and BAE, as needed. Sub-Consultant Fehr and Peers will attend up to 3 public meetings (study session or public hearing) and will provide input on the preparation of presentation materials as it relates to land use changes and their effect on transportation.

Consultant(s) shall work with City staff in support of the City staff's development of required staff reports and PowerPoint presentations. At the study session(s) and/or hearings, the Consultant shall be available for presentations and responding to questions and comments received.

City will be responsible for any subsequent work related to revisions of the adopted Local Coastal Program (including text changes or coordination/hearings with the California Coastal Commission).

Deliverables:

- Support City staff's preparation of staff reports and PowerPoint presentations
- Attendance at Study Sessions or Public Hearings (up to 4, 2 each at Planning Commission and City Council)."

d. Evaluate Traffic Impacts of Land Use Scenarios.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Agreement entitled, "**II. Consultant's Duties, Phase 4. Prepare Draft Land Use Element, Task 4.3 Evaluate Traffic Impacts of Land Use Scenarios**" is hereby deleted in its entirety.

e. Evaluate Fiscal Impacts of Land Use Scenarios.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**II. Consultant's Duties, Phase 4. Prepare Draft Land Use Element, Task 4.4 Evaluate Fiscal Impacts of Land Use Scenarios**" is hereby amended to add the following duties and deliverables:

"For this task, Sub-Consultant BAE shall conduct a fiscal impact analysis to determine the net fiscal impacts to the City's General Fund for the GPAC recommended land use plan. A fiscal impact model shall be prepared to measure the recurring annual impacts of the recommended land use plan at project build out. Sub-Consultant BAE shall prepare the fiscal model using the City's most recent budget.

Revenues will be based on a hybrid average revenue/marginal revenue approach. Sub-Consultant BAE shall project revenues using a marginal approach (e.g., property taxes, property tax in lieu of VLF, sales taxes) based

on development characteristics. Sub-Consultant BAE shall project revenues using an average revenue approach based on the anticipated increase in service population (i.e., new residents plus half of new employment). Sub-Consultant BAE shall use an average cost approach to project new costs and will supplement the analysis with information gathered and provided by the City to determine whether a marginal cost approach is needed (e.g., police, fire). Sub-Consultant BAE shall compare projected revenues to costs in order to determine whether revenues from new development are sufficient to cover the costs of providing municipal services.

Deliverables:

- Fiscal Impact Analysis Report (GPAC recommended draft Land Use Plan)”

f. Aviation-Artesia Corridor Area Plan.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**Phase 12. Aviation-Artesia Corridor Area Plan, Task 12.7 Community Workshop**” is hereby amended to revise the following duties and deliverables:

“A workshop is designed to gather broad input and buy-in from a community-wide audience and to provide an opportunity for the greater Redondo Beach community to personally weigh in on the proposed refinements to the Aviation-Artesia Corridor.

Consultant shall conduct one (1) community outreach workshop over the course of the project to present the community with the existing context and process and to obtain feedback on the draft Area Plan.

The workshop shall be focused on reviewing and commenting on the Draft Proposed Aviation-Artesia Corridor Area Plan. The Draft Proposed Plan shall be developed in coordination with the GPAC, the Artesia/Aviation Boulevard Revitalization Committee, and City staff and based on the public feedback received and the Council-approved Strategic Plan and Vision. The feedback received on the Draft Proposed Aviation-Artesia Corridor Area Plan shall be packaged and forwarded to Planning Commission and Council for their review and approval. The Draft Proposed Aviation-Artesia Corridor Area Plan shall also be available online, and online users shall have the opportunity to comment on the plan digitally; those comments shall also be presented to Planning Commission and Council.

Consultant shall gather information using multiple visual and interactive tools to engage the community in a discussion about the future of the Aviation-

Artesia Corridors. Activities shall be designed to engage adults and children and may also enlist the participation of other departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, and facilitation of one (1) community workshop focused on the Aviation-Artesia Corridor Area Plan
- Online engagement tools (Survey Monkey for feedback on the Area Plan and prioritizing the Implementation Plan within the Area Plan)
- Preparation of summary of big ideas and take-aways from workshop”

g. General Plan/Area Plan/Zoning Consistency Analysis.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, “**Phase 14. General Plan/Zoning Consistency Analysis**” is hereby amended to revise the following duties and deliverables:

“California planning law requires that general plans be consistent with other elements of the general plan and other implementation tools, including zoning ordinances. The consultant shall provide a high-level review of the City’s Zoning Ordinance for consistency with new General Plan Elements (Land Use, Noise, Safety, and Open Space, Parks, Recreation and Conservation).

City staff, with assistance from the Consultant, will development a table to compare zoning and General Plan designations, standards and goals/policies, and Area Plan policies and strategies, that will identify differences/inconsistencies. City staff will serve as the lead in determining necessary zoning amendments. The Consultant will conduct the General Plan/Zoning map comparison and develop a map that demonstrates consistency. If the review of the mapping is more efficient than estimated (less than 40 hours or \$6,350.00), the Consultant shall provide additional support of the policy/zoning consistency analysis. Changes that must be made to be consistent with State mandates (legal requirement) shall be identified in the “table”. The Consultant shall identify suggested changes in the Zoning Map that result from changes in General Plan definitions, intent, intensity/standards and proposed/adopted land use plan, policies and any implementation strategies from the Area Plan. Zoning Code amendments to address determined inconsistencies are not included in this task and will be completed by City Staff separately.

Deliverables:

- Consultant shall provide examples of consistency review methodology documents/tables to the City in support of this task,
- Review by Consultant of the table developed by City staff identifying the findings of the General Plan/Area Plan/Zoning Consistency Analysis,
- Map, in GIS and print, identifying inconsistent zoning designations with updated General Plan Map."

h. EXHIBIT "B" SCHEDULE FOR COMPLETION of the Amended Agreement is hereby amended as follows:

"The term of this Agreement shall extend from December 31, 2020 to December 31, 2021 ("Term") unless otherwise terminated as herein provided. The Agreement shall automatically renew for a subsequent annual term upon the City Manager providing notice to Consultant at least 30 days prior to the expiration of the Term. In no event shall the Agreement extend beyond December 31, 2022."

i. EXHIBIT "C" COMPENSATION of the Amended Agreement is hereby amended and revised to increase the total cost for this Third Amendment from **\$1,348,292** to an amount not to exceed **\$1,436,608**. Tasks with budgets available for repurpose/reallocation are itemized first followed by additional budgets required to complete identified tasks.

STUDY SESSIONS AND PUBLIC HEARINGS	
Task 2.5	
<ul style="list-style-type: none"> • (\$20,982 originally budgeted) • \$4,000 available for repurpose/reallocation with reduced scope 	(\$4,000)
TOTAL Task 2.5 (Third Amendment-Available for Reallocation)	(\$4,000)

EVALUATE TRAFFIC IMPACTS OF LAND USE SCENARIOS	
Task 4.3	
<ul style="list-style-type: none"> • (\$2,999 originally budgeted) • This task to be completed as part of "Phase 8. CEQA Review Process" and "Task 9.6 Traffic Impact Analysis" • \$2,999 available for repurpose/reallocation 	(\$2,999)
TOTAL Task 4.3 (Third Amendment-Available for Reallocation)	(\$2,999)

ELEMENT FORMAT AND STRUCTURE	
Task 7.2	
<ul style="list-style-type: none"> • (\$5,508 originally budgeted) • This task is complete with budget remaining 	(\$1,225)

• \$1,225 available for repurpose/reallocation.	
TOTAL Task 7.2 (Third Amendment-Available for Reallocation)	(\$1,225)

GENERAL PLAN/AREA PLAN/ZONING CONSISTENCY ANALYSIS	
Phase 14	
• (\$16,500 originally budgeted)	
• \$10,000 available for repurpose/reallocation with reduced scope	(\$10,000)
TOTAL Phase 14 (Third Amendment-Available for Reallocation)	(\$10,000)

Subtotal – Available for Reallocation (\$18,224)

GENERAL PLAN ADVISORY COMMITTEE MEETINGS	
Task 2.3	
• (4) @ \$9,300/GPAC:	
◦ (4) additional per Third Amendment required to complete task	\$37,200
TOTAL Task 2.3 (Third Amendment)	\$37,200

COMMUNITY WIDE WORKSHOPS	
Task 2.4	
• (\$25,480 originally budgeted)	
• (\$7,500 additionally budgeted, First Amendment - Task 12.7 AACAP)	
• \$1,000 additional required to complete task	\$1,000
TOTAL Task 2.4 (Third Amendment)	\$1,000

PROJECT COLLATERAL, CONTENT FOR CITY WEBSITE AND MEDIA	
Task 2.6	
• (\$35,924 originally budgeted)	
• \$5,000 additional required to complete task	\$5,000
TOTAL Task 2.6 (Third Amendment)	\$5,000

UPDATE AND REFINE LAND USE DIAGRAM	
Task 4.1	
• (\$12,688 originally budgeted)	
• (\$36,014 additionally budgeted, Second Amendment)	
• \$5,000 additional required to complete task	\$5,000
TOTAL Task 4.1 (Third Amendment)	\$5,000

EVALUATE FISCAL IMPACTS OF LAND USE SCENARIOS	
Task 4.4	
<ul style="list-style-type: none"> • (\$18,014 originally budgeted) • (\$13,650 of the originally budgeted funds were repurposed administratively for additional economic analysis and participation of the economic consultant at GPAC meetings in the development of AACAP – Tasks 12.4 and 12.12 AACAP) • \$10,000 additional required to complete task 	\$10,000
TOTAL Task 4.4 (Third Amendment)	\$10,000

UPDATE LAND USE ELEMENT	
Task 4.5	
<ul style="list-style-type: none"> • (\$15,878 originally budgeted) • \$4,000 additional required to complete task 	\$4,000
TOTAL Task 4.5 (Third Amendment)	\$4,000

UPDATE CONSERVATION, PARKS AND RECREATION, AND OPEN SPACE ELEMENT	
Task 5.2	
<ul style="list-style-type: none"> • (\$8,874 originally budgeted) • \$8,500 additional required to complete task 	\$8,500
TOTAL Task 5.2 (Third Amendment)	\$8,500

PROJECT TEAM MEETINGS	
Task 10.2	
<ul style="list-style-type: none"> • (\$23,868 originally budgeted) • (\$30,000 additionally budgeted, Second Amendment) • \$15,840 additional required to complete task 	\$15,840
TOTAL Task 10.2 (Third Amendment)	\$15,840

SAFETY ELEMENT PREPARATION	
Task 11.1	
<ul style="list-style-type: none"> • (\$7,500 originally budgeted) • \$10,000 additional required to complete task 	\$10,000
TOTAL Task 11.1 (Third Amendment)	\$10,000

Subtotal – Third Amendment **\$96,540**

Subtotal – Third Amendment Minus Reallocation (\$96,540 - \$18,224) **\$78,316**

Reimbursable: Additional required to complete project **\$10,000**

Contingency: Additional to complete project	\$0
GRAND TOTAL – Second Amendment	\$88,316

Notes: Reimbursable expenses are estimated above and include the costs for printing, photography, copies, blueprinting, and deliveries. The above budget is an estimate. Actual reimbursable expenses will be billed at cost plus 12.5%.

j. Modification

Except as expressly set forth herein, the Agreement, the First Amendment, and the Second Amendment shall continue in full force and effect. The Agreement together with the First Amendment, Second Amendment and this Third Amendment constitute the entire agreement between the parties and supersedes any previous oral or written agreement. In the event of any inconsistency between this Third Amendment and the Agreement, First Amendment, and Second Amendment the terms of this Third Amendment shall prevail. This Third Amendment may be modified or amended only by a subsequent writing executed by all of the parties and approval by the City Council.


[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have entered into this Third Amendment as of this 17th day of March 2020.

CITY OF REDONDO BEACH
A chartered municipality


William C. Brand, Mayor


PLACEWORKS, INC.
a California Corporation

By: 
Name: Wendy Nowak
Title: Principal


ATTEST:


Eleanor Manzano, City Clerk

APPROVED


Jill Buchholz, Risk Manager

APPROVED AS TO FORM:

 FOR
Michael W. Webb, City Attorney

SECOND AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH AND PLACEWORKS, INC.

THIS SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Second Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Placeworks, Inc., a California corporation ("Consultant" or "Contractor").

WHEREAS, on October 4, 2016, the parties hereto originally entered into that certain Agreement for Consulting Services between the City and Consultant ("Agreement"); and

WHEREAS, on December 19, 2017, the parties hereto entered into that certain First Amendment to the Agreement between the City and Consultant ("First Amendment"); and

WHEREAS, City and Consultant desire to amend the Agreement and First Amendment pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree to make the following amendments to the Agreement and First Amendment (collectively "Amended Agreement"):

a. Additional General Plan Advisory Committee (GPAC) Meetings.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "II. **Consultant's Duties, Phase 2. Community Engagement Program, Task 2.3 General Plan Advisory Committee (GPAC)**" is hereby amended to add the following duties and deliverables:

"The Consultant shall jointly facilitate the GPAC meetings with the City during the General Plan and Aviation-Artesia Corridor Area Plan preparations. Consultant shall prepare for and attend up to 23 GPAC meetings as directed by the City. Additional meeting attendance (other than that stated above) must be approved by the City.

Three (3) additional meetings of the GPAC (ten (10) originally contracted and ten (10) per the First Amendment) are required to better balance the interest by the City to provide more meaningful opportunities for input and feedback from this body and the community. The additional GPAC meetings have become necessary to reconcile work by the GPAC upon the Guiding Principles and the development and presentation to the community of multiple land plan options (neither of which were included in the scope of the Agreement or First Amendment).

Deliverables:

- Preparation for, attendance at, and follow up to, 23 GPAC Meetings (three (3) additional GPAC Meetings plus ten (10) GPAC Meetings per the First Amendment plus the ten (10) originally contracted."

b. Community-Wide Workshops.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.4 Community-Wide Workshops**" is hereby amended to add the following duties and deliverables:

"The Consultant shall conduct up to three (3) community-wide outreach workshops (three (3) originally contracted, a fourth (4) was added with the First Amendment to focus specifically on the Aviation-Artesia Corridor Area Plan only. The Aviation-Artesia Corridor Area Plan will be presented at a combined Community-Wide Workshop along with all of GPAC's recommendations) at various locations throughout the City over the course of the project to present the community with the existing context and process, obtain feedback on the draft land use plan, conservation parks and recreation and open space concepts, the Safety and Noise Element updates (if determined by the City), and the Aviation-Artesia Corridor Area Plan. All three (3) community-wide workshops shall be before the public hearing phase of the Draft Proposed General Plan Updates and Area Plan.

The Draft Proposed Plans shall be developed in coordination with the GPAC, the Artesia/Aviation Boulevard Revitalization Committee, and City based on the public feedback received and the Council-approved Strategic Plan, Mission, and Vision. The feedback received on the Draft Proposed Plans shall be packaged and forwarded to the Planning Commission and the Council for their review. The Proposed Plans shall also be available online, and online users will have the opportunity to comment on the plans digitally; those comments shall also be presented to the Planning Commission and the City Council.

The Consultant shall gather information through the use of multiple visual and interactive tools to engage the community in a discussion about the future of the City. Activities shall be designed to engage adults and children and may also enlist the participation of other City departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, facilitation of, and follow up to, community workshops (three (3) workshops total)
- Online engagement tools (Survey Monkey)

- Preparation of summary of big ideas and take-aways from each workshop"

c. Aviation-Artesia Corridor Area Plan.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Amended Agreement entitled, "**Phase 12. Aviation-Artesia Corridor Area Plan, Task 12.7 Community Workshop**" is hereby amended to revise the following duties and deliverables:

"Task 12.7 Community Workshop

A workshop is designed to gather broad input and buy-in from a community-wide audience and to provide an opportunity for the greater Redondo Beach community to personally weigh in on the proposed refinements to the Aviation-Artesia Corridor.

Consultant shall conduct one (1) community outreach workshop over the course of the project to present the community with the existing context and process and to obtain feedback on the draft Area Plan.

The workshop shall be focused on reviewing and commenting on the Draft Proposed Aviation-Artesia Corridor Area Plan and is combined with the Community Workshop to present all of GPAC's recommendations to the community. The Draft Proposed Plan shall be developed in coordination with the GPAC, the Artesia/Aviation Boulevard Revitalization Committee, and City staff and based on the public feedback received and the Council-approved Strategic Plan and Vision. The feedback received on the Draft Proposed Aviation-Artesia Corridor Area Plan shall be packaged and forwarded to Planning Commission and Council for their review and approval. The Draft Proposed Aviation-Artesia Corridor Area Plan shall also be available online, and online users shall have the opportunity to comment on the plan digitally; those comments shall also be presented to Planning Commission and Council.

Consultant shall gather information using multiple visual and interactive tools to engage the community in a discussion about the future of the Aviation-Artesia Corridors. Activities shall be designed to engage adults and children and may also enlist the participation of other departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, and facilitation of one (1) community workshop (that includes a focus on the Aviation-Artesia Corridor Area Plan)

- Online engagement tools (Survey Monkey with focus on Area Plan)
- Preparation of summary of big ideas and take-aways from workshop"

- d. **EXHIBIT "B" SCHEDULE FOR COMPLETION** of the Amended Agreement is hereby amended to extend the term of the Agreement from December 31, 2019 to December 31, 2020 unless otherwise terminated as herein provided.

This Amended Agreement shall automatically renew for a subsequent annual term upon the City Manager providing notice to Consultant at least 30 days prior to the expiration of the Term. In no event shall this Amended Agreement extend beyond October 4, 2021.

- e. **EXHIBIT "C" COMPENSATION** of the Amended Agreement is hereby amended and revised to increase the total cost for this Amended Agreement from \$1,207,507 to an amount not to exceed **\$1,348,292**.

This amount shall include a Placeworks contingency of \$20,000 to account for unforeseen services during the process. This fee will require approval by City Manager or Designee prior to its use.

The Task Repurpose Authorizations 1 and 2, dated February 4, 2019 and February 12, 2019 respectively, reflect adjustments that did not impact the budget or scope of the contract. Those are hereby incorporated into this Second Amendment and noted below as administrative approvals.

PROJECT FORMAT, BRANDING, TEMPLATES AND BASE MAPS	
Task 1.2 <ul style="list-style-type: none"> • (\$16,575 originally budgeted) • \$3,000 repurposed/reallocated towards "Task 2.3 GPAC Meetings" through administrative approval for reallocation on February 12, 2019 • \$4,994 remains available for repurpose/reallocation 	(\$4,994)
TOTAL Task 1.2 (Second Amendment-Available for Reallocation)	(\$4,994)

STAKEHOLDER INTERVIEWS (MAX. 8 HOURS OF INTERVIEWS)	
Task 2.2 <ul style="list-style-type: none"> • (\$5,508 originally budgeted) • \$5,508 repurposed/reallocated towards "Task 4.1 Update and Refine Land Use Diagram; Task 	

10.1 Project Administration and Schedule; and Task 10.2 Project Team Meetings" through administrative approval for reallocation on February 4, 2019	
TOTAL Task 2.2	(\$0)

ADDITIONAL COMMUNITY-WIDE WORKSHOP	
Task 2.4	
<ul style="list-style-type: none"> This additional "Community-Wide Workshop" is deleted. (Included In the budget for AACAP, See Task 12.7) 	
TOTAL Task 2.4	(\$0)

DEVELOP GENERAL PLAN WRITING GUIDE	
Task 7.1	
<ul style="list-style-type: none"> (\$2,876 originally budgeted) \$2,876 repurposed/reallocated towards "Task 4.1 Update and Refine Land Use Diagram; Task 10.1 Project Administration and Schedule; and Task 10.2 Project Team Meetings" through administrative approval for reallocation on February 4, 2019) 	
TOTAL Task 7.1	(\$0)

AVIATION-ARTESIA CORRIDOR AREA PLAN – Preparation of Area Plan	
Task 12.9	
<ul style="list-style-type: none"> (\$60,000 originally budgeted) \$40,000 Required \$20,000 available for repurpose/reallocation 	(\$20,000)
TOTAL Phase 12 (Second Amendment-Available for Reallocation)	(\$20,000)

Subtotal – Available for Reallocation **(\$24,994)**

DATA GATHERING AND REVIEW	
Task 1.3	
<ul style="list-style-type: none"> (\$17,079 originally budgeted) \$2,430 additional required to complete task 	\$2,430
TOTAL Task 1.3 (Second Amendment)	\$2,430

DEVELOP COMMUNITY PARTICIPATION PLAN	
Task 2.1	\$1,855

<ul style="list-style-type: none"> • (\$2,203 originally budgeted) • \$1,855 additional required to complete task 	
TOTAL Task 2.1 (Second Amendment)	\$1,855

GENERAL PLAN ADVISORY COMMITTEE MEETINGS	
Task 2.3 <ul style="list-style-type: none"> • (6) @ \$7,500/GPAC: <ul style="list-style-type: none"> ○ (3) per First Amendment-depleted budget needing augment, ○ (3) additional per Second Amendment required to complete task 	\$45,000
TOTAL Task 2.3 (Second Amendment)	\$45,000

UPDATE AND REFINE LAND USE DIAGRAM	
Task 4.1 <ul style="list-style-type: none"> • (\$12,668 originally budgeted), • \$36,014 additional required to complete task 	\$36,014
TOTAL Task 4.1 (Second Amendment)	\$36,014

PROJECT ADMINISTRATION AND SCHEDULE	
Task 10.1 <ul style="list-style-type: none"> • (\$25,949 originally budgeted), • \$15,480 additional required to complete task 	\$15,480
TOTAL Task 10.1 (Second Amendment)	\$15,480

PROJECT TEAM MEETINGS	
Task 10.2 <ul style="list-style-type: none"> • (\$23,868 originally budgeted) • \$2,000 repurposed/reallocated towards "Task 2.3 GPAC Meetings" through administrative approval for reallocation on February 12, 2019 • \$30,000 additional required to complete task 	\$30,000
TOTAL Task 10.2 (Second Amendment)	\$30,000

Subtotal – Second Amendment **\$130,779**

Subtotal – Second Amendment Minus Reallocation (\$130,779 - \$24,994) **\$105,785**

Reimbursable: Additional required to complete project	\$15,000
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Contingency: Additional to complete project	\$20,000
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GRAND TOTAL – Second Amendment	\$140,785
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Reimbursable expenses are estimated above and include the costs for printing, photography, copies, blueprinting, and deliveries. The above budget is an estimate. Actual reimbursable expenses will be billed at cost plus 12.5%. In no event shall the compensation exceed **\$1,348,292**.

f. Modification

Except as expressly set forth herein, the Amended Agreement shall continue in full force and effect. The Agreement together with the First Amendment ("Amended Agreement") and this Second Amendment constitute the entire agreement between the parties and supersedes any previous oral or written agreement. In the event of any inconsistency between this Second Amendment and the Agreement and First Amendment, the terms of this Second Amendment shall prevail. This Second Amendment may be modified or amended only by a subsequent writing executed by all of the parties and approval by the City Council.

[SIGNATURES ON FOLLOWING PAGE]


IN WITNESS WHEREOF, the parties have entered into this Second Amendment as of this 16th day of April 2019.

CITY OF REDONDO BEACH
A chartered municipality

PLACEWORKS, INC.
a California Corporation



William C. Brand, Mayor

By: 
Name: Wendy Nowak
Title: Principal

ATTEST:

APPROVED


Eleanor Manzano, City Clerk
Jill Bushholz, Risk Manager

APPROVED AS TO FORM:


Michael W. Webb, City Attorney

**FIRST AMENDMENT TO AGREEMENT FOR CONSULTING
SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND PLACEWORKS, INC.**

THIS FIRST AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("First Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Placeworks, Inc., a California corporation ("Consultant" or "Contractor").

WHEREAS, on October 4, 2016, the parties hereto originally entered into that certain Agreement for Consulting Services between the City and Consultant ("Agreement"); and

WHEREAS, City and Consultant desire to amend the Agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree to make the following amendments to the Agreement:

a. Additional General Plan Advisory Committee (GPAC) Meetings.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES section, "II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.3 General Plan Advisory Committee (GPAC)" of the Agreement is hereby amended to add the following duties and deliverables

"The Consultant shall jointly facilitate the GPAC meetings with the City during the General Plan and Aviation-Artesia Corridor Area Plan preparations. Consultant shall prepare for and attend up to 20 GPAC meetings as directed by the City. Additional meeting attendance (other than that stated above) must be approved by the City.

Ten (10) additional meetings of the GPAC (ten (10) originally contracted) are required to review additional General Plan Element Updates to the Safety and Noise Elements and Local Hazards Mitigation Plan, the development of the Aviation-Artesia Corridor Area Plan, and to better balance the interest by the City to provide more meaningful opportunities for input and feedback from this body and the community.

Deliverables:

- Preparation for, attendance at, and follow up to, ten (10) additional GPAC Meetings plus the ten (10) originally contracted (maximum of 20 GPAC meetings)."

b. Additional Community-Wide Workshop.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES section, "II. Consultant's Duties, Phase 2. Community Engagement Program, Task 2.4 Community-Wide Workshops" of the Agreement is hereby amended to add the following duties and deliverables

"The Consultant shall conduct up to four (4) community-wide outreach workshops (three (3) originally contracted) at various locations throughout the City over the course of the project to present the community with the existing context and process, obtain feedback on the draft land use plan, conservation parks and recreation and



open space concepts, the Safety and Noise Element updates (if determined by the City), and the Aviation-Artesia Corridor Area Plan. All four (4) community-wide workshops shall be before the public hearing phase of the Draft Proposed General Plan Updates and Area Plan. One (1) of the four (4) community-wide workshops shall be focused on the Aviation-Artesia Corridor Area Plan.

The Draft Proposed Plans shall be developed in coordination with the GPAC, the Artesia/Aviation Boulevard Revitalization Committee, and City based on the public feedback received and the Council-approved Strategic Plan, Mission, and Vision. The feedback received on the Draft Proposed Plans shall be packaged and forwarded to the Planning Commission and the Council for their review. The Proposed Plans shall also be available online, and online users will have the opportunity to comment on the plans digitally; those comments shall also be presented to the Planning Commission and the City Council.

The Consultant shall gather information through the use of multiple visual and interactive tools to engage the community in a discussion about the future of the City. Activities shall be designed to engage adults and children and may also enlist the participation of other City departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, facilitation of, and follow up to, community workshops (four (4) workshops total)
- Preparation of summary of big ideas and take-aways from each workshop"

c. Update Environmental Hazards/Natural Hazards Element of the General Plan.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Agreement is hereby amended to add **PHASE 11** with the following project description and/or scope of services inclusive of additional tasks, duties and deliverables under a new section entitled, "**Phase 11. Update Environmental Hazards/Natural Hazards Element of the General Plan.**"

"The City's current General Plan Environmental Hazards/Natural Hazards Element is a combination of the City's Safety and Noise Elements and includes: Geologic/Seismic Hazards; Noise (Ambient and Stationary Sources); Flooding Hazards; Toxic Wastes and Materials; and Fire Hazards.

Significant statewide legislation has been passed that requires a greater level of analysis concerning flooding, fire, and climate change/resiliency, and also requires the development of feasible implementation measures. This update shall address all current state legislation applicable to the City's Safety and Noise Elements. Additionally the Consultant shall identify all necessary updates to other existing General Plan Elements and the City's Zoning Ordinance for consistency purposes, and prepare the required environmental documents.



Task 11.1 Safety Element Preparation

The Consultant shall integrate new data and mapping information available since the last update of the City's Safety Element. These include but are not limited to, new data and mapping for geology, seismicity, flooding, fire risks, and hazardous materials.

Based on the climate change/adaption resiliency strategies developed as part of Tasks 11.2 and 11.3, the Consultant shall incorporate a series of goals and policies that shall be consolidated in this Element and incorporated throughout the General Plan where necessary.

These goals and policies shall provide a foundation for the climate change adaptation and resiliency strategies developed as part of the Implementation Plan described in Task 11.2 and 11.3 and all goals and policies shall be in accordance with the legislative requirements pursuant to SB 379, Government Code Section 65302, and all applicable Federal and State requirements.

The Safety Element shall include new goals, policies, and actions that respond to the vulnerability assessment to be prepared as part of Task 11.2. Given that adaptation is a cross-sector issue, new goals, policies, shall be necessary in other Elements, such as, but not limited to, the Land Use Element and the Parks, Recreation, Conservation and Open Space Element. Examples of issue areas required to be addressed in this update pursuant to SB 379 include, but are not limited to, the following:

- Ensuring that new development avoids or minimizes climate change impacts.
- Locating essential public facilities outside of at-risk areas, or minimizing damage if in at-risk areas.
- Designating adequate and feasible infrastructure in at-risk areas.
- Coordinating with other agencies on adapting to the full set of threats from climate change.
- Identifying natural infrastructure available for adaptation projects.

Since the City has been active in creating a healthy community (i.e. Blue Zones, etc.) the Consultant shall support the City in adding health related goals and if determined appropriate by the City create a Health & Safety Element.

Deliverable(s):

- Studies and assessments pursuant to Federal and State requirements
- Administrative and Final Drafts of the Safety Element

Task 11.2 Vulnerability Assessment

SB 379 requires General Plan Safety Elements to be reviewed and updated to include climate change adaptation and resiliency strategies. This review and update must occur with the next revision of the Local Hazard Mitigation Plan (LHMP), on or after January 1, 2017 and must consist of the following components:



- A vulnerability assessment that identifies the risks climate change poses to the local jurisdiction and the geographic areas at risk from climate change.
- A set of adaptation and resilience goals, policies, and objectives based on the information specified in the vulnerability assessment.
- A set of feasible implementation measures designed to carry out the adaptation and resilience goals, policies, and objectives, including:
 - Avoiding or minimizing climate change impacts associated with new land uses.
 - Locating, whenever feasible, new essential public facilities (e.g., hospitals and health care facilities, emergency shelters, emergency command centers, and emergency communications facilities) outside of at-risk areas, or identifying methods to minimize damage if located in at-risk areas.
 - Designating adequate and feasible infrastructure in at-risk areas.
 - Establishing guidelines to work cooperatively with relevant local, regional, State, and federal agencies.
 - Identifying natural infrastructure, where feasible.

Regarding sea level rise in general, the City is partnered with an LA County consortium of agencies called Regional Adapt LA. This group is studying anticipated impacts and developing a framework of adaptive management policies for the coastal communities of LA County, including Redondo Beach. The Regional Adapt LA's study provides an overview of a preliminary vulnerability assessment for participating agencies to develop an inventory of infrastructure, assets and critical resources that fall within the exposure zones for the different hazard scenarios.

Because a formal Vulnerability Assessment was not included with the LA Adapt assessment, the need exists to perform this assessment to establish a comprehensive understanding of the risks that climate change poses to Redondo Beach. This assessment shall be included in a new section on climate change adaptation and resilience in the General Plan Safety Element and become the basis for the LHMP Risk Assessment. Pursuant to SB 379 the Vulnerability Assessment shall be based on the following:

- Information from the Internet-based Cal-Adapt tool, currently available at <http://beta.caladapt.org>.
- Information from the most recent version of the California Adaptation Planning Guide, currently available here: <http://resources.ca.gov/climate/safeguarding/local-action>.
- Information from local agencies and special districts on the types of assets, resources, and populations that will be sensitive to various climate change exposures.
- Information from local agencies and special districts on their current ability to deal with the impacts of climate change.
- Historical data on natural events and hazards, including locally prepared maps of areas subject to previous risk, areas that are vulnerable, and sites that have been repeatedly damaged.
- Existing and planned development in identified at-risk areas, including structures, roads, utilities, and essential public facilities.



- Federal, State, regional, and local agencies with responsibility for the protection of public health and safety and the environment, including special districts and local offices of emergency services.

Because the City recently adopted its Housing Element (October 2017), pursuant to AB 162 and SB 5, the City is required to update the Safety Element. SB 379 requires Cities to prepare a Vulnerability Assessment with this update of the Safety Element.

Deliverable(s):

- Vulnerability Assessment (integrated into LHMP)

Task 11.3 Local Hazard Mitigation Plan Update (LHMP)

Although not required at this time, updating the LHMP will allow the City to become eligible for mitigation grant funding sources provided by FEMA, if needed in the event of an emergency.

Planning Team Coordination and Support

The Consultant shall coordinate with and support the City's to be created internal "Hazard Mitigation Planning Team". This team shall be composed of various City Departments that participate in hazard mitigation and emergency management activities.

Hazard Mitigation Planning Meetings

The Consultant shall facilitate three (3) team meetings that will document the hazard mitigation planning process. These meetings shall include the following:

Meeting 1 – Provides an overview of the Hazard Mitigation Planning Process, reviews the hazards of concern, identifies critical facilities, development of mitigation goals for the plan, and prioritization of the hazards of concern.

Meeting 2 – Provides an overview of the Hazard Profiles and Risk Assessment prepared by the Consultant for the LHMP. Feedback received from the team during this meeting will also inform the Consultants development of potential mitigation actions for Meeting 3.

Meeting 3 – This meeting will focus on review and comment of the draft mitigation actions, as well as discussion of the actions costs and prioritization.

Each meeting is anticipated to require two hours of meeting time, and would be facilitated by one (1) staff member from the Consultants team. Upon completion of these meetings, the Administrative Draft LHMP will be prepared by the Consultant for ***Planning Team*** (City) review.

Hazard Mitigation Planning Outreach

Per FEMA, the City is required to obtain feedback during the hazard mitigation planning process as well as once the draft plan has been developed. Outreach during the planning process shall take the form of an online survey and one (1) public meeting. Once the plan is ready for public review, the City will need to make it publicly accessible and provide the community the opportunity to review and comment. Once this review period is complete, the plan shall be submitted to the Cal OES to begin the review process.



Hazards Assessment and Identification

Based on the results of Meeting 1, the Consultant will prepare hazard profiles for the hazards of concern identified by the team. The Consultant will review the "profiles" against the "hazards" identified in City's prior LHMP, the 2013 CA State Hazard Mitigation Plan, hazard mitigation plans of neighboring jurisdictions, and past disaster declarations and occurrences to identify additional hazards that could affect the City. Each "hazard profile" will include a description of the hazard, previous occurrences, location, extent (magnitude or strength), and probability of future occurrences. Location-based hazard data will be captured in a GIS database compatible with the City's GIS systems appropriate for hazard profiling at the desired scale. The Consultant will utilize current and newly created (as needed) data that shall be used to develop mapping to illustrate the location, extent, severity, and other information for hazards that have the potential to impact the City.

The LHMP may include but are not limited to earthquakes, liquefaction, coastal erosion, sea level rise, flooding, wave uprush, tsunami, and drought. Although not yet required, FEMA is looking at ways to incorporate climate change into local hazard mitigation planning. The Consultant shall include a "Climate Change Considerations" discussion under each hazard profile. The discussion shall be qualitative in nature (with some quantitative analysis, where appropriate) to ensure that the document's focus remains on concerns regarding hazards. This discussion is intended to comply with SB 379 requirements.

Critical Facility Inventory and Vulnerability Assessment

The Consultant shall develop a critical facility inventory and assess each facilities vulnerability from identified hazards. Results from this step shall form the foundation for the subsequent identification of the appropriate mitigation actions for reducing losses. The Consultant shall work with the planning team to review the inventory from the prior LHMP and include new and updated information, as necessary.

Development of Mitigation and Adaptation Goals and Implementation Program

The Consultant shall work closely with City staff and the planning team to develop hazard mitigation and adaptation goals that identify what acceptable risk is to Redondo Beach, and develop policies and actions to reduce or minimize the determined risks. The Consultant shall also include an implementation and monitoring plan that shall identify priorities, potential funding sources, responsible departments, and monitoring mechanisms to ensure effective tracking over the plan life.

Local Hazard Mitigation Plan Preparation

Adopting the City's hazard mitigation plan concurrent with the General Plan will bring the City into compliance with SB 379, AB 2140 and the Disaster Mitigation Action of 2000 (DMA 2000) and ensure complete integration of the LHMP into the Safety Element. AB 2140 allows the State of California to offset local match requirements during emergency proclamations in accordance with the California Disaster Assistance Act.

The Consultant shall prepare the draft LHMP in accordance with DMA 2000, FEMA's 44 Code of Federal Regulations (CFR) Part 201 and 206, and FEMA's Local Hazard Mitigation Planning Guidance. Following the completion of the risk assessment and



mitigation action strategy steps of the planning process, the Consultant shall incorporate the information, data, and associated narratives into the LHMP to be submitted to Cal OES and FEMA Region IX for plan review and subsequent approval. The following tasks reflect this plan approval process.

The Consultant shall prepare the administrative draft version of the LHMP for review and comment by the City. This document shall generally follow the outline provided below:

Section 1 – Introduction: includes an overview of the document and the regulatory authority requiring the update.

Section 2 – Planning Process: includes the review and analysis of the previous LHMP, the planning team formation and roles/responsibilities, the public outreach strategy and results, and review/incorporation of previous studies, plans, technical documents.

Section 3 – Capability Assessment: includes a description and assessment of the City's hazard mitigation capabilities.

Section 4 – Community Profile: include information on the City's population, economy, housing, existing land use, development trends, and planned/future development.

Section 5 – Hazard Identification, Analysis, and Assessment: includes a compilation of the hazards profiled within the City, and the potential risks and vulnerabilities associated with these hazards.

Section 6 – Mitigation and Adaptation Strategy: includes the mitigation goals, actions, and strategies developed by the Consultant and the planning team during the planning process.

Section 7 – Plan Maintenance Procedures: includes the procedures for monitoring and tracking progress, continued public involvement, and updating the plan over the five-year period of activity.

Technical Appendices: shall include all documentation compiled to support the planning process throughout.

Once these sections are completed, the Consultant shall compile them into an administrative draft LHMP and submit to the City for review.

Cal OES/FEMA Review Draft LHMP

The Consultant shall compile all comments received on the public review draft for inclusion as an appendix item and revise the LHMP, as necessary. The Consultant shall then submit the LHMP to Cal OES for initial review; the Consultant shall address any comments/concerns from Cal OES before submission to FEMA for formal review. The Consultant shall also prepare the FEMA Hazard Mitigation Plan Review Tool, which shall accompany the Cal OES and FEMA submission.

If comments are provided by Cal OES and/or FEMA, requiring plan revisions, the Consultant shall revise the plan prior to adoption by the Redondo Beach City



Council. If revisions are necessary, the Consultant shall work with Cal OES and/or FEMA to address them and ensure the City's plan is approved by these agencies. The Consultant shall work with all required agencies until the City has received an "approvable pending adoption" (APA) determination.

Final Draft LHMP Prepare Final Adoption of LHMP

Once the City's LHMP has received an "APA" determination from FEMA, the Consultant shall work with the City to adopt the plan by resolution. The Consultant shall develop a sample adoption resolution that can be used by the City. The Consultant's Project Manager shall also attend the City of Redondo Beach City Council meeting. For FEMA to approve the LHMP, the City must formally adopt the LHMP. After plan adoption and once the plan has received its final review and approval by FEMA, the Consultant shall submit the final adopted LHMP to Cal OES and FEMA.

Deliverable(s):

- Internal Team Meetings (up to 3)
- Local Hazard Mitigation Plan (Administrative, Public Review/Hearing Draft and Final Draft)
- Preparation of Cal OES/FEMA Draft LHMP (Coordination with OES and FEMA)
- Facilitate Hazard Mitigation Planning Team meetings
- GIS Mapping
- Technical Appendix to the LHMP
- Hazard Mitigation Outreach (online survey and one public meeting)

Task 11.4 Noise Element Preparation

The Consultant shall assist the City in updating the Noise Element (currently contained within the Environmental Hazards/Natural Hazards Element as Section 4.2). The scope/focus shall be on reviewing and updating the Noise Element materials, along with the field measurement of existing noise levels.

Update of Noise Element

The Consultant's environmental staff shall coordinate with and assist the City with the technical review and updating of the issues, objectives, policies, and implementation measures of the City's Noise Element; all with the goal of enhancing the City's overall Noise Control Program. This Noise Element technical assistance shall include the generation of Existing-and Future-conditions noise contour maps, using the results of the traffic and rail assessments (discussed below).

Existing Noise Conditions

The Consultant shall characterize the existing conditions for the Plan Area. To document existing ambient noise conditions and to identify potential issues, opportunities, and challenges with respect to noise and land use compatibility, an evaluation of existing ambient noise conditions shall be conducted. The Consultant shall conduct field surveys of the General Plan Area to acquire ambient noise level data. These ambient noise measurement surveys shall consist of short-term (15-minute) sampling at up to sixteen locations and long-term (24-hour) noise monitoring at up to four locations within the City. These locations shall be selected by the Consultant, in coordination with City staff, and will take into consideration the



railways, as well as major roadways, arterials, and freeways in the planning area, including Marine Avenue, Manhattan Beach Boulevard, Pacific Coast Highway (PCH), Artesia Boulevard, 190th Street, Del Amo Boulevard, Torrance Boulevard, Sepulveda Boulevard/El Camino Real, and Aviation Boulevard. Additionally, traffic flows on Interstate 405 (I-405) generate substantial noise levels within the community. In addition to roadway noise, rail-related noise from railroads running along and within the eastern boundary of North Redondo (near Inglewood Avenue) shall be studied. This field data shall provide insights into the existing noise environments in the City and shall be used to supplement traffic and train modeling conducted for the EIR.

Additional aspects and issues for community noise, including transportation noise, stationary noise, land use compatibility, and construction noise and vibration, shall be included within the scope of this Noise Element update.

A review and recommended amendments of the City's existing Noise Ordinance is also included within the scope of this Noise Element update.

Noise Chapter: The results of the noise analysis included in this scope shall be summarized and incorporated into the EIR noise section and pertinent calculation details shall be included in the associated Technical Appendix.

Deliverable(s):

- Field surveys and ambient noise measurements
 - Short-term (15-minute) sampling at 16 locations
 - Long-term (24-hour) noise monitoring at four (4) locations
- Noise Contour Maps
- Administrative, Hearing and Final Drafts of the Noise Element
- Recommended amendments of the City's existing Noise Ordinance
- Technical Appendix to the EIR for General Plan Land Use Element Update

Task 11.5 Meetings – Safety and Noise Element Updates

The Consultant will participate at meetings (up to four (4) maximum) with the GPAC, the Public Safety Commission, the Planning Commission, and the City Council as determined by the City for the review of the Noise and Safety Elements (to review the goals and policies for these Elements) or to review the LHMP. The Consultant shall attend and prepare PowerPoint presentations for all required meetings.

Deliverable(s):

- Preparation for and attendance at one (1) GPAC meeting and up to two (2) City Commission meetings and one (1) City Council meeting.

Task 11.6 Staff Meetings – Administration

The Consultant shall be required to provide additional coordination with the Public Works Department, Fire Department, and other agencies that are essential to complete the Safety and Noise Element Updates and the update of the LHMP.



d. Aviation-Artesia Corridor Area Plan.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Agreement is hereby amended to add **Phase 12** with the following project description and/or scope of services inclusive of additional tasks, duties and deliverables under a new section entitled, "**Phase 12. Aviation-Artesia Corridor Area Plan.**"

The City desires to build upon the land use analysis of the Aviation-Artesia corridors initiated in the General Plan update process to develop more detailed direction for the future enhancement and redevelopment of the approximately .5-mile along Aviation Boulevard between Ford Avenue and Artesia Boulevard and the approximately 1-mile along Artesia Boulevard between Aviation and Hawthorne Boulevards.

The Aviation-Artesia Boulevard Vitalization Strategy initiated by the City aims to explore the feasibility of revitalization tools such as creating a Business Improvement District, a sign plan, and architectural design standards, and other guidelines.

The Aviation-Artesia Corridor Area Plan shall provide revitalization strategies, implementation actions, site design and building massing concepts, preferred land uses and general development standards and design guidelines for a mix of development building off the Vitalization Strategy and the General Plan to revitalize the corridor. The corridor is important to the City's future and must be carefully planned to encourage the highest and best uses of land, a proper relationship and seamless transition and integration with adjoining residential neighborhoods, and outline implementable strategies and development concepts to facilitate reinvestment and transitions to new uses and development over time to improve the functionality and appearance and economic vitality of the corridor.

Guidance generated as part of the Aviation-Artesia Corridor Area Plan must also take into consideration the community needs and outcomes of the input received through the General Plan update. While existing General Plan policies and land use designations provide capacity to accommodate a diversity of uses, little has happened since its adoption. Investment has been limited. The development of an Area Plan is prompted by the City's desire to redevelop the corridor and to reconsider and modify as needed existing policies and regulations to achieve a mix of uses that is appropriate for the area, and will be consistent with the direction articulated in the updated General Plan Land Use Element policies.

The Consultant shall prepare an economic feasibility analysis and a comprehensive parking study to support the policies, concepts, standards, and guidelines proposed for the Plan Area. The Consultant shall craft draft policy language that is consistent with the General Plan to avoid the need for a General Plan amendment and extensive additional environmental analysis.

The Area Plan shall be referenced in both the City's General Plan and Zoning Ordinance and shall serve as a "companion" document to guide future projects.

Task 12.1 Project Kick-off Meeting



The Consultant shall coordinate a kick-off meeting with the City that shall:

- Introduce key participants
- Hear from the City regarding insights gained from the proposal review process and consultation with decision makers
- Share expectations for the project
- Refine the work program, scope of work, and schedule
- Identify the roles of anticipated stakeholders such as outside agencies, organizations, and individuals
 - GPAC involvement and/or other stakeholder groups to be determined
- Identify available resources and any current or related projects that must be considered
- Memorialize expectations for stakeholder and public engagement
- Establish communication protocols for the project
- Identify potential project pitfalls and establish strategies to address them
- Address ongoing implementing projects or programs that could potentially affect the project
- Summarize the meeting in a set of guiding principles for the Area Plan development process

It is anticipated that the kick-off meeting will include key members from various departments in the City that would be reviewing the Area Plan document (Planning, Public Works, Community Services, etc.).

Deliverable(s):

- Preparation for and attendance at kick-off meeting

Task 12.2 Background Review

The Consultant shall review the existing documents, materials, and baseline data relevant to the project site that was compiled as part of the General Plan Land Use Update project. The City will provide the consultant with any additional relevant documents and materials to be used to support more focused planning efforts, beyond those that the Consultant has already acquired through the General Plan update effort. These could include streetscape plans, infrastructure master plans, economic studies and other relevant studies specific to the project site. During this task, the Consultant shall also revisit the block configurations and parcel size work that was also done as part of the General Plan Land Use Element update to determine if the orientation and size of lots is limiting the ability of the corridor to redevelop.

The Consultant shall utilize the City's recently updated GIS-based mapped data of the site as the basis for creating exhibits necessary to the preparation of the Area Plan and any associated Zoning Amendment(s) as well as exhibits for public meetings, workshops, and hearings. The project data generated by the Consultant shall be turned over to the City along with a Metadata Dictionary file to facilitate integration and use on the City's GIS system.



Additionally, all files and materials shall be prepared in a manner to facilitate electronic distribution, both via e-mail and on the City's website. Special attention shall be paid in generating documents and graphics to minimize file size and maximize accessibility.

Deliverable(s):

- Review of existing reports, mapping and materials

Task 12.3 Existing Conditions Analysis – Opportunities and Constraints of the Corridor

Consultant shall develop a set of strategies to consider and an overview of the opportunities, challenges or tradeoffs associated with each. Consultant shall determine the issues associated with future development by evaluating the challenges the corridor has faced in attracting new investment and determining what the barriers to change may be.

Consultant shall evaluate the corridor by land use planning and design considerations such as, but not limited to the following:

- Relationship to and compatibility with surrounding uses (and pending plans for development projects in adjoining areas)
- Creating economically viable uses
- Integration of sustainable building and site design practices
- Economic development and diversification
- Experience of the resident, visitor, business owner
- Appropriate building scale and heights
- Convenient and safe movement of people and goods
- Building heights, massing, intensity (FAR), and density
- Parking
- Interface between commercial and residential neighborhoods
- Signage
- Adjacent road network
- Pedestrian and bicycle coordination
- Landscaping

Parking

Fehr & Peers shall assist the project team and city staff in taking inventory of existing parking supply throughout the Area Plan area, assessing parking demand for proposed new uses under the Area Plan (as determined through the General Plan Land Use Element update process), and right-sizing parking supply to meet future needs. Fehr & Peers shall collect new counts of existing on-street and off-street parking supply and utilization during typical weekday and weekend peak periods. Using parcel data provided by the City, Fehr & Peers shall utilize the methodologies in the Urban Land Institute's (ULI) Shared Parking, Second Edition (2005) to develop a calibrated existing shared parking model for each of three subareas within the study area (each approximately 0.5 miles in length). Fehr & Peers shall then estimate future parking demand associated with proposed parcel land use changes

in each of these subareas. This assumes data collection focused only on PM and weekend midday peak periods, using national averages in our shared parking model to estimate demand patterns for other times of day.

Assumptions

Technical consultants may need to be retained as part of this process to provide information related to infrastructure needs, existing infrastructure conditions or future demand in the Area Plan. If the City determines technical studies for infrastructure are necessary, the Consultant shall retain a consultant to provide the data under a separate contract. Costs associated with technical studies for infrastructure are not included in "Exhibit C".

Deliverable(s):

PlaceWorks

- Opportunities and constraints summary and mapping

Fehr&Peers

- Parking supply count, including on-street and off-street supply.
- Parking utilization counts for a two-hour window during a typical weekday PM peak period and weekend midday peak period.
- Technical memorandum summarizing results of the analysis that includes but is not limited to, the estimate of future parking demand associated with proposed parcel land use changes in each of the subareas. Upon receipt of comments from the client, the technical memorandum will be revised and shall be submitted to the City of Redondo Beach.

Task 12.4 Economic Feasibility and Pro Forma Analysis

Consultant shall prepare a development feasibility analysis exploring the financial feasibility of various land uses in the plan area to ensure that the plan reflects market realities. Different land use mixes and prototypical building types and intensities shall be tested in the analysis. Cost and revenue assumptions in the model shall be vetted with local developers active in Redondo Beach and/or other land development professionals as determined by the city.

In addition to helping identify the most feasible land use mixes and product types for the plan area, the analysis shall provide insight on how different parcel sizes and development standards could factor into a project's financial performance. The pro forma shall test sensitivity to variables such as building heights, FARs/density, parking ratios, and other planning/zoning factors to provide recommendations on market-appropriate standards for the plan area.

This analysis shall also explore the extent to which development in the plan area can provide desired community benefits, to be identified based on the input received during advisory committee or public outreach meetings. For example, the pro forma analysis can help to uncover the potential for new development projects in change



areas to contribute to a Business Improvement District or other community amenities.

The findings of the development feasibility analysis shall inform the development scenarios/options (as identified in Task 12.5) and mix of land uses by building type and phasing for key sites in the plan area. The analysis shall describe the trade-offs from options, evaluating economic factors such as developer return on cost; provision of community benefits; onsite job creation; and the likely magnitude of subsidies required.

Deliverable(s):

- Review of existing reports, mapping and materials
- Memorandum report on financial feasibility analysis, including findings and recommendations for development standards and community benefit strategies

Task 12.5 Identify Revitalization Strategy Options and Determine Feasibility of Each

With information and insight provided by the Existing Conditions Analysis in Task 12.3 and the Economic Feasibility and Pro Forma Analysis prepared in Task 12.4, Consultant shall compile a list of revitalization strategies, tools or other options for consideration for application in the Aviation-Artesia Corridor Area Plan. Each strategy or option shall be evaluated on its ability to meet the Area Plan objectives and its ability to respond to additional criteria developed by the consultant team. Each option or strategy shall receive a "scorecard" comparing similar criteria. For example, each alternative may receive a ranking for criteria such as timing (near term, short term), costs, remediation levels, phasing ability, general change in trip generation, compatibility with adjacent uses, degree of political support, etc. The analysis shall provide the public, City staff and stakeholders with a tool to quickly compare the benefits, constraints, or tradeoffs of each redevelopment strategy.

Consultant shall review the strategy options and tradeoffs with City staff and the GPAC/Artesia-Aviation Boulevard Revitalization Committee (Task 12.6) and make revisions as necessary to arrive at the strategies and implementation actions that shall be included in the Area Plan.

PARKING

Fehr & Peers shall prepare parking recommendations that consider weekday, weekend, daytime, nighttime, and seasonal demand patterns, as well as management of the parking supply through time limits and long-term/short-term controls. If estimated future demand exceeds supply, the study will determine amount and make recommendations for the best parcel within each sub area to accommodate new parking supply, based on parcel size, shape, and access, as well as the importance of the pedestrian network and walkability to and from new parking supply.

Policies for administering a district parking strategy, such as a framework for evaluating the need for and implementing parking supply as demand increases in the future, as well as funding strategies, such as in-lieu fees will be summarized.

Deliverable(s):

PlaceWorks

- Memorandum/report summarizing strategies and options and feasibility of implementation (up to two rounds of revision)
- Meeting with staff to review options
- Meeting with GPAC to review options

Fehr&Peers

- Technical memorandum summarizing recommendations.
 - Upon receipt of comments from the client and the City, the technical memorandum will be revised and can be submitted to the City of Redondo Beach.
- Participation in up to two (2) team conference calls and attendance at up to one (1) external meeting with the project team and/or City staff. This scope does not include attendance at any public meetings/hearings.

Task 12.6 Aviation-Artesia Corridor Advisory Committee (GPAC- AC2)

The City Manager's Artesia/Aviation Boulevard Revitalization Committee along with the GPAC shall serve as the advisory committees for the development of the Aviation-Artesia Corridor Area Plan.

The Artesia/Aviation Boulevard Revitalization Committee and GPAC shall separately review existing conditions, look at redevelopment opportunities and constraints and discuss other strategies such as the potential of creating a Business Improvement District (BID).

The GPAC shall help to identify opportunities and challenges that need to be addressed and provide staff with feedback on the Existing Conditions Analysis (Task 12.3), Economic Feasibility Analysis (Task 12.4), and Revitalization Strategy Options (Task 12.5) that shall inform land uses, development standards and design guidelines. The Consultant shall prepare for, attend and facilitate, and provide follow up at three (3) Aviation-Artesia Corridor Area Plans focused meetings; Two (2) with the GPAC only and one (1) joint meeting of the Artesia/Aviation Boulevard Revitalization Committee and GPAC during the Area Plan preparation.

Deliverable(s):

- Preparation for, facilitation and attendance at, and follow up to two (2) GPAC only meetings and one (1) joint meeting of the Artesia/Aviation Boulevard Revitalization Committee and the GPAC Meetings (maximum of 3 AACAP meetings)
- Preparation of meeting summaries

Task 12.7 Community Workshop

A workshop is designed to gather broad input and buy-in from a community-wide audience and to provide an opportunity for the greater Redondo Beach community to personally weigh in on the proposed refinements to the Aviation-Artesia Corridor.



Consultant shall conduct one (1) community outreach workshop over the course of the project to present the community with the existing context and process and to obtain feedback on the draft Area Plan.

The workshop shall be focused on reviewing and commenting on the Draft Proposed Aviation-Artesia Corridor Area Plan. The Draft Proposed Plan shall be developed in coordination with the GPAC, the Artesia/Aviation Boulevard Revitalization Committee, and City staff and based on the public feedback received and the Council-approved Strategic Plan and Vision. The feedback received on the Draft Proposed Aviation-Artesia Corridor Area Plan shall be packaged and forwarded to Planning Commission and Council for their review and approval. The Draft Proposed Aviation-Artesia Corridor Area Plan shall also be available online, and online users shall have the opportunity to comment on the plan digitally; those comments shall also be presented to Planning Commission and Council.

Consultant shall gather information using multiple visual and interactive tools to engage the community in a discussion about the future of the Aviation-Artesia Corridors. Activities shall be designed to engage adults and children and may also enlist the participation of other departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, and facilitation of one (1) community workshop (focused on Aviation-Artesia Corridor Area Plan)
- Preparation of summary of big ideas and take-aways from workshop

Task 12.8 Website Support and Online Engagement Tools

This scope assumes that the City's current PLANredondo website shall continue to be used for this focused project, and that City Staff will post relevant information and documents as they become available. The Consultant shall help draft content (news updates, next steps, announcements, GPAC-AACAP summaries, etc.) to populate the City's PLANredondo webpage.

Consultant shall engage the community and gain feedback digitally and shall provide the tools to do so at strategic milestones in the process. Consultant shall prepare text to be posted on the City's social media platforms as well.

Deliverables:

- Prepare text (announcements, informational, etc.) for City to post on project website, cable, newsletters, and social media forums
- Online engagement tools (Survey Monkey)

Task 12.9 Preparation of the Area Plan

Consultant shall create a user-friendly Area Plan document that shall contain graphics, diagrams, tables, and text to convey necessary information in a way that is easy to understand. Consultant shall prepare the Area Plan in Word or Adobe InDesign formats.



An Area Plan organizational structure, as well as style, format and graphics shall be proposed by the Consultant and finalized based on feedback from City staff. Consultant shall discuss the organization and content of the Area Plan with City staff. Through this collaboration, Consultant shall establish a well-structured Area Plan that presents an executable and useful tool for City Staff, City Council members, other agencies, and potential project developers.

The Area Plan shall be prepared in accordance with any applicable State Laws and may contain the following sections and contents:

Chapter 1. Setting – The Introduction shall contain an overview of the history of the Aviation-Artesia Corridors; the purpose of the project and Area Plan; the authorization and scope of the document; a discussion of the major environmental, economic, and land use and site planning issues and how the project responds to these key issues; a discussion of the plan's consistency and integration with the General Plan, Zoning Code, and surrounding land uses; a description of the preparation process and public participation; and a discussion of the document's organization.

Chapter 2. Area Plan Objectives – This chapter shall describe the agreed-upon objectives for the project that are supported by the existing conditions and economic feasibility & pro forma analysis, and reflects the collaborative effort and consensus between City, property owners, and business owners to set forth the major attributes of the project and how they will "fit" and enhance the corridor.

Chapter 3. Opportunities and Constraints – This chapter shall highlight the cultural, economic, and physical opportunities and constraints that have been revealed through prior tasks.

Chapter 4. Land Use Approach – This chapter shall include a description of the overall development concept, an exhibit and description of the ultimate "preferred community structure" envisioned based upon the pattern and type of preferred land uses, major design elements, the project's relationship and integration to/with the surrounding area, and conceptual streetscapes.

Chapter 5. Tools and Strategies to Promote Revitalization – This section of the Plan shall identify potential tools or incentives to generate new community benefits, and other requirements associated with the preferred land use approach. The purpose of this chapter is to provide a flexible framework that will reduce existing roadblocks preventing development or to provide incentives for the development of priority uses at specific locations throughout the Plan area. The Area Plan shall reference the tools or strategies deemed feasible for the City to implement (Task 12.5).

Chapter 6. Illustrative Master Plans – These plans illustrate the possible future organization of streets, blocks, open spaces, and buildings to achieve revitalization of the Aviation-Artesia Corridor, as concluded by the analysis conducted in support of the Area Plan and the collaboration between City staff, GPAC, Artesia/Aviation Boulevard Revitalization Committee, and the community. Each of the master plans describes in text and graphics certain key aspects of site layout employed to implement the Plan's Land Use Approach. The specific layout of street and building



locations illustrated in the master plans are not required outcomes, but are presented to show how the plan's urban design concept can be expressed within the context of selected corridor sites.

This Chapter shall generally define the preferred land use types within the AACAP based on the studies and analysis developed in support of this Area Plan and present a summary of in policy form of General Development Standards and Design Guidelines in support of the revitalization of the Aviation-Artesia Corridor. The purpose of this chapter is to provide a flexible framework that will ensure an aesthetic and cohesive quality of development throughout the Plan area.

Chapter 7. Parking - This Chapter contains policies and strategies to ensure that parking throughout the Aviation-Artesia Corridor Area Plan is convenient and accessible, accommodates all land uses, and supports the Plan's intended outcomes.

Chapter 8. Administrative Procedures – The administration of the Plan shall define the development processing and approval process, and any special procedures or conditions for review and approval. The Administrative Procedures shall incorporate the City's existing Site Plan Review process and Design Review process. Consultant shall work with City Staff to identify fast-tracking procedures for projects within the project area consistent with the preferred Uses, policies outlining general Development Standards and Design Guidelines. References to existing procedures will be made where appropriate.

Chapter 9. Implementation Strategy – Consultant shall develop a coherent program that allows the Plan to be managed effectively. Consultant shall describe each action to be undertaken, responsibilities, time frame, and where appropriate, potential funding sources.

This scope assumes that there shall be three (3) drafts of the Area Plan: an Administrative Draft for internal review by City staff; a Hearing Draft that includes comments and revisions requested by the first round of reviewers; and a Final Draft that includes final edits after the City Council's action on the plan. Consultant shall provide the City with digital files of the document, which will be prepared in Word or InDesign.

Assumptions

Digital copies of the Area Plan shall be provided to the City; the number of hard copies that shall be prepared shall be based on need and budget available in the reimbursable task. Consultant shall coordinate with the City to determine how many copies need to be made; the City will be responsible for additional copies and distribution as needed. The City will also be responsible for posting all documents to the project's website.

Deliverables:

- Screen check, Hearing, and Final Draft Area Plan (10 hard copies, budget permitting, and a digital copy of each draft)



- Deliverable from Tasks 12.3, 12.4, and 12.5 will serve as appendixes to the Area Plan
- Technical Studies if determined necessary by the City, under separate contract (infrastructure, traffic)

Task 12.10 Environmental Analysis

The anticipated mix of uses and buildout of the Aviation-Artesia Corridor Area Plan shall be described in great enough detail under the General Plan Update Project Description required by CEQA that the analysis of impacts associated with the mix of uses planned for the corridors in the General Plan shall cover a significant portion of the environmental analysis required for the Area Plan. Any determined (City and Consultant) environmental analysis required for the Area Plan would not need to focus on land use changes (because they would be consistent with the General Plan and impacts have already been assessed), but rather, any environmental analysis required for the Area Plan would only need to analyze any development standards and design guidelines. It is not anticipated or planned that any conceptual streetscape guidelines would change planned roadway or intersection geometrics and therefore warrant environmental review either.

If it is determined by the City that the Area Plan requires an addendum to the Draft EIR for the General Plan Update be processed, the City shall consider adding additional counts and intersections to the traffic analysis in the General Plan Update to cover the impacts of the corridor itself. The City shall also need to have separate VMT done for both GHG and to cover issues relating to SB 743, resulting in some additional costs that would need to be budgeted separately to analyze the corridor as a stand-alone project within the General Plan. It is anticipated that the cost for the additional traffic analysis would be approximately \$20,000. This amount is not included in the currently proposed budget for this first amendment contained in Exhibit B.

If it is determined that a separate full Environmental Impact Report (EIR) is required for the Area Plan, it is anticipated that the costs for environmental review would increase to approximately \$175,000. This amount is not included in the currently proposed budget for this first amendment contained in Exhibit B.

Deliverables:

- No additional environmental analysis is anticipated with the development of Aviation-Artesia Corridor Area Plan as scoped with this first amendment

Task 12.11 Planning Commission and City Council Study Sessions and Public Hearings

The Consultant shall participate in one (1) Joint Planning Commission and City Council Study Session focused on the AACAP and that are in addition to any other contracted joint meetings and public hearings for the other phase's and tasks with the Consultant under the terms of the original contract and any amendments. The Consultant shall attend and prepare a PowerPoint presentation for use at this meeting. The Joint Study Session is anticipated to take place before the release for



public review of the Draft EIR covering both the General Plan Updates and the Aviation-Artesia Corridor Area Plan. The goal of the AACAP focused Joint Study Session is to educate the Commission and Council about the Aviation-Artesia Corridor Area Plan and obtain insight into their concerns prior to the release of the Draft EIR and the public hearings, thereby increasing the chances of a smooth and straightforward adoption process and reducing the potential for additional/redundant environmental review. The City staff will be responsible for preparing staff reports for these public hearings in consultation with the Consultant.

Deliverables:

- Preparation for and attendance at Aviation-Artesia Corridor Area Plan focused Study Sessions and Public Hearings (one (1) Joint Planning Commission and City Council Study Session).
 - As determined by the City, this public meeting may be combined with other public meetings within the original contract and any amendments

Task 12.12 Meetings & Administration

This task accounts for the ongoing operational and coordination activities that are essential for keeping a project on schedule and within budget. This task includes activities such as project start-up, minutes and agendas, budget and schedule tracking, and ongoing coordination with the City Staff and Consultant's team.

Wendy Nowak, AICP, Associate Principal, shall serve as Project Manager and shall oversee the project's day-to-day operations and subconsultant coordination and provide the leadership at critical milestones in the process, including ongoing updates with the City's project manager, preparation of a preferred land use plan, preparation of the Area Plan, and coordination with other agencies and stakeholders in the process. The updates will be completed through e-mail communications and phone calls with the City's Project Manager.

Deliverables:

- Weekly coordination with the City
- Project team meetings
- Conference calls (as needed)
- Monthly status reports (progress of work being performed, milestones attained, resources expended, problems encountered, corrective actions taken)

e. General Plan Vision 2040.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Agreement is hereby amended to add **Phase 13** with the following project description and/or scope of services inclusive of additional tasks, duties and deliverables under a new section entitled, "**Phase 13. General Plan Vision 2040.**"

Task 13.1 Meetings & Administration

The General Plan Advisory Committee and staff determined to establish a Vision Statement to guide future decision making as it relates to the General Plan Element



updates and their goals and policies. The General Plan Vision 2040 is an essential component of the General Plan update moving forward, to best ensure that the goals and policies ultimately drafted implement the community ideas and priorities articulated in the Vision.

Consultant shall prepare multiple versions of the Vision statement for consideration by the GPAC, shall prepare an online survey for the community to provide feedback and facilitate a meeting with the GPAC and shall support a meeting with the City Council to develop and confirm with the City Council the statement.

Deliverables:

- One (1) meeting of the GPAC to develop Draft General Plan Vision
- Draft General Plan Vision 2040 Statement
- Revised Vision Statement (two versions)
- Vision Statement Online Survey – review of community comments

f. General Plan/Area Plan/Zoning Consistency Analysis.

EXHIBIT "A" PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES of the Agreement is hereby amended to **add Phase 14** with the following project description and/or scope of services inclusive of additional tasks, duties and deliverables under a new section entitled, **"Phase 14. General Plan/Zoning Consistency Analysis."**

California planning law requires that general plans be consistent with other elements of the general plan and other implementation tools, including zoning ordinances. The consultant shall provide a high-level review of the City's Zoning Ordinance for consistency with the new General Plan Elements (Land Use, Noise, Safety, and Open Space, Parks, Recreation and Conservation) in three ways—definitions and standards of land uses, policy direction, and map changes—as described below.

Consultant shall compare zoning and General Plan designations and standards, and Area Plan policies and strategies, in a tabular form to identify differences between their definitions, intent and intensity/standards. Consultant shall identify areas in the Zoning Ordinance that require updating to reflect the intent and intensity/standards, and new policy direction of the new General Plan and Area Plan and shall prepare a report that identifies the necessary changes. Changes shall be identified in two separate categories – those that must be made to be consistent with state mandates (legal requirement), and those that should be made if the City Council priorities support it or if budget is available (implementation action items). Consultant shall identify changes in the Zoning Map that result from changes in General Plan definitions, intent, intensity/standards and preferred land use plan and the Illustrative Master Plans, policies and parking strategies from the Area Plan. Zoning Code amendments to address inconsistencies are not included in this task and will be completed by City Staff.



Deliverable:

- Memorandum describing the findings of the General Plan/Area Plan/Zoning Consistency Analysis, including next steps for the City to take to create consistency between the three documents (for example, creating a new mixed-use zone to implement the mixed-use General Plan designations and new development standards for envisioned illustrative Master Plans from AACAP).
- g. **EXHIBIT "B" SCHEDULE FOR COMPLETION** of the Agreement is hereby amended to extend the term of the Agreement from April 3, 2019 to December 31, 2019 unless otherwise terminated as herein provided.

Upon City Manager's notice of at least 30 days prior to the expiration of the Term, this Agreement shall automatically renew for a subsequent annual term. In no event shall this Agreement continue four years beyond the commencement date which is April 3, 2020.

- h. **EXHIBIT "C" COMPENSATION** of the Agreement is hereby amended and revised to increase the total cost for this Agreement from \$699,917 to an amount not to exceed \$1,207,507. This amount shall include a Placeworks contingency of \$45,210 to account for unforeseen services during the process. This fee will require approval by City Manager or Designee prior to its use.

GENERAL PLAN ADVISORY COMMITTEE MEETINGS

Task 2.3 (10 additional @ \$7,500/GPAC)	\$75,000
GPAC Meetings originally budgeted @ \$5,500/GPAC (10 GPAC Meetings additionally require \$2,000/GPAC)	\$20,000
TOTAL Task 2.3	\$95,000

ADDITIONAL COMMUNITY-WIDE WORKSHOP

Task 2.4 (Included in the budget for AACAP, See Task 12.5)	\$0
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GENERAL PLAN UPDATE (SAFETY, NOISE & LHMP) COST

Task 11.1 Safety Element (tech studies, element prep)	\$7,500
Task 11.2 Vulnerability Assessment (Required by SB 379)	\$27,000
Task 11.3 Local Hazard Mitigation Plan Update	\$40,000
Task 11.4 Noise Element (monitoring, tech studies, element prep)	\$16,500
Task 11.5 Meetings (4 total: 2 GPAC, 1 PWC/PC, 1 CC) (See Task 2.3)	\$0



Task 11.6. Staff Meetings & Administration	\$10,500
TOTAL Phase 11 (Safety and Noise Element Updates/LHMP)	\$101,500

AVIATION-ARTESIA CORRIDOR AREA PLAN COST

Task 12.1 Project Kick-off Meeting	\$3,600
Task 12.2 Background Review	\$2,500
Task 12.3 Existing Conditions Analysis -- Barriers Preventing Revitalization of the Corridor	\$45,000
Task 12.4 Economic Feasibility and Pro Forma Analysis	\$20,000
Task 12.5 Identify Revitalization Strategy Options and Determine Feasibility of Each	\$37,000
Task 12.6 Aviation-Artesia Corridor Advisory Committee/GPAC (See Task 2.3)	\$0
Task 12.7 Community Workshop	\$7,500
Task 12.8 Website Support and Online Engagement Tools	\$12,000
Task 12.9 Preparation of the Area Plan	\$60,000
Task 12.10 Environmental Analysis (Within Scope of GPU EIR)	\$0
Task 12.11 Planning Commission & City Council Study Sessions and Public Hearings	\$11,500
Task 12.12 Meetings & Administration	\$25,000
TOTAL Phase 12 (Aviation-Artesia Corridor Area Plan)	\$224,100

Phase 13. General Plan Vision 2040

Task 13.1 Meetings and Administration	\$15,000
TOTAL Phase 13. General Plan Vision 2040	\$15,000

Phase 14. General Plan/Zoning Consistency Analysis

TOTAL Phase 14. General Plan/Zoning Consistency Analysis	\$16,500
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Subtotal	\$452,100
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Reimbursable:	\$10,280
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Contingency (10%)

\$45,210

GRAND TOTAL

\$507,590

Notes: Reimbursable expenses are estimated above and include the costs for printing, photography, copies, blueprinting, and deliveries. The above budget is an estimate. Actual reimbursable expenses will be billed at cost plus 12.5%.

i. Modification

Except as expressly set forth herein, the Agreement shall continue in full force and effect. The Agreement together with this First Amendment constitute the entire agreement between the parties and supersedes any previous oral or written agreement. In the event of any inconsistency between this First Amendment and the Agreement, the terms of this First Amendment shall prevail. This first Amendment may be modified or amended only by a subsequent writing executed by all of the parties and approval by the City Council.

[SIGNATURES ON FOLLOWING PAGE]


IN WITNESS WHEREOF, the parties have entered into this First Amendment as of this 19th day of December 2017.

CITY OF REDONDO BEACH
A chartered municipality

PLACEWORKS, INC.,
a California Corporation



William C. Brand, Mayor

By: 

Name: Brian Juola
Title: Principal

ATTEST:



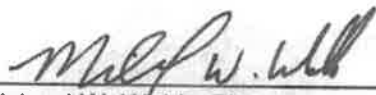
Eleanor Manzano, City Clerk

APPROVED:



Jill Buchholz, Risk Manager

APPROVED AS TO FORM:



Michael W. Webb, City Attorney





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/29/2017

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

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

PRODUCER Marsh Risk & Insurance Services 17901 Von Karman Avenue, Suite 1100 (949) 399-5800; License #0437153 Irvine, CA 92614 Attn: NewportBeach.CertRequest@marsh.com/F: 212-948-4323 980627-01-17-18	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE <table border="1"><thead><tr><th>INSURER</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: Crum & Forster Specialty Insurance Co</td><td>44520</td></tr><tr><td>INSURER B: Travelers Property Casualty Company Of America</td><td>25674</td></tr><tr><td>INSURER C:</td><td></td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>	INSURER	NAIC #	INSURER A: Crum & Forster Specialty Insurance Co	44520	INSURER B: Travelers Property Casualty Company Of America	25674	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:															
INSURER D:															
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INSURER F:															

COVERAGES

CERTIFICATE NUMBER:

LOS-002020368-03

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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS																					
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B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under: DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N N/A	UB7E37616717	07/01/2017	07/01/2018	<table border="1"><tr><td><input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER</td><td></td><td></td></tr><tr><td>E.L. EACH ACCIDENT</td><td>\$</td><td>1,000,000</td></tr><tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$</td><td>1,000,000</td></tr><tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$</td><td>1,000,000</td></tr></table>	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER			E.L. EACH ACCIDENT	\$	1,000,000	E.L. DISEASE - EA EMPLOYEE	\$	1,000,000	E.L. DISEASE - POLICY LIMIT	\$	1,000,000									
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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Redondo Beach, its officers, elected, and appointed officials, employees, and volunteers are included as additional insured (except workers' compensation) where required by written contract. This insurance is primary and non-contributory over any existing insurance and limited to liability arising out of the operations of the named insured and where required by written contract with respect to General Liability.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE
of Marsh Risk & Insurance Services

Rosalyn Martinez

R. Martinez

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AGENCY CUSTOMER ID: 980627

LOC #: Irvine



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Marsh Risk & Insurance Services		NAMED INSURED Placeworks Dba: The Planning Center Design Community & Environment 3 MacArthur Place, Suite 1100 Santa Ana, CA 92707	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Errors & Omissions Retro Dates:

7/1/99 - Planning Center, Inc.

1/1/87 - Design Community & Engineering Inc.

EPK-118128

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED
WITH WAIVER OF SUBROGATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
CONTRACTORS POLLUTION LIABILITY COVERAGE PART
ERRORS AND OMISSIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) or Organization(s) Where Required By Written Contract.

- A. **SECTION III - WHO IS AN INSURED** within the Common Provisions is amended to include as an additional insured the person(s) or organization(s) indicated in the Schedule shown above, but only with respect to liability arising out of "your work" for that person or organization performed by you, or by those acting on your behalf.
- B. As respects additional insureds as defined above, this insurance also applies to "bodily injury" or "property damage" arising out of your negligence when the following written contract requirements are applicable:
1. Coverage available under this coverage part shall apply as primary insurance. Any other insurance available to these additional insureds shall apply as excess and not contribute as primary to the insurance afforded by this endorsement.
 2. We waive any right of recovery we may have against the person(s) or organization(s) indicated in the Schedule shown above because of payments we make for injury or damage arising out of "your work" performed under a written contract with that person(s) or organization(s).
 3. The term "additional insured" is used separately and not collectively, but the inclusion of more than one "additional insured" shall not increase the limits or coverage provided by this insurance.

This Endorsement does not reinstate or increase the Limits of Insurance applicable to any "claim" to which the coverage afforded by this Endorsement applies.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

**AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND PLACEWORKS, INC.**

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Placeworks, Inc., a California corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
2. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to

the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder.

4. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.
5. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
6. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
7. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
8. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with

any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

9. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.
10. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
11. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any negligent act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the

deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

- b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
12. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
13. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
14. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
15. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

16. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant

shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

17. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.
18. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
19. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
20. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
21. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
22. Time of Essence. Time is of the essence of this Agreement.
23. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
24. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
25. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

26. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
27. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
28. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
29. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
30. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
31. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.
32. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 4th day of October, 2016.

CITY OF REDONDO BEACH

Mayor

PLACEWORKS INC.

By:

Name: Keith McCann

Title: Principal

ATTEST:

City Clerk

APPROVED:

Risk Manager

APPROVED AS TO FORM:

City Attorney's Office

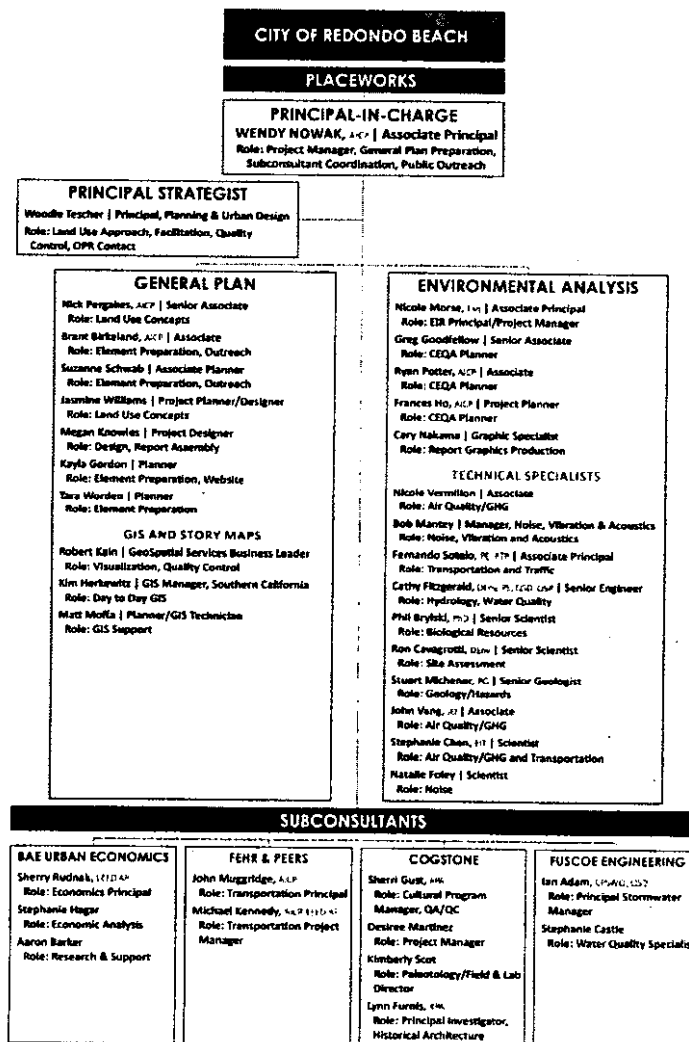
EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

Consultant has been retained to perform planning and environmental consulting services for an update to the "Land Use Element" and the "Conservation, Recreation and Parks, and Open Space Element" of the City's General Plan. Additionally the Consultant will identify all necessary updates to other existing General Plan Elements and the City's Zoning Ordinance for consistency purposes, and prepare the required environmental documents.

I. PROJECT ORGANIZATION, PERSONNEL, AND STAFFING

Consultant shall ensure that the organization of the Project will be in accordance with the following chart. In the event the organization of Project needs to be modified, Consultant shall obtain written approval from the City.



II. CONSULTANT'S DUTIES

Consultant's duties shall be as follows:

PHASE 1. PROJECT INITIATION

This task will set the stage for preparing the updated Land Use and Conservation, Recreation and Parks, Open Space Elements. The Consultant shall conduct a kick-off meeting, confirm the work program and schedule, establish project coordination procedures, and learn about key planning objectives and issues through an engaged conversation with the City. The Consultant shall collect relevant City-specific documents and create base maps to be used in documenting data and alternative and selected land uses.

Task 1.1 Kick-off Meeting and Project Protocols

Kick-off Meeting

The project kick-off meeting will provide the opportunity to bring together representatives of relevant City departments and Consultant's staff to introduce themselves and their project responsibilities; review the work scope and project management procedures, protocols, and schedule; and enable the Consultant's team to hear staff's observations of the key planning issues and objectives for the Land Use and Conservation, Recreation and Parks, Open Space Elements. Prior to the meeting, the Consultant shall provide the City with an agenda and list of participating Consultant team members.

At the kick-off meeting the Consultant shall coordinate with the City to:

- Discuss insights gained from the proposal review process.
- Identify recent or current studies, plans, and/or planning efforts that may contribute or support the work program.
- Finalize the Land Use and Conservation, Recreation and Parks, Open Space Elements and EIR scopes of work, budgets, and schedules.
- Identify City and Consultant contacts.
- Establish protocols for project management, access to City departments, submittal and review of work products, and coordination of the public outreach program.
- Establish a communication plan for City and Consultant, including regular in-person meetings and/or conference calls and other communication protocols.
- Confirm project tracking, reporting, and invoicing procedures.

Project Protocols

Following the kick-off meeting, Consultant shall prepare a project management plan providing a detailed schedule of tasks, deliverables, and responsibilities; a system to track, monitor, and report performance; protocols for submittal and review of work products; and formats for submittal of invoices to the City. Consultant shall be assigned to tasks regularly. Consultant shall provide monthly progress reports, and the project schedule shall be reviewed and updated periodically.

Consultant shall establish an approach and process to exchange or post project documents such as the work program, work task and community engagement schedule, tracking reports, resource materials, and draft work products.

Deliverables:

- Prepare for and attend Kick-off Meeting (Up to 3 members of Consultant's team)
- Project Protocols Memorandum

Task 1.2 Project Format, Branding, Templates and Base Maps

The General Plan can be organized in many ways, from traditional to the extremely creative, from paper to web-based, and from simple to the most complex form. The Consultant shall develop a workable, illustrative and graphic General Plan format that is appealing, readable and engaging. The Consultant's graphics team shall develop a format that not only meets the above criteria, but also serves as a branding and marketing tool.

The Consultant shall develop a design template for digital files and hard copy reproduction of working memoranda and studies and GIS mapping products to ensure a consistent image and quality for the project developed in the planning process. This will address such items as logo, layout, fonts, order of headings, photographs and illustrations, and use of infographics. The Consultant shall provide example color schemes, layouts, develop a mock-up of the preferred design, and create final templates.

The Consultant shall prepare an accurate parcel-level base map for the recording of baseline data, alternative and preferred land use designations, and other geographically relevant information.

At a minimum, base maps shall depict City boundaries, streets and circulation systems, and parcels that can be used as an overlay on an aerial photograph. The transferable base map shall be developed in both electronic and physical formats. The electronic base map shall be developed as an Esri-compliant file geodatabase and based on the file schema agreed upon by the City. The focus of this task shall be to:

- Obtain relevant map information from the City.
- Assemble various GIS data sources into an integrated GIS platform to support the General Plan and EIR work program.
- Identify and resolve any outstanding data deficiencies and potential inaccuracies.
- Prepare an accurate parcel-level base map that includes, among other items, current City boundaries, streets and circulation system, and parcels over an aerial photograph. The transferable base map shall be developed in both electronic and physical formats. The electronic base map shall be developed as an Esri-compliant file geodatabase and based on the file schema agreed upon by the City.
- Deliver parcel base as an interactive web map (if compatible with City's website).

For all GIS-related analysis and map exhibit work products, the Consultant shall utilize ArcMap 10.3.1. During this phase, the Consultant shall work with the City to establish data transfer protocols, data format parameters, database schemas, and metadata formats.

GIS Public Comment Mapping Application

As a companion to community outreach efforts outlined in Phase 2, the Consultant shall create configurable web mapping applications that shall allow stakeholders to provide public comments to an interactive map. The Consultant shall utilize ArcGIS Online to develop this application. This application shall be accessed through a link on the project website via an internet browser on a personal computer or mobile device such as a smart phone or tablet.

Existing Land Use Inventory

The Consultant shall provide the City with a series of land use maps to identify vacant parcels and areas where the current land use designation may not accurately reflect existing conditions to verify the types of uses currently existing on the ground. This information can be provided to SCAG and other regional entities at project completion so it can accurately inform (sub) regional planning efforts. The Consultant shall budget up to 20 hours to make updates or revisions to the mapping based upon the City's direction.

Deliverables:

- General Plan Format (draft and final)
- Up to three logo options to choose from
- Mock-up of GIS and mapping templates (draft and final)
- GIS Base mapping, webmapping and interactive maps
- Existing Land Use Inventory (City to verify uses; the Consultant to revise maps)

Task 1.3 Data Gathering and Review

Consultant shall collect existing City planning documents and technical studies and relevant studies prepared by regional and state entities that will inform updating Plan goals, policies, and programs and assemble into a project information library. This includes relevant studies prepared by regional and state entities to the extent possible. The studies and data shall be reviewed by Consultant for its relevance in order to better understand the overall context for preparation of the General Plan Elements. The Consultant shall consult with City to review and access appropriate files from the City's GIS database. This task shall involve collecting and reviewing the following:

- Redondo Beach Planning and Zoning Code (Title 10 of the City's Municipal Code)
- Redondo Beach Subdivision Ordinance
- Local Coast Program Implementing Ordinance
- Historic Resources List and Program

- Redondo Beach California Environmental Quality Act Procedures
- Planning Commission and City Council Reports and Minutes pertaining to the "Focused and Strategic" General Plan update
- List and description of pending development projects
- Recent environmental documentation for pending projects
- Park master plans
- Capital Improvement Program
- City budgets
- Local bicycle and transit plans

Deliverables:

- List of document and data needs and compiled resources
- Review of materials to inform the recommendations for element updates

Phase 2. Community Engagement Program

Public outreach efforts conducted for general plan updates can range from minimal to extravagant. The key is to strike the right balance for Redondo Beach so that outreach is effective but not excessive. Consultant shall implement the broad objectives of outreach for a general plan visioning and update as follows:

- Educate the public on the City's history, socioeconomic and market trends, and fiscal health.
- Obtain input on the community's area of desired change.
- Generate consensus while engaging concerns and opponents.
- Build capacity for future public outreach and education.
- Engage key stakeholders to perpetuate strategic involvement.
- Engage those who are typically silent by allowing for a variety of in-person or online input opportunities.
- Raise the profile of the General Plan and establish a greater connection to current planning issues.

To ensure the City's outreach efforts are as effective as possible, Consultant shall:

- Use existing City leaders as ambassadors of the General Plan to reinforce the public's involvement in the planning process.
- Leverage partnerships with local organizations and capitalize on well-established and -attended community events to increase value, maximize participation, and increase involvement for the General Plan Update process.
- Keep two-way communications open with the community and decision-makers even if no specific outreach events are active.

Consultant shall modify the outreach program as necessary, after consulting with City.

Task 2.1 Community Participation Plan

Consultant shall draft of a Community Participation Plan that provides detailed guidance for conducting community outreach programs during the project, informed by clear

objectives and strategies for achieving successful results. The components of the Public Participation Plan shall serve as a vehicle for the project team to fine-tune ideas, concepts, and approaches proposed for each element while maintaining transparency and creating trust in the element update process.

The Community Participation Plan will include:

- Objectives for public involvement.
- Review of guiding principles for conducting the planning process.
- Assessment of potential project issues and stakeholders.
- Program descriptions (purpose, timing, and approach).
- Role, charge, and anticipated meetings for the General Plan Advisory Committee.
- Communication techniques, consistent with established city protocols for website postings, email blasts, tweets, etc.

The Consultant shall research past community engagement efforts to formulate the most effective Community Participation Plan.

Deliverables:

- Community Participation Plan (Memorandum)

Task 2.2 Stakeholder Interviews

The Consultant shall consult with City to develop a list of stakeholder representatives for interviews, coordinate scheduling, facilitate the interviews, and create an input summary document that identifies major themes, pinpoints issues, and identifies opportunities, and constraints that shall inform the General Plan update. The Consultant shall also interview outside agencies as necessary, after consulting with City. Examples of interviews/outside agencies include:

- Elected officials
- Department heads
- Governmental agencies
- Chamber of Commerce
- Select businesses
- Service organizations
- Boards and commissions

Interviews shall be led by Consultants' Project Manager and Principal Strategist. The meetings shall occur in one-hour blocks. The interviews shall be arranged and scheduled by the City and shall be hosted at City Hall or some other location identified and arranged by City. Conference calls to desired stakeholders may also be coordinated in place of in person meetings so long as the total number of interviews does not exceed up to 8 one-hour sessions.

Deliverables:

- Stakeholder interviews (in person or on the phone) with up to 8 individuals or organizations and summary notes about key findings

Task 2.3 General Plan Advisory Committee (GPAC)

The Consultant shall jointly facilitate the GPAC meetings with the City during the General Plan preparation. Consultant shall prepare for and attend up to 10 GPAC meetings as directed by City. Additional meeting attendance (other than that stated above) must be approved by the City.

Deliverables:

- Preparation for, and attendance at GPAC Meetings (maximum of 10 meetings)
- Preparation of meeting summaries

Task 2.4 Community-Wide Workshops

The Consultant shall conduct up to three (3) community-wide outreach workshops at various locations throughout the City over the course of the project to present the community with the existing context and process, obtain feedback on the draft land use plan and conservation parks and recreation and open space concepts. One (1) of the three (3) community-wide workshops shall be before the public hearing phase to “unveil” the Draft Proposed General Plan.

Draft Proposed Plan shall be developed in coordination with the GPAC and City based on the public feedback received and the Council-approved Strategic Plan, Mission, and Vision. The feedback received on the Draft Proposed Land Use Plan shall be packaged and forwarded to Planning Commission and Council for their review. The Proposed Land Use Plan shall also be available online, and online users will have the opportunity to comment on the plan digitally; those comments shall also be presented to Planning Commission and Council.

The Consultant shall gather information through the use of multiple visual and interactive tools to engage the community in a discussion about the future of the City. Activities shall be designed to engage adults and children and may also enlist the participation of other City departments to make this a larger civic event that could draw more attendees.

Deliverables:

- Preparation for, and facilitation of community workshops (3 meetings)
- Preparation of summary of big ideas and take-aways from each workshop

Task 2.5 Study Sessions and Public Hearings

Study Sessions

At the City's request, Consultant shall co-host study session(s) with the Planning Commission and City Council (joint session if desirable) to provide preliminary feedback regarding the concepts and approaches related to the land use plan.

The format and intent of the study session(s) will vary from the public hearings to adopt the General Plan. These session(s) are intended to keep decision makers informed, get

informal approval at key points, and provide an additional opportunity for community participation. Consultant(s) may participate in these study session(s) as determined by the City in lieu of Consultant(s) attending the same number of public hearings prescribed below.

Public Hearings

Consultant shall participate in up to two (2) public hearings for the public draft Revised Land Use and Conservation, Recreation and Parks, and Open Space Elements with both the Planning Commission and City Council (two adoption hearings held for both Planning Commission and City Council—total of four hearings) as determined by the City. This task includes preparation for the study session(s) or hearings (PowerPoint, presentation boards, etc.) and attendance by up to two staff members of Consultant as well as representatives from Sub-Consultants Fehr & Peers and BAE, as needed. Sub-Consultant Fehr & Peers will attend up to 3 public meetings (study session or public hearing) and will provide input on the preparation of presentation materials as it relates to land use changes and their effect on transportation.

Consultant shall work with City staff in developing content for their staff reports and preparing PowerPoint presentations. At the study session(s) and/or hearings, the Consultant shall be available for presentations and responding to comments received.

City will be responsible for any subsequent work related to revisions of the adopted Local Coastal Program (including text changes or coordination/hearings with the California Coastal Commission).

Deliverables:

- Preparation of staff reports and PowerPoint presentations
- Attendance at Study Sessions or Public Hearings (up to 4, 2 each at Planning Commission and City Council)

Task 2.6 Project Collateral, Content for City Website and Media

Consultant shall prepare collateral materials that can be used to support the General Plan Update, including but not limited to FAQ's or fact sheets, flyers, press releases, social media blurbs, etc.

The Consultant shall provide original artwork and digital files of each document, and the City will be responsible for their distribution, including their distribution to community organizations or local media outlets. Consultant shall format these for posting on the project's website. Consultant shall provide the City with digital copies of the final products and up to 100 color hardcopies of flyers or FAQ's.

Project Website and Online Engagement Tools

Consultant shall draft content (news updates, next steps; announcements, GPAC summaries, etc.) to populate the City's website page for the General Plan.

At the City's request, Consultant shall prepare up to five Survey Monkey topics to post on the City's website over the duration of the project, at key milestones where targeted input or feedback from the community is needed (in addition to the Community Workshops in Task 2.4). The outreach tools and approach shall be further refined and clarified in Task 2.1, and the types of engagement tools used shall be specified depending on the outcome of the City's Social Media Policy. If Survey Monkey is not an acceptable engagement option, Consultant shall explore alternatives with City that fit within the budget assumed for this task.

Deliverables:

- Screen check draft and final project factsheet (electronic file)
- Up to six press releases or project flyers and announcements, or combination thereof (up to 100 printed color copies of each flyer)
- Prepare text (announcements, informational, etc.) for City to post on project website
- Online engagement tools (up to 5 Survey Monkey topics)

Phase 3. Review Existing Conditions and Data

The Consultant shall research, compile, and analyze all pertinent data and studies required to inform the development of updated Land Use and Conservation, Recreation and Parks, Open Space goals and policies and contribute to the Environmental Setting section of its Program EIR. Data shall describe relevant historical information, existing conditions, and trends and summarize their implications as opportunities, constraints, and issues that should be addressed through General Plan policy. The following describes the scope of data and analyses anticipated for the Land Use Element and is subject to revision based on review by City and assessment of the adequacy of available resources.

Task 3.1 Land Use and Urban Form

Historical Growth

Consultant shall develop a series of maps depicting the historical development of Redondo Beach's neighborhoods and districts, to the extent information is available from the City's Historical Society, UCLA Photo Archive, and other sources. The time frame will be dependent on the available information. Consultant shall consult with City and review records to develop a profile of building permits and development of residential and nonresidential uses on an annual basis for the past 20 years or longer, as readily available. This profile shall describe the types of uses and quantify the amount of housing units and building square feet.

Existing Land Use and Urban Form

Consultant shall build database on existing maps available from the City. It is assumed that staff will initially review the existing maps to identify areas in which uses and/or development densities may differ and properties on which new entitlements are anticipated. For these areas, Consultant shall review aerial photographs and conduct a windshield survey to verify the types of existing uses.

As a component of this task, Consultant shall develop an overlay to the land use map differentiating areas according to their salient urban form characteristics. First, Consultant shall develop form typologies, describe contributing characteristics for each, and confirm these with City. Example typologies include:

- “Traditional” grid-block-based single family residential neighborhoods.
- “Suburban” single-family residential neighborhoods with curvilinear streets and cul-de-sacs.
- Multifamily residential clusters with buildings and units oriented on common open spaces and inward.
- “Urban” multifamily residential neighborhoods with buildings oriented to the street frontage.
- Automobile-oriented commercial corridors and districts with building on individual parcels and unrelated to adjoining parcels.
- Pedestrian-oriented commercial districts with buildings located along and oriented to street frontages.
- Large block Industrial and business parks.

Using these typologies, Consultant shall develop a preliminary urban form diagram bases on review of aerial photographs, GIS generated maps of building footprints, and a windshield survey of selected locations. This shall be reviewed with City and finalized in response to comments received.

Neighborhood and District Identity

Consultant shall meet with City to review existing land use and urban form maps and identify the City’s known neighborhoods and districts. For each, consultant shall describe the salient characteristics contributing to their unique identity, such as location, history, use, urban form, and culture. Photographs of each area shall be correlated with maps depicting their locations.

Deliverables:

- Memorandum and series of maps and analyses that assess City’s historic growth
- Series of maps and memorandum summarizing the types of urban form found and associated characteristics of each area
- Urban form diagram and summary of neighborhood characteristics that should be preserved, enhanced or changed (neighborhoods and districts)

Task 3.2 Review of Existing General Plan Land Use and Zoning

The existing Land Use Element presents an extensive list of goals and policies related to each category of use depicted on the Land Use Diagram. Consultant shall develop a simplified table summarizing pertinent provisions addressing permitted uses, development standards (densities/intensities), and design guidelines.

Existing Zoning Land Use Designations and Standards

Consultant shall review the existing zoning map and develop a simplified table summarizing pertinent provisions addressing permitted uses, development standards (densities/intensities), and design guidelines.

Analysis of Existing Use and General Plan/Zoning Designations

Consultant shall evaluate the consistency of existing land uses with both the General Plan Land Use Diagram and Zoning Map. First, Consultant shall identify and confirm with City which criteria to use for this analysis, which may include metrics such as use type, density/intensity, and/or standards or guidelines specified by policy. The plan and zoning maps shall be overlaid onto the existing-uses map and differences identified and their locations mapped. Consultant shall prepare a spreadsheet describing the factors contributing to their differences for each area. For locations in which existing development densities/intensities are less than their theoretical capacity, as determined by applying the permitted density/intensity to the land area, Consultant shall calculate the remaining undeveloped capacity for housing units and nonresidential building square feet.

Land Use Constraints and Issues - Infrastructure

Consultant shall meet with Redondo Beach Public Works staff to assess the availability and adequacy of existing and planned infrastructure to support future development. Analyses shall include wastewater collection and treatment, water supply and distribution, storm drainage infrastructure, and solid and hazardous waste disposal based on review of existing studies and reports. In addition, Consultant shall consult with external service agencies, including Southern California Gas, Southern California Edison, and telecommunications providers.

Sub-Consultant (Fusco) shall also evaluate the general capacity of the City's infrastructure (storm drain, water and sewer) related to projected land use changes, growth and additional demands on the infrastructure systems. Sub-Consultant (Fusco) shall identify opportunities and constraints related to future land use changes and recreational and open space areas for infrastructure improvements and water quality/water conservation opportunities. Prepare an assessment of potential impacts on new development and suggested infrastructure remedies. Sub-Consultant (Fusco) shall summarize findings for the general plan with narratives and graphics, including:

- Drainage & Flood Control
- MS4/NPDES Compliance and Regional Water Quality Improvement Opportunities
- Sanitary Sewer
- Domestic Water Services

Deliverables:

- Interim Existing Conditions and Trends Report: one digital file
- Existing conditions database: digital text and graphic files and GIS data layers
- Evaluation of Existing Goals and Policies Matrix (Administrative and Final Draft)
- Evaluation of Existing Zoning Standards (as it relates to the GP)

Task 3.3 Mobility and Traffic Analysis

Sub-Consultant Fehr & Peers shall review available data and previously completed analyses to identify an inventory of available transportation networks and qualitatively summarize their operations, opportunities, and constraints. This information shall be summarized in text and up to three transportation-network GIS maps suitable for inclusion in the interim report as well as the existing conditions section of the transportation impact study. Consultant shall modify/update existing City GIS shapefiles to map:

- Roadway Network (including intersection or segment level of service as available from existing studies).
- Existing and Planned Bicycle Network.
- Existing Transit Network (and existing transit ridership for Metro served transit routes, as well as other operators if daily station ridership data are available).

Base maps upon which the deliverables noted above will be overlaid will be provided by the City and Consultant.

Deliverables:

- Sub-Consultant (Fehr & Peers) and Consultant shall provide inventory of transportation networks memorandum and maps (up to 3)

Task 3.4 Demographic and Economic Trends Analysis

Sub-Consultant (BAE) shall prepare a Demographic and Economic Trends Analysis report that evaluates existing demographic conditions (e.g., population, households, age, educational attainment, income) and trends to help City understand how its composition has been changing; and compare those rates of change to larger benchmark areas. The analysis shall do the same for economic conditions and trends (e.g., employment by industry, real estate markets), showing how changes to the regional economy impacts the City's economy. These shall inform the Land Use Element as to the types of uses currently in demand. Uses to be evaluated shall include for-sale and rental multifamily residential, office, retail, and industrial.

The analysis shall address household and employment trends using data from Nielsen-Claritas, US Census, and the California Employment Development Department. Current real estate market trends for the identified uses, including sale prices and rental rates, absorption rates, occupancy rates, and identification of comparable properties will be obtained from CoStar and other available sources. BAE shall show any existing oversupply or pent-up demand for analyzed land uses. Future demand conditions will be based on SCAG population, household, and employment projections as well as City building permit trends and will be compared to planned and proposed development from the City that could accommodate demand. BAE shall then project net demand for each land use. This will help inform the land use alternatives to make sure that alternatives are market supportable and respond to the Community's needs and desires. BAE shall prepare a report of findings that includes existing conditions data, projections, methodology, and net demand findings.

Deliverables:

- Demographic Trends and Analysis Report (Administrative and Final Draft)

Phase 4. Prepare Draft Land use Element

Consultant shall prepare a draft updated Land Use Element incorporating revisions to the Land Use Diagram, goals and policies, and implementation programs in consideration of the analyses completed in the preceding work tasks and input from the public outreach and engagement process. In developing the Diagram, one or more alternatives may be identified for areas of change, evaluated for their comparative impacts, and a preferred use selected. Consultant and City shall select the preferred land use plan. Goals and policies shall be revised to reflect the selected plan diagram and address issues regarding continuing utility and relevance.

Task 4.1 Update and Refine the Land Use Diagram

In this task, Consultant shall prepare an updated land use plan for incorporation into the General Plan. Consultant shall:

- Identify existing land uses to be conserved for their existing uses and densities and properties appropriate for targeting new development (through our analyses, input from staff, input from the public).
- Review land use designations and, where consistent with the existing uses, retain those designations and, where inconsistent (e.g., differing use or density), revise the land use category.
- For properties targeted to accommodate growth (new uses, densities, etc.), Consultant shall identify one or more alternatives defining use, density, and urban form characteristics—through City Staff, GPAC, and other input, as well as Consultants' technical analyses including market evaluations and constraints analyses, with a focus on mixed-use corridors and activity nodes. In this task, Consultant shall provide visual illustrations (photographs or illustrations).
- Test these for their comparative impacts (only traffic and fiscal)
- Review findings with City Staff and GPAC and select preferred land uses, densities, and urban form characteristics.
- For these properties, review the current GP designations for consistency with the outcomes of the preceding task (preferred uses and densities) and modify/revise the designation if appropriate for consistency.
- Prepare updated land use plan diagram, including a table defining permitted uses, densities/intensities, and design/development characteristics (see discussion in Approach).

Deliverables:

- Revised Land Use Diagram, Buildout Summary, and Design Characteristics

Task 4.2 Evaluate Existing Land Use Goals and Policies

Consultant shall evaluate and update of the Land Use Element's goals and policies, modifying these as necessary to ensure consistency with the Land Use Diagram. Consultant shall consult with City to confirm pertinent criteria and distribute a simplified

survey to staff involved in the Plan's implementation. Possible questions to be considered in evaluating the policies are:

- Are the policies clearly worded, understandable, and easy to implement?
- Have they proven to be effective in addressing community visions and issues?
- Are they feasible and do they have resident and political support?
- Do they address contemporary topics of importance to the community such as health and well-being?
- Do they adequately address legislative requirements?

Based on the comments received, Consultant shall prepare a checklist annotating the scope and issues to be addressed in revising the goals and policies in Task 4.5.

Deliverables:

- Revised Land Use Diagram

Task 4.3 Evaluate Traffic Impacts of Land Use Scenarios

Sub-Consultant Fehr & Peers shall evaluate traffic impacts of the revised Land Use Plan Diagram, as described in Task 8. As plan alternatives are developed, Consultant and Sub-Consultant shall estimate their potential buildout and calculate and compare the percentage increase in vehicle trips above existing traffic conditions. Any significant changes in local level of service shall be identified as input for plan refinement and selection of a preferred land use alternative.

Deliverables:

- Evaluation of traffic impacts from land use diagram (see Task 8)

Task 4.4 Evaluate Fiscal Impacts of Land Use Scenarios

For this task, Sub-Consultant BAE shall conduct a fiscal impact analysis to determine the net fiscal impacts to the City's General Fund for up to two land use scenarios. A fiscal impact model shall be prepared to measure the recurring annual impacts of each scenario at project build out. Sub-Consultant BAE shall prepare the fiscal model using the City's most recent budget.

Revenues will be based on a hybrid average revenue/marginal revenue approach. Sub-Consultant BAE shall project revenues using a marginal approach (e.g., property taxes, property tax in lieu of VLF, sales taxes) based on development characteristics. Sub-Consultant BAE shall project revenues using an average revenue approach based on the anticipated increase in service population (i.e., new residents plus half of new employment). Sub-Consultant BAE shall use an average cost approach to project new costs and will supplement the analysis with calls to department heads to determine whether a marginal cost approach is needed (e.g., police, fire). Sub-Consultant BAE shall compare projected revenues to costs in order to determine whether revenues from new development are sufficient to cover the costs of providing municipal services.

Deliverable:

- Fiscal Impact Analysis Report (up to two land use alternatives)

Task 4.5 Update Land Use Goals and Policies

Consultant shall review and revise existing Land Use goals and policies for consistency with the revised land use diagram. To improve the Element's clarity, Consultant shall reorganize its content into four subsections:

- Land Use Diagram
- Goals and policies applicable to all uses and locations
- Goals and policies applicable to specific land use designations
- Goals and policies applicable to specific subareas/nodes, corridors, and districts

In the first subsection, the Consultant shall consolidate policies addressing permitted uses and densities/intensities into a table correlated with the Land Use Diagram, reducing the existing repetitive use of policies for use categories and subareas. The Consultant shall also review the existing Element's discrete subareas and redefine as confirmed by City Staff based on land use strategies developed during preparation of the updated Diagram in response to public input.

Consultant shall also revise goals and policies to address issues regarding understandability, usefulness, and feasibility identified in Task 4.2. Revisions shall be documented in a report using strikeouts and underlines to enable City Staff to understand the recommended changes. This shall be submitted for City Staff review and comment to ensure that the revisions adequately address their identified issues.

Finally, the Consultant shall prepare new goals and policies addressing land use strategies contributing to each of the key focus topics identified in the City's RFP and identified herein. The Consultant shall draw from the significant amount of research and recommendations for relevant policies developed for communities throughout the State, from regional and state agencies and non-governmental organizations, as well as Consultant's extensive experience in writing general plan elements. The following provides examples of general categories of land use strategies that shall be considered for each of the following topic areas that shall be included within the updated Land Use Element.

Climate Change. Distribution, mix, and density of land uses reducing vehicle trips and achieving an improved jobs/housing balance; adaptive reuse of existing buildings; energy and water efficient buildings and landscapes; incorporation of facilities and services supporting non-automotive vehicles such as bicycles; and siting/design of development to avoid impacts from sea level rise; and other.

Healthy Communities. Distribution, mix, and density of land uses and complete/living streets promoting active transportation/walking and bicycling; land use patterns reducing vehicle trips and associated air pollution; housing location and design minimizing exposure to air pollution and excessive noise; parks and other facilities promoting active recreation; access to healthy food sources including community gardens, stores, and restaurants; social and cultural facilities and community events

engaging community participation; development design contributing to public safety; access to health and safety facilities; and other.

Economic Development. Land use designations and capacities adequate to support existing and new businesses; land uses capitalizing on key market opportunities including tourism; design and layout of commercial districts enhancing their value and attraction of customers; adequate housing accommodating employees of local businesses; linking land use patterns with a mobility network and modes facilitating city and external access; parks, cultural facilities, and other amenities attracting new investments and businesses in a competitive environment; built environment that facilitates incubation of new businesses and innovation; and other.

Social Equity, Environmental Justice, and Community Resilience. Equitable distribution of parks, and community-serving facilities and services; affordable housing; land use designations and capacities providing jobs to all residents; safety through environmental design; integration of transit facilities with development and access to residential neighborhoods; and other.

Goals and policies addressing one of the topics above may also contribute to another (e.g., land use policies enhancing pedestrian activity contribute to objectives for climate change, healthy communities, economic development, and social equity). A summary matrix shall be prepared by the Consultant indicating the application of updated policies to each topic category.

Consultant shall prepare and submit an administrative draft of recommended updated goals and policies for City Staff review and comment. These shall be revised by the Consultant in response to comments received, reviewed with the General Plan Advisory Committee, and documented for inclusion in a Draft Revised Land Use Element for public review and comment in Phase 5.

Deliverables:

- Administrative draft updated Land Use goals and policies
- Revised draft updated Land Use goals and policies

Phase 5. Prepare Draft Conservation, Recreation and Parks, and Open Space Element

Task 5.1 Evaluate Parks Resources and Goals and Policies

Consultant shall prepare an assessment of the Conservation, Recreation and Parks and Open Space Element that addresses the preservation, conservation, and managed production of natural resources, open space for outdoor recreation, and open space for public health and safety. General guidance and standards from any available parks and recreation or community services plans shall also be integrated into the policy direction that is developed within this element.

Deliverables:

- Memorandum and mapping assessing Opportunities and Constraints

- Evaluation of Existing Conservation, Recreation and Parks and Open Space Element Goals and Policies Matrix (Administrative and Final Draft)

Task 5.2 Update Conservation, Recreation and Park and Open Space Element and Policies

Consultant shall review and revise existing Conservation, Recreation and Park and Open Space goals and policies for consistency with the revised land use diagram and to reflect updates shaped by feedback received from the GPAC and the public. The element shall address the following topics:

- Parks deficient areas
- Opportunities for new parks or public spaces in an urban setting
- Opportunities to acquire new land for park or public spaces
- Features that contribute to the sustainability of the resource (water conservation) and the health of the community (climate change and physical well-being)

Consultant shall prepare and submit an administrative draft of recommended updated goals and policies for City Staff review and comment. These shall be revised in response to comments received, reviewed with the General Plan Advisory Committee, and documented for inclusion in a Draft Conservation, Recreation and Park and Open Space Element for public review and comment in Phase 5.

Deliverables:

- Administrative draft updated C/RP/OS goals and policies
- Revised draft updated C/RP/OS goals and policies

Phase 6. Prepare Implementation Program

Task 6.1 Prepare Updated Implementation Program

As goals and policies are being drafted, Consultant shall explore appropriate actions for the effective implementation of Land Use and C/RP/OS goals and policies. If none can be identified, Consultant shall consider deleting the policy from further consideration. Consultant shall collaborate with City Staff, external agencies, and any outside organizations that may have a role in the Elements' implementation. For each implementation item Consultant shall:

- Describe the implementing action.
- Identify policies that the action implements.
- Identify the agency, department, or organization to carry out the action.
- Identify resources required for the action, as appropriate.
- Identify the time frame needed to complete the action.
- Establish a measure to indicate successful implementation.

Consultant shall develop a list of potential external funding sources, including grants from OPR, the Strategic Growth Council, Metro, the Southern California Association of Governments, and comparable agencies.

Consultant shall also review all other Redondo Beach General Plan Elements and zoning and other municipal ordinances for consistency with the updated Land Use and C/RP/OS Elements, identify required changes, and develop an action program for their revisions. Consultant shall also review the Local Coastal Program, and identify modifications required for consistency.

Consultant shall work with City Staff to prioritize programs into short-, mid-, and long-term time frames. Criteria should include need, value, likely effectiveness, and availability of resources. Consultant shall work with City Staff in developing an annual evaluation program, which can coincide with the City's annual general plan progress report (required by State legislation).

Consultant shall document and format the implementation programs in a separate Implementation Manual that is organized and formatted digitally to incorporate new tools and delete those no longer relevant or proven to be ineffective over time, without necessitating formal General Plan amendments and CEQA review. Consultant shall prepare and submit an administrative draft of recommended updated implementation programs for City review and comment. Consultant shall revise their proposed updated implementation programs in response to comments received and documented for inclusion in a Draft Revised Land Use Element for public review and comment in Phase 5.

Deliverables:

- Updated Land Use and C/RP/OS Implementation Programs (Administrative, Hearing and Final Drafts)
- General Plan, LCP and Zoning Review and Amendment Recommendations (Administrative and Final Draft)

Phase 7. Element Format and Production

Consultant shall collaborate with City Staff in preparing Draft Revised Land Use and C/RP/OS Elements that shall be published and posted on-line for public review and feedback in formal hearings to be conducted by the Planning Commission and City Council.

Task 7.1 General Plan Element Writing Guide

Before drafting goals and policies, the Consultant shall develop a Writing Guide that shall provide authors and future editors clear direction in how to write the Elements' narrative, goals, policies, and implementation programs. The Consultant's Writing Guide shall differentiate the intent of policies as action-oriented statements and commitments as mandates or permissive implementation. Consultant, through an iterative process with City Staff, shall compile a simplified hierarchy of language that can denote different levels of implementation commitment. This shall ensure that City staff and elected officials have a common understanding and sufficient guidance to effectively implement the Elements.

Deliverables:

- Land Use and C/RP/OS Element writing guide memorandum

Task 7.2 Element Format and Structure

Consultant shall collaborate with City Staff in developing a format and layout for the updated Land Use and C/RP/OS Elements. Consultant shall create documents that not only fulfill State statutory requirements but create real interest and enthusiasm in Redondo Beach's community of residents, businesspersons, organizations, and elected and appointed officials. Documents shall be graphically rich, appealing, and engaging. They shall be produced as digital files enabling printed reproduction, posting on the City's website, and continuing use by City Staff.

Deliverable:

- Land Use and C/RP/OS Element template and style guide

Task 7.3 Element Production

Consultant shall prepare the revised Elements, incorporating the plan maps, graphics, goals, policies, and implementation programs developed in the preceding work tasks. The revised Elements shall be formatted consistent with the templates for printed and on-line versions developed in Task 7.2.

Consultant shall also consider and reflect any substantive changes suggested by the pending Revised General Plan Guidelines published by the Governor's Office of Planning and Research (OPR). Woodie Tescher, PlaceWorks Principal (Consultant Staff), has been and continues to be actively engaged in the review and comment on OPR's draft revisions and shall advise City Staff and the Consultant's team regarding their implications for Element content and format.

Consultant shall prepare a screen check draft of the revised Elements for internal review and comment by City Staff. Consultant shall prepare a second draft incorporating revisions in response to City Staff's comments and submitted for review and confirmation that their comments have been adequately addressed. After City Staff approval, a public hearing draft shall be prepared for public review and Planning Commission and City Council public hearings and adoption. Consultant shall prepare final Revised Elements after adoption incorporating any changes approved by the City Council.

Deliverables:

- Screen check draft Revised Land Use and Conservation, Recreation and Parks, and Open Space Elements: 10 hard copies formatted in Microsoft Word 2013 and 1 in electronic format
- Revised draft incorporating revisions prepared in response to City Staff comments: 10 hard copies formatted in Microsoft Word 2013 and 1 in electronic format
- Hearing draft Revised Land Use and Conservation, Recreation and Parks, and Open Space Elements: 50 hard copies formatted in Microsoft Word 2013, 2 in electronic format, and 1 copy convertible to a "PDF" file

- Draft Revised GIS Land Use Designation Map in ArcView GIS shape file format
- Adopted Revised Land Use and Conservation, Recreation and Parks, and Open Space Elements: 10 hard copies formatted in Microsoft Word 2013, 1 in electronic format (compatible with on-line format), and 1 copy convertible to a "PDF" file
- Adopted Revised GIS Land Use Designation Map in ArcView GIS shape file format (shall be compatible with on-line format)

Phase 8. CEQA Review Process

Consultant shall conduct a two-phase environmental review process that includes preparing an Initial Study to "scope out" impacts found to be less than significant, then preparing a program-level Environmental Impact Report that is limited to analyses of potentially significant environmental topics. Consultant shall work alongside the City Staff and Consultant's Team and Sub-Consultants to incorporate General Plan policies that mitigate environmental impacts.

Task 8.1 Initial Study/Notice of Preparation

Consultant shall prepare an Initial Study (IS) and Notice of Preparation (NOP) of an EIR, pursuant to CEQA Section 15082.

Task 8.1.1 Initial Study

Consultant shall prepare an IS that documents existing conditions and the resulting level of significance for each of the topical areas required under CEQA. CEQA permits the exclusion of environmental issues in the EIR on which it can be ascertained with certainty that the project would have no significant negative impact.

Consultant shall include substantial evidence for all such conclusions, incorporating regulatory standards pertinent to the project, standard conditions of approval by the City of Redondo Beach and/or Los Angeles County, and General Plan policies or implementation measures as necessary.

Consultant shall include detailed environmental evaluations for biological resources and geological resources (See Phase 7, Technical Studies).

Task 8.1.2 Notice of Preparation

Consultant shall draft an NOP pursuant to CEQA Section 15082. The NOP shall include the meeting time of the environmental scoping meeting, a project description, and a list of the topics to be analyzed in the EIR. Consultant shall be responsible for circulation to the State Clearinghouse.

Deliverables:

- 1 electronic copy of the Administrative Draft IS/NOP in Word and PDF format to the City

- 15 hard copies of the IS/NOP and 1 electronic copy of the IS/NOP in Word and PDF format and compact discs (CDs) with the complete IS and technical appendices attached to the State Clearinghouse

Task 8.2 Public Scoping Meeting

During the 30-day comment period for the IS and NOP, Consultant shall attend a public scoping meeting(s) to hear comments on the environmental issues to be addressed in the EIR. Consultant shall prepare the public notices for the meeting(s) and City Staff will arrange the meeting location and date and will issue the public notices for the meeting(s). Consultant shall facilitate the meeting and prepare supporting material as needed, including a brief presentation, comment cards, and other materials as directed by City Staff. Consultant shall prepare a written summary of the environmental issues raised at the scoping meeting for inclusion in the Draft EIR.

Deliverables:

- PowerPoint presentation for Scoping Meeting
- Public notice for Scoping Meeting, electronic copies in Word and PDF format
- Presentation materials, comment cards, and other materials as directed by City Staff

Task 8.3 Program Environmental Impact Report

Using the results of the IS to limit analysis to the most relevant areas, the Consultant shall prepare a focused, Program EIR that has broad applicability as a CEQA review tool in the City of Redondo Beach. Per Section 15168 of the CEQA Guidelines, a Program EIR is a broad assessment of a series of related actions as if they were a single project. This type of EIR allows the City of Redondo Beach to consider broad policy alternatives and program wide mitigation measures early in the General Plan update process.

Environmental Analysis

Consultant shall prepare a Program EIR that documents existing conditions, potential project impacts, and mitigation measures, as well as the resulting level of significance for potential impacts under relevant CEQA categories. As permitted by CEQA, the EIR will focus on CEQA resource categories where substantial evidence of a potentially significant environmental impact exists, as determined by the Initial Study. Similarly, environmental issues on which it was shown that the project would have no significant impact on the basis of existing documentation and regulation will not be analyzed. The existing conditions and regulatory framework information from Phase 3 shall form the basis for the environmental setting for the topic areas that were addressed in that task.

The EIR shall include detailed analyses to determine the environmental impacts for the following resource categories:

- **Aesthetics.** The aesthetics analysis shall review the Draft General Plan land use map and policies and programs that may impact scenic vistas and other resources,

such as views of the coast. This section shall describe existing visual resources in Redondo Beach, including descriptions of scenic views and corridors within and adjacent to the City, as defined in the General Plan Update, the State Scenic Highways Program, and other documents. Based on the aesthetic resource significance criteria, Consultant shall assess potential significant aesthetic impacts, including impacts on scenic views and corridors, the visual character of Redondo Beach, and light and glare.

- **Air Quality.** Air quality impacts of the project shall be evaluated in the EIR (See Phase 9, Technical Studies).
- **Cultural Resources.** Sub-Consultant (Cogstone) shall prepare a cultural and paleontological resources assessment (See Phase 9, Technical Studies). The result of the technical evaluation shall be incorporated into the EIR.
- **Hazards and Hazardous Materials.** The EIR shall describe existing conditions and the regulatory framework relating to hazards and hazardous materials in Redondo Beach. The evaluation shall consider environmental hazards associated with hazardous materials, hazardous waste disposal, airport safety, emergency preparedness, and wildland fire. Consultant shall obtain and review maps and other public information that are readily available regarding the geologic setting and hydrogeological conditions, such as groundwater depth and regional flow direction, as well as properties where chemical releases have been documented. This research shall include a database search of properties in the plan area that use, store, or transport hazardous waste or materials. The EIR additionally shall present a significance threshold analysis of identified hazards. Redevelopment of certain properties within the plan area may require removal and/or remediation of hazardous materials. The environmental analysis, therefore, shall also describe the requirements for redevelopment on these parcels in the event that hazards or hazardous materials are uncovered.
- **Hydrology and Water Quality.** The hydrology and water quality section of the EIR shall identify the regulatory framework, City-specific hydrological setting, stormwater drainage characteristics, water quality data (both surface and groundwater), local receiving water bodies, pollutants of concern based on changes in land use, and flooding hazards. Pertinent local plans, laws, and regulations pertaining to hydrology and water quality shall be identified, including the City of Redondo Beach's Municipal Code Section 5-7.113, "Standard Urban Stormwater Mitigation Plan (SUSMP) and Low Impact Development (LID) requirements for new development and redevelopment projects"; and the Los Angeles County Public Works Department's stormwater pollution prevention program developed to meet requirements of a National Pollutant Discharge Elimination System (NPDES) Permit from the California Regional Water Control Board.

Future development within the plan area shall be assessed in terms of the following:

- Potential increases in runoff volume with increases in impervious surfaces.
- Potential degradation of water quality associated with urban pollutants.
- Alterations in drainage patterns resulting in erosion, siltation, or flooding.

Consultant shall identify mitigation measures that would reduce or eliminate any of the potential impacts. Consultant shall identify best management practices (BMPs) and low impact development (LID) to be considered for future development. This section shall be prepared under the direction of a Registered Engineer in the State of California.

- **Greenhouse Gas Emissions.** GHG impacts of the project shall be evaluated in the EIR (See Phase 7, Technical Studies).

- **Land Use and Planning.** Consultant shall evaluate impacts related to physical divisions of existing communities, as well as conflicts with applicable land use plans, policies, and regulations that are intended to avoid or mitigate an environmental effect, such as those established in the Los Angeles County General Plan 2035.

- **Noise.** Noise impacts of the project shall be evaluated in the EIR (See Phase 7, Technical Studies).

- **Population and Housing.** Consultant shall evaluate the potential for displacement of people or housing and for substantial population growth that could result from buildout and implementation of the updated Redondo Beach General Plan elements. The environmental setting shall incorporate the population and demographics information from Phase 3 and shall include a description of the City's current Regional Housing Needs Assessment (RHNA) and certified 2014 Housing Element. Consultant shall also analyze potential demographic and housing changes for consistency with the community-articulated goals, policies, and programs of the existing General Plan and zoning code. Based on the population and housing significance criteria in Appendix G of the CEQA guidelines, Consultant shall analyze potential population and housing impacts.

- **Public Services.** Consultant shall evaluate potential impacts of General Plan Update buildout on public services in Redondo Beach, including fire and emergency medical services, police services, and schools. Consultant shall quantify the current and projected capacities of each public service provider in the City in order to establish baselines for impact. Using the CEQA public services significance criteria, Consultant shall assess the potential impacts of future, project-related growth on the capacity and functionality of those service providers. Consultant shall contact the following service providers directly to obtain the most recent statistics for current and future capacity:

- Redondo Beach Fire Department
- City of Redondo Beach Police Department
- Redondo Beach Unified School District
- Redondo Beach Public Library

- **Parks and Recreation.** Consultant shall describe existing parks and recreation resources in Redondo Beach and evaluate the potential impacts of implementation of the draft General Plan on those resources. Consultant shall draw on relevant standards and objectives established in City policy documents. The City has stressed that the

acquisition of open space is one of the guiding principles of this project, and the ultimate impact of associated policies on existing parks resources shall be carefully considered.

- **Transportation.** Sub-Consultant (Fehr & Peers) shall evaluate transportation impacts. The result of the technical evaluation shall be incorporated into the EIR (See Phase 7, Technical Studies).
- **Utilities and Service Systems.** Sub-Consultant (Fusco Engineering) shall prepare an assessment of the utilities infrastructure in the City. The result of the technical evaluation shall be incorporated into the EIR (See Phase 7, Technical Studies).
- **Tribal Cultural Resources.** Sub-Consultant (Cogstone) shall evaluate potential tribal cultural resources impacts. The result of the technical evaluation shall be incorporated into the EIR (See Phase 7, Technical Studies).
- **Alternatives Analysis.** Consultant shall evaluate up to three alternatives to the proposed project, one of which shall be the CEQA-required No Project Alternative, which for the Land Use Element is the current Land Use Plan. The alternatives shall be based in part on the various land use scenarios the City considers in Phase 4 and on their ability to reduce the environmental impacts of the project. CEQA Guidelines allow EIR alternatives to be evaluated in less detail than the project, but they must be defined with sufficient quantifiable metrics to facilitate comparison. Accordingly, Consultant and Sub-Consultant (Fehr & Peers) shall utilize one or more appropriate metric (e.g., VMT, square miles designated open space) to compare and differentiate the potential effects of the land use alternative. Based on this analysis, an Environmentally Superior Alternative shall be identified (as required by CEQA).
- **CEQA-Required Assessment Conclusions.** Consultant shall prepare the appropriate conclusions to fulfill CEQA requirements by providing an assessment of unavoidable significant environmental impacts; significant irreversible environmental changes; relationship between local short-term uses of the environment and long-term productivity; and effects found not to be significant.

Task 8.4 Screen Check Draft EIR

Consultant shall compile the information into a Screen Check Draft EIR (SCDEIR) and submit to City Staff for review and comment.

Deliverables:

- Screen Check Draft EIR (1 electronic version in Word and PDF formats)

Task 8.5 Draft EIR for Public Review

Consultant shall incorporate one consolidated set of comments on the SCDEIR from City Staff to create the Public Review Draft EIR for publication, distribution, and public review. Consultant allocated 40 hours for addressing comments from the City Staff on

the Screen Check Draft EIR, preparing the Public Review Draft EIR, and publication of the document.

Consultant shall be responsible for delivery of the Draft EIR, Notice of Availability (NOA), and Notice of Completion (NOC) to the State Clearinghouse. City Staff will publish and locally distribute the NOA.

Deliverables:

- Second Screen Check EIR; Print ready copy (1 electronic version in Word and PDF formats)
- Draft EIR (20 hardcopies and 50 CDs)
- 1 hard copy of the NOC, 15 hard copies of the NOA and Executive Summary, 15 CDs with the complete EIR and technical appendices attached to the State Clearinghouse

Task 8.6 Final EIR

Immediately following the completion of the 45-day public review period, Consultant shall discuss with City Staff any comments received during the public review period and the approach to responding to the comments. Consultant shall incorporate public and/or agency comments received on the Draft EIR and the responses to these comments, as appropriate, into the Final EIR document. Other members of the Consultant's Team shall also participate as needed. The project budget includes up to 70 hours for Consultant to respond to comments, which is commensurate with the anticipated level of effort. (Reanalysis is not included in this Scope of Services.)

Deliverables:

- Screen Check Final EIR with Response to Comments (1 electronic version in Word and PDF formats)
- Final EIR with Response to Comments (30 copies and 30 CDs)
- Certified Final EIR (2 copies and 1 unbound, copy-ready version), including the responses to comments, revisions to the Draft EIR, and other components as described above
- Electronic versions of the Draft Response to Comments and the Certified Final EIR

Task 8.7 Mitigation Monitoring and Reporting Program

Concurrent with the preparation of the Final EIR, a Mitigation Monitoring and Reporting Program (MMRP) shall be assembled by the Consultant, working in close collaboration with City Staff to ensure that procedures are put in place so that the EIR mitigation measures are carried out in an appropriate, timely, and verifiable manner. The MMRP, shown in tabular form, shall identify responsibility for implementing and monitoring each mitigation measure, along with monitoring triggers and reporting frequencies. The MMRP shall be submitted as a draft document to the City and revised for publication with the Final EIR.

Deliverables:

- Screen Check MMRP (1 electronic version in Word and PDF format)
- MMRP (50 copies)

- An electronic copy of the Screen Check MMRP

Task 8.8 Findings of Fact and Statement of Overriding Considerations

Consultant shall prepare the Findings of Fact for the resolutions on the EIR, and in the event that significant and unavoidable impacts are disclosed in the Findings, Consultant shall prepare the Statement of Overriding Considerations necessary to support certification of the EIR. Consultant shall prepare draft and final documents, pending City Staff review and comment.

Deliverables:

- Screen Check Findings of Fact (1 electronic version in Word and PDF format) and Draft Findings of Fact (50 copies) for City Staff review and comment
- Screen Check Statement of Overriding Considerations (1 electronic version in Word and PDF format) and Draft Statement of Overriding Considerations (50 copies) for City Staff review and comment
- An electronic copy only of the Screencheck Findings of Fact and Statement of Overriding Considerations

Task 8.9 CEQA Project Management

Task 8.9.1 CEQA Meetings & Hearings

Consultant's environmental project director and project manager shall attend up to three meetings with City Staff during the course of the environmental review process, including the kick-off meeting, a Draft EIR review meeting, and one meeting or hearing during the public review process. Additional meeting attendance by Consultant shall be billed on a time-and-materials basis in accordance with the hourly rates for the personnel involved and an amendment shall be executed if necessary. Consultant's environmental project director and project manager shall attend up to two public hearings (one Planning Commission and one City Council hearing).

Deliverables:

- 3 meetings with City staff
- 2 public hearings

Task 8.9.2 CEQA Project Management

This task includes but is not limited to activities such as project start-up, minutes and agendas, budget and schedule tracking, ongoing coordination with the Consultant Team, and providing the daily point of contact with the City Staff. Consultant's project manager shall oversee the project from beginning to end and provide the leadership at critical milestones in the process during the approximately 12-month CEQA process. The Consultant shall be responsible for coordinating with Sub-Consultants, processing invoices, reviewing and managing deliverables, ensuring quality control, and adhering to the schedule.

Phase 9. Technical Studies

Task 9.1 Biological Resources

Consultant shall collect and review existing information on biotic resources in Redondo Beach in order to assess potential impacts of the Draft General Plan updates on biological resources in the City. Consultant shall utilize the following information sources:

- Previous environmental documentation for specific development applications in the area
- Records on occurrences of special-status taxa and sensitive natural communities maintained by the California Natural Diversity Data Base (CNDDB)
- Vegetation and habitat types mapped as part of the CALVEG program
- Information on sensitive or special-status taxa available from the City and County, the California Department of Fish and Wildlife (CDFW), and the US Fish and Wildlife Service (USFWS)
- One-day "windshield" reconnaissance of the planning area in order to locate and map undeveloped or vacant properties

In the analysis Consultant shall identify vegetation types, wildlife habitats, and known occurrences of special-status species, sensitive natural communities and wetland features. The impact analysis shall qualitatively evaluate the impacts of the Draft General Plan updates on these biological resources, and identify proposed General Plan policies that mitigate potential impacts, if necessary.

Deliverables:

- Analysis incorporated into the Initial Study

Task 9.2 Geology and Soils

Consultant shall prepare the IS which shall provide an overview of current geologic, soil, and seismic conditions throughout the City that is based on synthesized and clearly articulated research, along with a description and evaluation of the relevant regulatory framework. The IS shall evaluate the potential for General Plan Update implementation to result in significant direct and/or indirect environmental impacts as they may relate to geology, soils, and seismicity.

In the analysis Consultant shall employ a variety of data sources, such as geologic and soil maps, investigations, and studies published by the California Geological Survey, the US Geological Survey, and the US Department of Agriculture's Natural Resources Conservation Service; available geotechnical studies within the plan area; and seismic and geologic hazard maps and studies prepared by the California Geological Survey, the California Office of Emergency Services, and the Northern California Earthquake Data Center. In addition, the Consultants' technical specialists, including a state-licensed geologist with more than 30 years of relevant experience, shall review client-supplied information related to geology, soils, and seismicity, and incorporate that data within the IS. The need, if any, for supplemental information shall also be addressed as the EIR analysis progresses.

Deliverables:

- Analysis incorporated into the Initial Study

Task 9.3 Air Quality & Greenhouse Gas Emissions

Consultant shall prepare an air quality and greenhouse gas (GHG) emissions analysis for the City of Redondo Beach General Plan EIR. The air quality and GHG analysis shall be based on the current methodology of the South Coast Air Quality Management District (SCAQMD) for projects in the South Coast Air Basin (SoCAB), and modeling files shall be included as an appendix to the EIR.

- **Criteria Air Pollutant Emissions Inventories (Existing and General Plan Buildout):** The air quality analysis shall provide an estimate of long-term criteria air pollutant emissions using the latest models (e.g., EMFAC, OFFROAD, CalEEMod). Buildout of the General Plan would generate emissions from an anticipated increase in trips and vehicle miles traveled (VMT) associated with land uses in the City. In addition, use of natural gas and other area sources generate criteria air pollutants. Construction of individual development projects would also generate emissions from vehicles, off-road equipment, off-gas emissions, and fugitive dust. Potential impacts from construction activities associated with implementation of the General Plan shall be described qualitatively. The EIR shall compare criteria air pollutants generated by existing land uses (CEQA Baseline) in the City of Redondo Beach compared to land uses projected at buildout of the City (i.e., not a plan-to-plan analysis). An inventory of criteria air pollutants generated by existing land uses and proposed land uses shall be based on an existing inventory of land uses on the ground and future buildout statistics generated for the proposed Land Use Plan. Cumulative air quality impacts from buildout of the General Plan shall be described based on the emissions inventory compared to SCAQMD's regional significance thresholds.
- **Air Quality Management Plan Consistency:** The SoCAB is designated nonattainment of the National and/or California ambient air quality standards (AAQS) for ozone, nitrogen dioxide, and particulate matter (PM₁₀ and PM_{2.5}). Consistency of the project's regional emissions shall also be evaluated against SCAQMD's Air Quality Management Plan.
- **CO Hotspots:** The SoCAB has been designated as attainment of the state and federal carbon monoxide (CO) ambient air quality standards. Given that no intersection has exceeded the CO standards since redesignation, quantitative evaluation is not warranted. Instead, the potential for the proposed project to generate a CO hotspot shall be addressed qualitatively by the Consultant.
- **Nuisance Odors:** The air quality impact analysis shall describe land uses in the City that have the potential to generate nuisance odors. Buffer distances and/or control measures for sources listed in the SCAQMD's guidelines shall be incorporated.

- **GHG Emissions Inventories for the General Plan EIR (CEQA Baseline and General Plan Buildout):** Pursuant to current CEQA Guidelines, all phases of the project must be considered (CEQA Guidelines Section 15126). Because the time horizon of a General Plan extends beyond the GHG reduction target year of Assembly Bill 32 (AB 32) (i.e., 2020 compared to General Plan buildout), the GHG impact analysis for the EIR shall identify GHG emissions associated with full buildout of the General Plan. To date, there is no comprehensive statewide plan that identifies GHG reduction programs past 2020. However, the California Air Resources Board (CARB) is currently in the process of updating the Scoping Plan to address interim targets to reach the 2030 goal of reducing GHG emissions to 40 percent below 1990 levels pursuant to Executive Order B-30-15 (anticipated by fall 2017).

The EIR shall include a GHG emissions inventory for the City for the CEQA baseline year and General Plan buildout. The GHG inventory for CEQA baseline and buildout shall provide an estimate of long-term GHG emissions using the latest models (e.g., EMFAC, OFFROAD) for the applicable GHG emissions sectors. Sources of GHG emissions in the City shall be based on those within the City's jurisdictional control and shall utilize the recent GHG emissions inventory and forecast compiled by the City for the Energy Efficiency Climate Action Plan (EECAP) and shall include:

- Residential and Nonresidential Energy (based on electricity use provided by Southern California Edison and natural gas use provided by the Southern California Gas Company)
- Transportation (on-road vehicles based on VMT provided by Sub-Consultant (Fehr & Peers))
- Water Use and Wastewater Treatment (from California Water Services)
- Other Area Sources (e.g., off-road equipment)
- Permitted Sources (GHG for this sector shall be presented, if available from SCAQMD)

The inventories shall be adjusted by the Consultant for reductions associated with statewide programs that have been adopted to reduce GHG emissions. The EIR shall evaluate the impact from the change in GHG emissions in the City compared to CEQA baseline conditions pursuant to SCAQMD's draft thresholds.

- **Consistency with Plans Adopted for the Purpose of Reducing GHG Emissions:** The GHG section in the EIR shall discuss the City's commitment to reducing GHG emissions in accordance with the GHG reduction goals of AB 32 and Senate Bill 375. Project consistency with CARB's Scoping Plan and the Southern California Association of Governments' (SCAG) 2016 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) shall be reviewed by the Consultant, in accordance with the CEQA requirements.

In addition, the San Gabriel Valley Council of Government (SAVCOG), in partnership with Southern California Edison (SCE), implemented an Energy Wise Partnership for cities in the San Gabriel Valley. As part of this program, an Energy Efficiency chapter of the Climate Action Plan (EECAP) for the City of Redondo Beach was prepared and

includes measures to reduce energy use and associated GHG emissions. Consistency with the recommended energy action measures shall be incorporated to ensure consistency with this regional program for the San Gabriel Valley.

Deliverables:

- Analysis incorporated into the EIR and model outputs included as an appendix

Task 9.4 Cultural Resources

Sub-Consultant (Cogstone) shall evaluate potential impacts to archaeological, paleontological, and historical resources from implementation of the Draft General Plan Updates. Sub-Consultant (Cogstone) shall research and record searches that cover the entire City including, if necessary, the AES Redondo Beach Electric Generating Station. The resulting information shall inform the following two technical reports.

Task 9.4.1 Cultural Resources Report

Sub-Consultant (Cogstone) shall prepare a Cultural Resources Report that summarizes the study procedures and state significance criteria, evaluates local sensitivity, identifies with text and mapping any historical and archaeological sensitive areas, and recommends subsequent courses of actions. Information in the report shall come from the following research efforts:

- Cultural records search at the South Central Coastal Information Center. City Staff shall provide Cogstone any previous archaeological resources assessments completed for the current General Plan.
- Consultation with Native American and historical societies, including a Sacred Lands Search from the Native American Heritage Commission.
- Preparing and mailing consultation letters to appropriate Tribal Representatives in order to meet the requirements of SB 18/AB 52.
- Research into the history of Redondo Beach's built environment, making use of historical maps, aerial photographs, and other sources as directed by City Staff.

Task 9.4.2 Paleontological Resources Report

Sub-Consultant (Cogstone) shall prepare a Paleontological Resources Report that summarizes the study procedures and state significance criteria, evaluates local sensitivity, identifies with text and mapping any paleontologically sensitive areas, and recommends subsequent courses of actions. Information in the report shall come from the following research efforts:

- Paleontological records search at the Los Angeles County Natural History Museum and in online databases. Supplemental research on geological mapping, formations, previous paleontological studies, and online paleontological databases shall also be conducted.
- Cultural records search at the South Central Coastal Information Center. City Staff shall provide Cogstone any previous paleontological resources assessments completed for the current General Plan.

The EIR shall use the results of these reports to describe the regional and local prehistoric and historical context of Redondo Beach; summarize research results; and outline local, state, and federal policies, laws, and regulations regarding the treatment of cultural resources.

Task 9.5 Noise and Vibration

Consultant shall prepare noise and vibration technical analyses to evaluate potential acoustical impacts associated with the Draft General Plan Update. The EIR shall identify the impacts on sensitive land uses from implementation of the focused update of the General Plan. Particular attention shall be paid to areas in the City that are expected to experience the most growth in the coming years. The EIR shall discuss relevant standards and criteria for noise-exposure, and the assessment of impacts shall be based on federal, state, and local ordinances, policies, and standards, including those in the City of Redondo Beach's existing Noise Element and Municipal Code. Since the General Plan Noise Element is not being updated, there shall be no need for technical noise staff to support the planning process via reviews of proposed new goals and/or policies.

Existing Noise Conditions

Consultant shall use Consultant's knowledge of similar noise environments to evaluate existing ambient noise conditions and identify potential issues, opportunities, and challenges with respect to noise and land use compatibility.

Transportation Noise

Existing and future vehicular traffic noise shall be assessed using a version of the US Federal Highway Administration (FHWA) Traffic Noise Model. These contours shall rely on traffic forecasts provided in the traffic impact analyses for the General Plan. These analyses shall identify areas along freeway and roadway segments that would be exposed to noise increases above criteria in the City's General Plan Noise Element. In addition, the noise analysis shall identify potential noise impacts to noise-sensitive uses in the City from railways. Aircraft noise from operations at nearby airports (outside the City limits, including LAX, Torrance, and Hawthorne Municipal Airports) would be expected to have minimal impacts on the general community, but shall be addressed for CEQA completeness on a qualitative basis.

Stationary Noise and Land Use Compatibility

Noise impacts from nontransportation sources such as major commercial/industrial uses shall be discussed in terms of potential impacts to nearby noise-sensitive receptors. Future ambient noise and land use compatibility that could be affected by land use changes or by changes in traffic patterns shall be discussed qualitatively in light of the recent related California Supreme Court ruling (*CBIA v BAAQMD*).

Construction Noise and Vibration

Construction impacts with implementation of the project shall be evaluated at a programmatic level for the General Plan. Future noise and vibration effects from construction activities shall be discussed in terms of accepted standards from the US

Federal Transit Administration (FTA). Feasible mitigation measures shall be identified to minimize future construction-related impacts in the study area.

The results of the above analyses shall be summarized in the EIR noise section, and pertinent calculation details shall be provided in an appendix.

Deliverables:

Analysis incorporated into the EIR, and model outputs included as an appendix

Task 9.6 Traffic Impact Analysis

Sub-Consultant Fehr & Peers will utilize the following four-part process to prepare a technical report that will inform the Transportation/Traffic section of the EIR.

Task 9.6.1 Data Collection

Sub-Consultant (Fehr & Peers) shall begin with a robust data collection effort, the focus of which shall be collecting roadway segment and/or intersection traffic counts to augment any traffic data available from ongoing and recently completed environmental studies in Redondo Beach. For budgeting purposes, this scope includes data collection for:

- Up to twenty-five, 24-hour daily roadway segment machine traffic counts on one weekday and one weekend day. Weekday and weekend segment volumes shall be compared to determine if weekday traffic volumes represent the highest traffic volume on each of the counted links. Up to 10 weekday peak period intersection turning movement traffic counts (with pedestrian and bicycle crossing counts) at key intersections identified in areas where land use change is expected. An additional 15 intersection counts would be drawn from existing data sources (Redondo Waterfront Project and/or the South Bay Galleria Project).

Specific locations for data collection shall be identified in consultation with the City.

Task 9.6.2 Existing Conditions Analysis

In order to establish the existing conditions baseline against which to assess the potential for transportation/traffic impacts associated with the General Plan updates, Sub-Consultant (Fehr & Peers) shall conduct the following analyses:

- Weekday AM and PM peak hour analysis of up to 10 key intersections where new counts were collected using the ICU LOS methodology consistent with City requirements.
- Incorporation of the existing ICU values of up to an additional 15 intersections drawn from prior projects in the City.
- Map of existing daily traffic volumes at up to 25 key segments.

Task 9.6.3 Travel Demand Forecasting

With baseline conditions established, Sub-Consultant (Fehr & Peers) shall forecast travel demand associated with the Draft General Plan updates. The Redondo Beach Travel Model (RBTM) was developed for the 2009 Circulation Element update and validated to 2007 base year conditions. Although the RBTM was developed to forecast

increases in daily traffic volumes, it was not developed to estimate vehicle miles travelled (VMT). Because of the passage of time since the RBTM was validated and the need to estimate VMT changes associated with the updates of the two elements to reflect SB 743 and current practice, Sub-Consultant (Fehr & Peers) shall use the SCAG RTP/SCS regional travel demand model for this analysis.

Sub-Consultant (Fehr & Peers) shall use the 2016 SCAG RTP/SCS model if made available by SCAG during the project process. If it is not made available, Sub-Consultant (Fehr & Peers) shall use the 2012 SCAG RTP/SCS regional model. Both models are developed on the TransCAD software platform, an application with which Sub-Consultant (Fehr & Peers) is extremely familiar.

Sub-Consultant (Fehr & Peers) shall review the transportation network attributes in the SCAG model for the City to be consistent with existing conditions, including existing land use data provided by City Staff.

This travel model shall be employed for the following purposes:

- Future weekday daily roadway segment volumes for the following land use scenarios shall be calculated using the model (and compared to the daily traffic counts collected at up to 50 segments):
 - Adopted General Plan
 - Preferred Land Use Scenario
 - Alternative Land Use Scenario
- The SCAG model shall be used to evaluate the following VMT scenarios for the City based on the origin/destination approach, which shall exclude through travel but shall account for vehicles traveling within and into and out of the City.
 - Existing
 - Currently Adopted General Plan
 - Preferred Land Use Scenario
 - Alternative Land Use Scenario

Sub-Consultant (Fehr & Peers) shall calculate Total VMT, as well as VMT per capita. These VMT forecasts shall be also employed for any GHG analysis conducted in the EIR.

City Staff, with support from Consultant, shall provide Sub-Consultant (Fehr & Peers) with land-use/socioeconomic data by SCAG transportation analysis zone (TAZ) or other geography easily aggregated into the TAZ for the following scenarios:

- Existing
- Currently Adopted General Plan
- Preferred Land Use Scenario
- Alternative Land Use Scenario

Task 9.6.4 Transportation Impact Analysis

Sub-Consultant (Fehr & Peers) shall summarize the previously developed Existing Conditions analysis and any updated future conditions analysis in a Transportation Impact Study for use by the EIR consultant. The Study shall include:

- Intersection impact analysis of up to 25 key intersection at spot locations where the magnitude of land use changes in those areas associated with the Preferred Land Use Scenario has the potential to have localized traffic impacts. This analysis shall not be prepared for the alternative land use scenarios. A Cumulative No Project scenario shall be prepared as an additional impact baseline to assess project impacts at these spot locations.
- Changes to roadway segment volumes at the 25 segments to be provided as an input in the air quality and noise analysis
- Changes to VMT and VMT per capita
- Analysis and identification of any conflicts with plans establishing performance measures for various modes of travel
- Consistency with Los Angeles County's Congestion Management Program
- Review of hazards due to design features
- Analysis and identification of any conflicts with adopted plans or policies regarding alternative travel modes.

Once the impacts are identified, Sub-Consultant (Fehr & Peers) shall identify potential mitigations for the Preferred Land Use Scenario. Aside from potential spot traffic mitigation measures associated with individual intersection impacts (where feasible), citywide mitigation measures are expected to include transportation demand management (TDM) measures that would reduce vehicle trips and VMT.

Sub-Consultant (Fehr & Peers) shall summarize the results of the above analyses in a technical Transportation Report (or EIR chapter), which shall be provided to the Consultant and City Staff for review. This Draft Report shall be sent to Consultant for their initial review and updated in response to one set of internal comments received. The report shall be revised to provide a Draft Report to the City Staff for their review. The report shall be updated after receipt of one round of comments from City Staff. The Consultant shall prepare the Traffic Section of the EIR using data in this Transportation Report.

Deliverables:

- Screen Check Traffic Impact Analysis for City Staff review (1 electronic version in Word and PDF format)
- Final Traffic Impact Analysis (1 electronic version in Word and PDF format)

Task 9.7 Water, Wastewater, and Storm Water Utility Systems

Consultant and Sub-Consultant (Fuscoe Engineering) shall prepare the Utilities and Service Systems section of the EIR, covering water, wastewater, and storm Water utility systems. Consultant shall utilize the *Baseline Assessment Memorandum*, prepared by Sub-Consultant (Fuscoe Engineering) as part of the General Plan Update process in

Phase 3, to inform the environmental setting section. This shall include information on the age, condition, adequacy, and capacity of utilities infrastructure in Redondo Beach.

To assess utilities-related impacts and identify any needed mitigation measures, Consultant shall utilize the results of Sub-Consultant's (Fusco's) evaluation, performed as part of Phase 4, of the general capacity of the City's infrastructure (storm drain, water and sewer) related to projected land use changes, growth, and additional demands on the infrastructure systems. Recommended improvements needed to serve planned future development shall be integrated into both the EIR and the General Plan.

Providers and management organizations that compose the utilities and service system in Redondo Beach include, but are not limited to:

- Los Angeles County Sanitation Districts
- Hermosa-Redondo District, California Water Services Company (CalWater)
- Carson Joint Water Pollution Control Plant
- City of Redondo Beach Solid Waste Division
- Athens Services
- Los Angeles County Department of Public Works
- CalRecycle
- Southern California Edison
- Southern California Gas Company

Sub-Consultant (Fusco Engineering) shall prepare a technical report to serve as an appendix to the EIR covering infrastructure and water quality evaluations. This report shall include analyses and conclusions per the CEQA Appendix G checklist, as well as concept-level hydrology comparison of existing versus proposed conditions, and all MS4 LID/BMP measures required.

Deliverables:

- Draft Water, Wastewater, and Storm Water Utility Systems Technical Report (1 electronic version in Word and PDF format)
- Final Water, Wastewater, and Storm Water Utility Systems Technical Report (1 electronic version in Word and PDF format)

Phase 10. Project Administration

Task 10.1 Day-to-Day Project Coordination and Schedule

The "Project Schedule" shall define the sequence and critical path for performance of work tasks, including document submittal deadlines to the City Staff, City Staff review periods, and time frames for document revisions. It shall also establish the schedule for the public outreach program developed in Phase 2, Planning Commission study sessions and public hearings, and City Council hearings.

This task includes but is not limited to activities such as project start-up, minutes and agendas, budget and schedule tracking, and ongoing coordination with the Consultant's Team, City Staff, outside Agencies, and documentation of public comments-interactions, etc.

Wendy Nowak, Associate Principal, of Consultant shall serve as Project Manager for the update of the General Plan Elements. She shall oversee the project's day-to-day operations and Sub-Consultant coordination and provide the leadership at critical milestones in the process, including ongoing updates with the City's designated Project Manager, preparation of the community participation plan, and general coordination with internal and external persons as required.

The updates shall take the form of formal memos, notices, e-mails, or conference calls, and meetings—this process shall be further defined during the kick-off meeting in Phase 1. Approximately four hours per month over the 30-month project time frame is allocated for project coordination by the PIC/Project Manager (Wendy Nowak).

Deliverables:

- Weekly coordination with the City's designated Project Manager;
- Status reports (progress of work being performed, milestones attained, resources expended, problems encountered, corrective actions taken)
- Sub-Consultant Coordination
- Activities such as project start-up, minutes and agendas, budget and schedule tracking, and ongoing coordination with the Consultant's Team, City Staff, outside Agencies, and documentation of public comments-interactions, reports and memorandums, etc.
- Review and processing of project invoices

Task 10.2 Project Team Meetings

The Consultant's Team shall participate in conference calls and/or in-person meetings with City Staff scheduled on a fixed date and time—weekly or every two weeks—to coordinate work tasks and deliverable products among our team members and other service area consultants, review project progress, schedule future tasks, and discuss and identify solutions for any issues impacting the successful performance of the work program. At the conclusion of each meeting, participants shall identify the agenda of topics to be addressed in the following meeting, with additional topics identified in the intervening period as necessary. The meeting agendas shall be distributed to all participants two days in advance of the meeting to confirm their content.

Deliverables:

- Project management meeting agendas
- Summary of project management meeting comments and actions

Project flow is attached as Attachment 1 to this Exhibit and is incorporated herein.

ATTACHMENT 1 TO EXHIBIT "A" PROJECT FLOW

CITY OF REDONDO BEACH "FOCUSED" GENERAL PLAN UPDATE

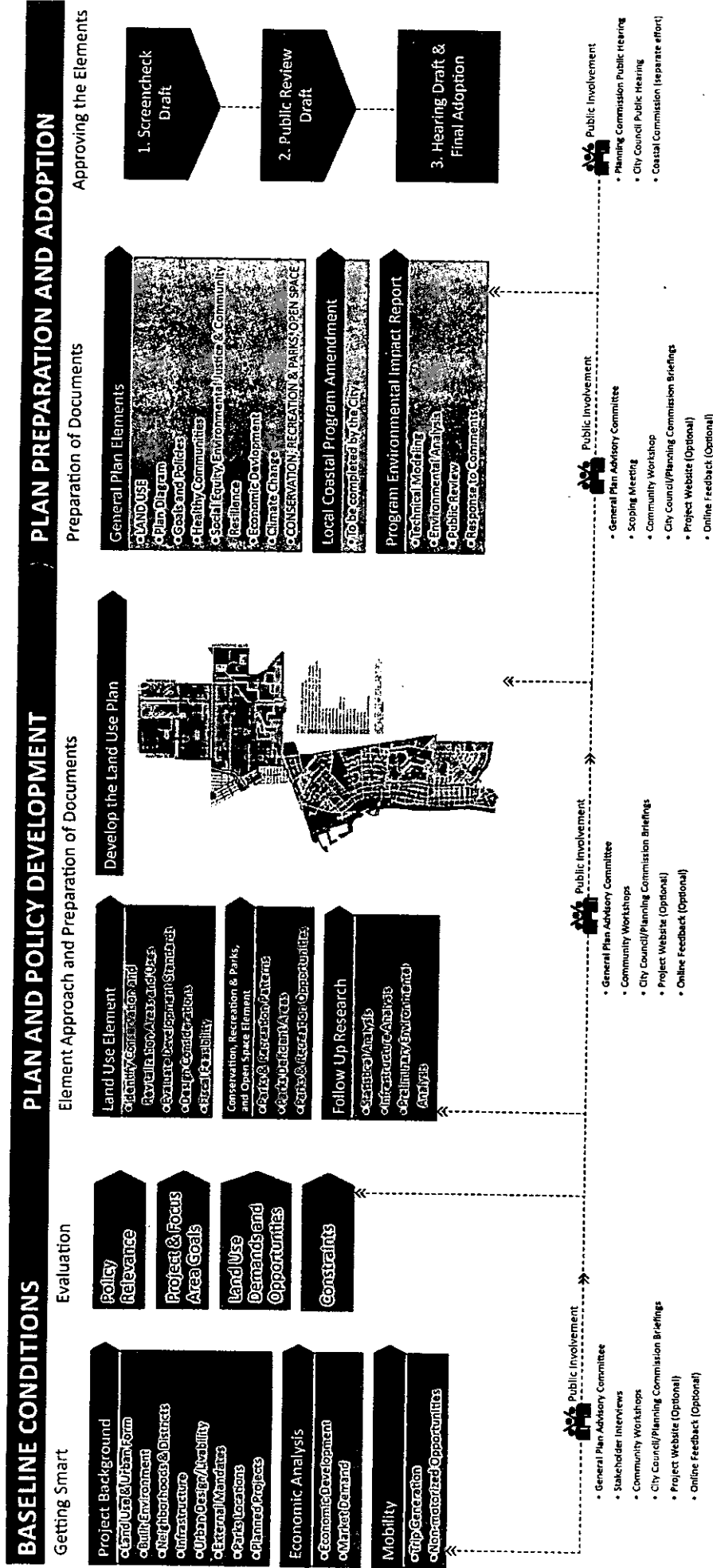


EXHIBIT "B"

SCHEDULE FOR COMPLETION

Term. The term of this Agreement shall commence on October 4, 2016 and expire April 3, 2019 ("Term ") unless otherwise terminated as herein provided.

Upon City Manager's notice of at least 30 days prior to the expiration of the Term, this Agreement shall automatically renew for a subsequent annual term. In no event shall this Agreement continue three and one half years beyond the commencement date which is April 3, 2020.

The "Project Schedule" which is attached hereto as Attachment 1 to this Exhibit and incorporated herein, assigns a general timeline to the phases and tasks outlined within the "Scope of Services" set forth in Exhibit "A". The Community Development Director will have the authority to make as needed adjustments in the "Project Schedule" as required.

ATTACHMENT 1 TO EXHIBIT "B" PROJECT SCHEDULE

CITY OF REDONDO BEACH - GENERAL PLAN ELEMENTS UPDATE AND PROJECT EIR

Project Schedule

		MONTH:																														
		Week																														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
PHASE 1: PROJECT INITIATION																																
1.1 Kick-off Meeting & Project Protocol																																
1.2 Project Charter, Branding, Templates and Data Map																																
1.3 Data Gathering and Review																																
PHASE 2: COMMUNITY ENGAGEMENT PROGRAM																																
2.1 Develop Community Participation Plan																																
2.2 Stakeholder Interviews																																
2.3 General Plan Advisory Committee (10 mg)																																
2.4 Communitywide Workshops (2 meetings)																																
2.5 Study Sessions and Public Hearing (4 mg)																																
2.6 Project Charter & Content for City Website and Media																																
PHASE 3: REVIEW EXISTING CONDITIONS AND DATA																																
3.1 Land Use and Urban Form																																
3.2 Review of Existing General Plan Land Use and Zoning																																
3.3 Mobility and Traffic Analysis																																
3.4 Demographic and Economic Trends Analysis																																
PHASE 4: PREPARE DRAFT LAND USE ELEMENT																																
4.1 Update and Refine Land Use Diagram																																
4.2 Evaluate Land Use Goals and Policies																																
4.3 Evaluate Traffic Impacts of Land Use Scenarios																																
4.4 Evaluate Fiscal Impacts of Land Use Scenarios																																
4.5 Update Land Use Goals and Policies																																
PHASE 5: PREPARE DRAFT CONSERVATION, RECREATION & PARKS, AND OPEN SPACE ELEMENT																																
5.1 Evaluate Conservation, Parks and Recreation and Open Space Goals and Policies																																
5.2 Update Conservation, Recreation and Park and Open Space Element and Policies																																
PHASE 6: PREPARE UPDATED IMPLEMENTATION PLAN																																
6.1 Prepare Updated Implementation Plan																																
PHASE 7: PREPARE REVISED GENERAL PLAN ELEMENTS																																
7.1 Develop General Plan Writing Guide																																
7.2 Element Format and Structure																																
7.3 Element Production																																
PHASE 8: CEQA REVIEW PROCESS																																
8.1 Initial Study/ISOP																																
8.2 Public Scoping Meeting																																
8.3 Program EIR (interim final analysis)																																
8.4 Supplemental Draft EIR																																
8.5 Draft EIR for Public Review																																
8.6 Final EIR																																
8.7 Mitigation Monitoring & Reporting Program																																
8.8 Review of fact and statement of overriding considerations																																
8.9 CEQA Meetings and Project Management																																
8.10 CEQA Meetings and Hearings																																
8.11 CEQA Project Management																																
PHASE 9: TECHNICAL STUDIES																																
9.1 Biological Resources																																
9.2 Geology and Soils																																
9.3 Air Quality and GHG Emissions																																
9.4 Cultural Resources																																
9.5 Noise and Vibration																																
9.6 Traffic Impact Analysis																																
9.7 Water, Wastewater, and Stormwater Utility Systems																																
PHASE 10: PROJECT ADMINISTRATION																																
10.1 Project Administration and Schedule																																
10.2 Project Management Meetings																																
NOTES																																
1. Critical Path Item: Conceptual approval of Land Use Plan, Subdivision and project description needed to refine presentation of EIR Meetings																																

EXHIBIT "C"
COMPENSATION

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

I. COST QUOTE AND HOURLY RATES.

- A. Amount. Consultant shall be paid a total of \$699,917 in accordance with the schedule and rate schedule attached hereto as Attachment 1 to this Exhibit and incorporate herein.

In the event Consultant's costs, including direct costs and costs of Sub-Consultants are less than the projected estimates described above Consultant's compensation shall be adjusted accordingly.

B. Hourly Rates.

- i. Consultant shall be paid pursuant to the hourly rates that are outlined in Attachment 1 to this Exhibit.
1. Consultant and Sub-Consultants shall be paid 1.5 times the hourly rate for time spent as an expert witness at court trials, mediation, arbitration hearings, and depositions.
 2. Consultant and Sub-Consultants shall be paid the standard hourly rate for the time spent preparing for trials, hearings, and depositions.
- ii. Sub-Consultants shall be paid pursuant to the hourly rates outlined in Attachment 1 to this Exhibit.

B. Reimbursable Expenses.

1. Routine other direct ("ODCs"), such as day-to-day copying, faxing, printing, telephone charges, and supplies are included in the hourly rates.
2. Non-routine ODC's, such as large scale reproduction specialty printing, equipment rentals etc. shall be charged at cost
3. Travel (i.e. air fares, lodging, meals, and rental cars) shall be charged at actual cost incurred and not at the hourly rate. Mileage will be charged at the current IRS rate per mile.
4. Any other non-routine direct costs, not specifically identified herein, shall be charged at cost.
5. Travel and other reimbursable expenses invoiced by Consultant shall not be paid unless first approved by the City in writing.

- II. **METHOD OF PAYMENT.** Consultant shall provide invoices to City for approval and payment. Invoices must be itemized, 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.
- III. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty (30) days of receipt of the monthly invoice, provided, services are completed to City's reasonable satisfaction.

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

Consultant Wendy Nowak
Woodie Tescher
Placeworks, Inc.
3 MacArthur Place, Suite 1100
Santa Ana, California 92707

City Aaron Jones, Community Development Director
415 Diamond Street
Redondo Beach, CA 90277

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.



EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

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

Other Insurance Provisions

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

Additional Insured Endorsement:

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

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

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

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

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

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

Acceptability of Insurers

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

Verification of Coverage

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

Subcontractors

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

Risk Management

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



Administrative Report

H.11., File # 22-4812

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH LISA PADILLA DBA CITYWORKS DESIGN FOR PREPARATION OF OBJECTIVE RESIDENTIAL DESIGN STANDARDS TO EXTEND TO THE CONTRACT TERM THROUGH MARCH 31, 2023 WITH NO CHANGE TO THE ORIGINAL NOT TO EXCEED AMOUNT OF \$139,955 WHICH IS FULLY REIMBURSED BY SB2 GRANT FUNDS

EXECUTIVE SUMMARY

On June 8, 2021, the City Council approved a contract with Lisa Padilla (dba Cityworks Design) to prepare Objective Residential Design Standards, a Strategic Plan objective. Since that time, public engagement through workshops with the Planning Commission, local design professionals, and the community has been completed, regular internal meetings with Planning staff have been held, and initial draft standards have been prepared.

The initial contract term was through June 30, 2022. On June 14, 2022, the City Council approved a first amendment to the Agreement, extending the term through December 31, 2022.

During this time, focus in the Community Development Department shifted to revisions to the City's 6th Cycle Housing Element update. The Housing Element has been adopted and certified, and now work can continue on the Objective Residential Design Standards. The second amendment will extend the term of the agreement to March 31, 2023 to allow time for public hearings before the Planning Commission and City Council. There is no additional cost associated with this amendment.

BACKGROUND

The City Council set a Strategic Planning goal to update the Residential Design Guidelines, which were adopted almost 20 years ago. A contract with Cityworks Design was approved by City Council on June 8, 2021, with a term through June 30, 2022 to assist with completion of the work. The contract calls for the guidelines to be updated with objective design standards and include ADUs and the R-1A "tall and skinny" residential zone, which are not covered in the current document.

Work has begun, community engagement meetings have occurred, and an internal draft document has been prepared. Additional time was needed for internal review and editing, and on June 14, 2022, the City Council approved an extension to the term of the contract through December 31, 2022.

The initial deadlines were aligned with the SB2 Grant Funding from the California Department of Housing and Community Development (HCD). HCD has granted extensions to the SB2 Grant Agreements for additional time for completion, due to many of these grants being utilized for Housing Elements and the need for the extension to finalize those projects.

COORDINATION

The contract amendment has been prepared by the City Attorney's Office.

FISCAL IMPACT

There is no change to the original contract cost of \$138,955. The contract is fully funded through SB2 Grant Funds awarded to the City by the California Department of Housing and Community Development through a grant agreement executed on June 12, 2020.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Second Amendment Lisa Padilla dba Cityworks Design
- Agmt - First Amendment Lisa Padilla dba Cityworks Design, June 14, 2022
- Agmt - Original Contract Lisa Padilla dba Cityworks Design, June 8, 2021

**SECOND AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND LISA PADILLA DBA CITYWORKS DESIGN**

This Second Amendment to the Agreement for Consulting Services ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Lisa Padilla, an individual, dba Cityworks Design ("Consultant").

WHEREAS, on June 8, 2021, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on June 14, 2022, the parties entered into a First Amendment ("First Amendment") to the Agreement to extend the term to December 31, 2022; and

WHEREAS, the parties desire to again extend the term of the Agreement.

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

1. Term. Exhibit "B" of the Agreement is hereby amended to extend the term of the Agreement to March 31, 2023.
2. No Other Amendments. The Agreement, the First Amendment and this Second Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, the First Amendment and this Second Amendment, the terms of this Second Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

LISA PADILLA,
An individual dba Cityworks Design

William C. Brand, Mayor

By: _____
Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

Eleanor Manzano, City Clerk

Michael W. Webb, City Attorney

APPROVED:

Diane Strickfaden, Risk Manager

**FIRST AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND LISA PADILLA DBA CITYWORKS DESIGN**

This First Amendment to the Agreement for Consulting Services ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Lisa Padilla, an individual, dba Cityworks Design ("Consultant").

WHEREAS, on June 8, 2021, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, the parties desire to extend the term of the Agreement.

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

1. Term. Exhibit "B" of the Agreement is hereby amended to extend the term of the Agreement to December 31, 2022.
2. No Other Amendments. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 14th day of June, 2022.


CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:

E6413C7231DF4E1...

William C. Brand, Mayor

LISA PADILLA,
An individual dba Cityworks Design

By: 
Name: Lisa Padilla
Title: Principal

ATTEST:

DocuSigned by:

72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

DocuSigned by:

669049EDE03D402...

Michael W. Webb, City Attorney

APPROVED:

DocuSigned by:

ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/5/2022

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

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

PRODUCER Risk Strategies Company 2040 Main Street, Suite 450 Irvine, CA 92614 www.risk-strategies.com CA DOI License No. 0F06675	CONTACT NAME: Risk Strategies Company PHONE (A/C, No. Ext): 949-242-9240 E-MAIL ADDRESS: syoung@risk-strategies.com FAX (A/C, No): INSURER(S) AFFORDING COVERAGE INSURER A: Sentinel Insurance Company Ltd INSURER B: Liberty Insurance Underwriters, Inc. INSURER C: Chubb National Insurance Company INSURER D: INSURER E: INSURER F:	NAIC # 11000 19917 10052
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COVERAGES**CERTIFICATE NUMBER:** 66118630**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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>	72SBABB5126	8/31/2021	8/31/2022	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>	72SBABB5126	8/31/2021	8/31/2022	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N <input type="checkbox"/> A	2371785177	1/11/2022	1/11/2023	<input checked="" 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	Professional Liability		AEXNYABNA6M002	6/1/2020	6/1/2022	Per Claim: \$2,000,000 Aggregate: \$2,000,000

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

Projects as on file with the insured including but not limited to Objective Residential Design Guidelines. The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers are named as additional insureds and primary/non-contributory clause applies to the general liability policy, including the non-owned and hired auto liability - see attached endorsements.

CERTIFICATE HOLDER**CANCELLATION**

City of Redondo Beach
Community Development Department
415 Diamond St., Door 2
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

RSC Insurance Brokerage

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ACORD 25 (2016/03)

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BUSINESS LIABILITY COVERAGE FORM**2. Applicable To Medical Expenses Coverage**

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED**1. If you are designated in the Declarations as:**

- a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:**a. Employees And Volunteer Workers**

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

- (1)** "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

- (2)** "Property damage" to property:

- (a)** Owned, occupied or used by,

- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred; or
- (2) "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

BUSINESS LIABILITY COVERAGE FORM

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or

- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
- (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
- (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
- (a) In connection with your premises; or
- (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:
- This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
- (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs **a.** through **e.** above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
- (a) In the performance of your ongoing operations;
- (b) In connection with your premises owned by or rented to you; or
- (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
- (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
- (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
- "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section **D. – Limits Of Insurance**.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section **E. – Liability And Medical Expenses General Conditions**.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to **2.a.** or **2.b.** above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to **2.b.** above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs **a.** and **b.** apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

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

BUSINESS LIABILITY COVERAGE FORM

This Paragraph **f.** applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. 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 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.

5. 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.

6. 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.

7. 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 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 **A.** – Coverages.

(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 **A.** – Coverages.

(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.

8. 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. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations; or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.
- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).
- b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.
- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision – Permits

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- b. The insurance afforded to the vendor is subject to the following additional exclusions:

- (1) This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or

- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

- a. Their financial control of you; or
- b. Premises they own, maintain or control while you lease or occupy these premises.

BUSINESS LIABILITY COVERAGE FORM

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, 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 for the additional insured(s); or
- (2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal an 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 failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
- b. An interactive conversation between or among persons through a computer network.

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 land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO

This endorsement modifies insurance provided under the following:

BUSINESS LIABILITY COVERAGE FORM

This coverage is subject to all provisions in the **BUSINESS LIABILITY COVERAGE FORM** not expressly modified herein:

A. Amended Coverage:

Coverage is extended to "bodily injury" and "property damage" arising out of the use of a "hired auto" and "non-owned auto".

B. Paragraph B. EXCLUSIONS is amended as follows:

1. Exclusion **g. Aircraft, Auto or Watercraft** does not apply to a "hired auto" or a "non-owned auto".
2. Exclusion **e. Employers Liability** does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract".
3. Exclusion **f. Pollution** is replaced by the following:
 "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto".
 - b. 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

- c. 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".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged or released directly from an "auto" part designed by its manufacturer to hold, store, receive, or dispose of such "pollutants"; and
- (2) The "bodily injury" and "property damage" does not arise out of the operation of any equipment listed in paragraphs **15.b.** and **15.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon 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 as a result of the maintenance or use of a covered "auto".
4. With respect to this coverage, the following additional exclusions apply:
- a. **Fellow employee**
Coverage does not apply to "bodily injury" to any fellow "employee" of the "insured" arising out of the operation of an "auto" owned by the "insured" in the course of the fellow "employee's" employment.
 - b. **Care, custody or control**
Coverage does not apply to "property damage" involving property owned or transported by the "insured" or in the "insured's" care, custody or control.
- C. With respect to "hired auto" and "non-owned auto" coverage, Paragraph C. **WHO IS AN INSURED** is deleted and replaced by the following:
The following are "insureds":
- a. You.
 - b. Your "employee" while using with your permission:
 - (1) An "auto" you hire or borrow; or
 - (2) An "auto" you don't own, hire or borrow in your business or personal affairs; or
 - (3) An "auto" hired or rented by your "employee" on your behalf and at your direction.
 - c. Anyone else while using a "hired auto" or "non-owned auto" with your permission except:
 - (1) The owner or anyone else from whom you hire or borrow an "auto".
 - (2) Someone using an auto while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (3) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
 - (4) A partner (if you are a partnership), or a member (if you are a limited liability

company) for an "auto" owned by him or her or a member of his or her household.

- d. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

- D. With respect to the operation of a "hired auto" and "non-owned auto", the following additional conditions apply:

1. OTHER INSURANCE

- a. Except for any liability assumed under an "insured contract" the insurance provided by this Coverage Form is excess over any other collectible insurance.

However, if your business is the selling, servicing, repairing, parking or storage of "autos", the insurance provided by this endorsement is primary when covered "bodily injury" or "property damage" arises out of the operation of a customer's "auto" by you or your "employee".

- b. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

2. TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US

If the Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

- E. The following definitions are added:

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS:

1. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your "employees", your partners (if you are a partnership), members (if you are a partnership), or a member (if you are a limited liability company),

or your "executive officers" or members of their households.

This does not include a long-term leased "auto" that you insure as an owned "auto" under any other auto liability insurance policy or a temporary substitute for an "auto" you own that is out of service because of its breakdown, repair, servicing or destruction.

2. "Non-owned auto " means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes:
 - a. "Autos" owned by your "employees" your partners (if you are a partnership), members (if you are a limited liability company), or your "executive officers", or members of their households, but only while used in your business or your personal affairs.
 - b. Customer's "auto" that is in your care, custody or control for service.

**AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND LISA PADILLA DBA CITYWORKS DESIGN**

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Lisa Padilla, an individual, dba Cityworks Design ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
2. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials,

shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.
6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons

for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
18. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents

exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City

shall be waived if not made within six (6) months after accrual of the cause of action.


31. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.
35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE


IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 8th day of June, 2021.

CITY OF REDONDO BEACH

LISA PADILLA DBA CITYWORKS DESIGN



William C. Brand, Mayor

By: 
Name: Lisa Padilla
Title: Principal

ATTEST:



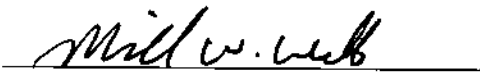
Eleanor Manzano, City Clerk

APPROVED:



Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:



Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

PROJECT DESCRIPTION

The City plans to update the existing residential design guidelines, also including accessory dwelling units (ADUs). The current guidelines were adopted by the City of Redondo Beach on October 7, 2003. The design guidelines are intended to inform the public about development opportunities within the residential zones, including both single and multi-family structures. The update shall also include the R-1A residential zone, which was not included in the original document. With the addition of ADUs and the R-1A Zone to the guidelines, the document will span the breadth of residential infill opportunities available within the City.

With this update, owners in all residential zones will have a better understanding regarding the development potential of their properties. The guidelines shall also include design examples for ADU configurations and an explanation of how to comply with streamlined standards or non-streamline standards, subject to the existing conditions of the lot. As a part of this exercise, new handout sheets shall be created for easy application of the standards. By better informing the public, ADU applicants shall have the tools to submit a successful application, thus reducing administrative review time.

The scope of services shall also include facilitating a set of meetings with community members, the Planning Commission, and other stakeholder or interest groups.

SCOPE OF SERVICES

Task 0: Project Management.

- Invoicing, progress reports, contract management over a 12-month period.

Task 1: Background and Existing Conditions.

- Kickoff meeting with City staff to confirm project goals, review relevant plans/standards, policy framework, neighborhood context, and potential prototypes. This task includes meeting prep/follow up and field visit.

Task 2: Public Engagement

- 2.1 Staff Meetings - Attend six (6) outreach coordination meetings with staff.
- 2.2 Content Development – Prepare draft and final content/powerpoint slides for six (6) "Engagement Events".
- 2.3 Engagement Events – Participate in two (2) Developer Roundtables, two (2) Public Meetings, and two (2) Planning Commission meetings.
 - Round 1 of Meetings: Introduction, goals, gather input to initial approach/changes.
 - Round 2 of Meetings: Present draft document for input before finalization.

Task 3: Develop Objective Design Guidelines

- 3.1 Workshop with staff to identify what will be kept, refined, or replaced in the current Residential Design Guidelines. Up to sixteen (16) meetings to review progress of Objective Design Guidelines.
- 3.2 Develop draft text sections. Submit to staff for two (2) rounds of review/comment: draft and draft final for presentation in Round 2 of meetings. Integrate images noted below under "Illustrations".
- 3.3 Illustrations – Develop 3D prototype sketches, cross-sections or collect and prepare photo examples to illustrate Objective Design Guidelines.
- 3.4 Adoption – Support to staff with adoption.
- 3.5 Package Document – Final Objective Design Guidelines.

EXHIBIT "B"

TERM

This Agreement shall commence on June 8, 2021 and shall continue until June 30, 2022, unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

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

1. **AMOUNT.** The total cost for the contract is \$139,955. The amount includes the complete scope of work described in Exhibit A. A fee matrix is outlined below.

		Cityworks Design				Subtotals by Task		Notes
		J. Padilla Architect & Planner 30 Sketched Sketches	M. Padilla Designer & 3D Sketches	A. Padilla Designer & 3D Sketches		Hours	Fees	
	CWD Hourly Billing Rates	\$205.00	\$84.00	\$70.00	\$120.00			
0	Invoicing, progress report, contract management (assumes 12 month effort)							Lisa will be PM
		36			6			
	Task subtotals	36	0	0	6	42	\$8,100.00	
1	Kick-off meeting to confirm project goals, review relevant plans/standards, policy framework, neighborhood context, potential prototypes; meeting prep/follow-up, field visit by LP & LB.							No products produced, just bulleted discussion notes
		24	3	12	24			
	Task subtotals	24	3	12	24	63	\$8,892.00	
2.1	Staff Meetings - Attend six (6) outreach coordination meetings with staff.							
		9	0	9	9			
2.2	Content Development - Prepare draft & final content/ppt slides for six (6) meetings listed below.							No products produced, just bulleted discussion notes
		72	96	96	48			
2.3	Engagement Events - Participate in two (2) Developer Roundtables, two (2) Public Meetings, and two (2) Planning Commission meetings. Round 1: Introduction, Goals, Gather Input to initial approach/changes. Round 2: Present draft document for input before finalization.							
		24	0	6	24			
	Task subtotals	105	96	111	81	393	\$47,879.00	
3.1	Workshop with staff to identify what will be kept, refined or replaced in current GLs. Up to sixteen (16) meetings to review progress of ODG.							
		36	0	36	36			
3.2	Develop draft text sections. Submit to staff for two (2) rounds of review/comment; draft and draft final for presentation in 2nd set of meetings. Integrate images noted below.							
		60		24	60			
3.3	Illustrations - Develop 3D prototype sketches, cross-sections or collect/prep photo examples to illustrate ODG.							
		24	60	40	8			
3.4	Adoption - Support to staff with adoption (budget placeholder)							
		24	40	40	24			
3.5	Package Document - Final ODGs (budget placeholder)							
		16	16	40	24			
	Task subtotals	160	116	180	152	608	\$73,384.00	
		325	215	303	263	1106	\$137,455.00	
						Other Direct Costs	\$2,500.00	
						TOTAL FEE	\$139,955.00	

2. **METHOD OF PAYMENT.** Consultant shall provide monthly invoices to City for approval and payment. 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.
3. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty (30) days of receipt of monthly invoices; provided, however, that payments by City shall not exceed \$139,955 and services are performed to the full satisfaction of the City. Consultant acknowledges that the payment of services is subject to a separate reimbursement agreement with a third party and that payment may be delayed due to delay in the City's receipt of reimbursement monies.
4. **NOTICE.** Written notices to City and Consultant shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Consultant

Lisa Padilla dba Cityworks Design
2275 Huntington Drive, Suite 343
San Marino, CA 91108
Attn: Lisa Padilla

City

City of Redondo Beach
Planning Division
415 Diamond Street
Redondo Beach, CA 90277

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

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

Other Insurance Provisions

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

Additional Insured Endorsement:

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

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

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

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

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

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

Acceptability of Insurers

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

Verification of Coverage

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

Subcontractors

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

Risk Management

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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/10/2021

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

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

PRODUCER Risk Strategies Company
2040 Main Street, Suite 450
Irvine, CA 92614

www.risk-strategies.com CA DOI License No. 0F06675

CONTACT NAME: Risk Strategies Company
PHONE (A/C, No, Ext): 949-242-9240
E-MAIL ADDRESS: syoung@risk-strategies.com
FAX (A/C, No):

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Sentinel Insurance Company Ltd	11000
INSURER B: Liberty Insurance Underwriters, Inc.	19917
INSURER C: Chubb National Insurance Company	10052
INSURER D:	
INSURER E:	
INSURER F:	

INSURED Lisa Padilla, dba: Cityworks Design
2275 Huntington Dr., Ste #343
San Marino CA 91108

COVERAGES

CERTIFICATE NUMBER: 61605705

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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>	72SBABB5126	8/31/2020	8/31/2021	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COM/OP AGG \$4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>	72SBABB5126	8/31/2020	8/31/2021	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	2271785177	1/11/2021	1/11/2022	<input checked="" 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	Professional Liability		AEXNYABNA6M002	6/1/2020	6/1/2022	Per Claim: \$2,000,000 Aggregate: \$2,000,000

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

Projects as on file with the insured including but not limited to Objective Residential Design Guidelines. The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers are named as additional insureds and primary/non-contributory clause applies to the general liability policy, including the non-owned and hired auto liability - see attached endorsements.

CERTIFICATE HOLDER

City of Redondo Beach
Community Development Department
415 Diamond St., Door 2
Redondo Beach CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Michael Christian

Michael Christian

BUSINESS LIABILITY COVERAGE FORM**2. Applicable To Medical Expenses Coverage**

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included with the "products-completed operations hazard".

g. Business Liability Exclusions

Excluded under Business Liability Coverage.

C. WHO IS AN INSURED**1. If you are designated in the Declarations as:**

- a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:**a. Employees And Volunteer Workers**

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

- (1)** "Bodily injury" or "personal and advertising injury":
 - (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b)** To the spouse, child, parent, brother or sister of that co-"employee" or that "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
 - (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
 - (d)** Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services, Paragraph **(d)** does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

- (a)** Owned, occupied or used by,

- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.

e. Unnamed Subsidiary

Any subsidiary and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Part.

The insurance afforded herein for any subsidiary not shown in the Declarations as a named insured does not apply to injury or damage with respect to which an insured under this insurance is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

- b. Coverage under this provision does not apply to:

- (1) "Bodily injury" or "property damage" that occurred; or

- (2) "Personal and advertising injury" arising out of an offense committed

before you acquired or formed the organization.

4. Operator Of Mobile Equipment

With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Operator of Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or

- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

6. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The person(s) or organization(s) identified in Paragraphs a. through f. below are additional insureds when you have agreed, in a written

BUSINESS LIABILITY COVERAGE FORM

contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement, or the issuance of the permit.

A person or organization is an additional insured under this provision only for that period of time required by the contract, agreement or permit.

However, no such person or organization is an additional insured under this provision if such person or organization is included as an additional insured by an endorsement issued by us and made a part of this Coverage Part, including all persons or organizations added as additional insureds under the specific additional insured coverage grants in Section F. – Optional Additional Insured Coverages.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded to the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or

- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

- (1) Any person or organization from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

c. Lessors Of Land Or Premises

- (1) Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) Any "occurrence" which takes place after you cease to lease that land or be a tenant in that premises; or
 - (b) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

- (1) Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In connection with your premises; or
 - (b) In the performance of your ongoing operations performed by you or on your behalf.
- (2) With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:
This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:
 - (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.

e. Permits Issued By State Or Political Subdivisions

- (1) Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 - (a) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
 - (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

- (1) Any other person or organization who is not an insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (a) In the performance of your ongoing operations;
 - (b) In connection with your premises owned by or rented to you; or
 - (c) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (i) The written contract or written agreement requires you to provide such coverage to such additional insured; and
 - (ii) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".
- (2) With respect to the insurance afforded to these additional insureds, this insurance does not apply to:
 "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

BUSINESS LIABILITY COVERAGE FORM

- (a) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (b) Supervisory, inspection, architectural or engineering activities.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. Aggregate Limits

The most we will pay for:

- a. Damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" is the Products-Completed Operations Aggregate Limit shown in the Declarations.
- b. Damages because of all other "bodily injury", "property damage" or "personal and advertising injury", including medical expenses, is the General Aggregate Limit shown in the Declarations.

This General Aggregate Limit applies separately to each of your "locations" owned by or rented to you.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway or right-of-way of a railroad.

This General Aggregate limit does not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of fire, lightning or explosion.

3. Each Occurrence Limit

Subject to 2.a. or 2.b. above, whichever applies, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and medical expenses arising out of any one "occurrence" is the Liability and Medical Expenses Limit shown in the Declarations.

The most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses Limit shown in the Declarations.

4. Personal And Advertising Injury Limit

Subject to 2.b. above, the most we will pay for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization is the Personal and Advertising Injury Limit shown in the Declarations.

5. Damage To Premises Rented To You Limit

The Damage To Premises Rented To You Limit is the most we will pay under Business Liability Coverage for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

6. How Limits Apply To Additional Insureds

The most we will pay on behalf of a person or organization who is an additional insured under this Coverage Part is the lesser of:

- a. The limits of insurance specified in a written contract, written agreement or permit issued by a state or political subdivision; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to the Limits of Insurance shown in the Declarations and described in this Section.

If more than one limit of insurance under this policy and any endorsements attached thereto applies to any claim or "suit", the most we will pay under this policy and the endorsements is the single highest limit of liability of all coverages applicable to such claim or "suit". However, this paragraph does not apply to the Medical Expenses limit set forth in Paragraph 3. above.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive a written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

d. Obligations At The Insured's Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insured's Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract, written agreement or permit that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

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

BUSINESS LIABILITY COVERAGE FORM

This Paragraph f. applies separately to you and any additional insured.

3. Financial Responsibility Laws

- a. When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the policy for "bodily injury" liability and "property damage" liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverage required by any motor vehicle law. We will provide the required limits for those coverages.

4. 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 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.

5. 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.

6. 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.

7. 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 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 A. – Coverages.

(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 A. – Coverages.

(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.

8. 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. OPTIONAL ADDITIONAL INSURED COVERAGES

If listed or shown as applicable in the Declarations, one or more of the following Optional Additional Insured Coverages also apply. When any of these Optional Additional Insured Coverages apply, Paragraph 6. (Additional Insureds When Required by Written Contract, Written Agreement or Permit) of Section C., Who Is An Insured, does not apply to the person or organization shown in the Declarations. These coverages are subject to the terms and conditions applicable to Business Liability Coverage in this policy, except as provided below:

1. Additional Insured - Designated Person Or Organization

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- a. In the performance of your ongoing operations; or
- b. In connection with your premises owned by or rented to you.

2. Additional Insured - Managers Or Lessors Of Premises

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Designated Person Or Organization; but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. Additional Insured - Grantor Of Franchise

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Grantor Of Franchise, but only with respect to their liability as grantor of franchise to you.

4. Additional Insured - Lessor Of Leased Equipment

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Lessor of Leased Equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after you cease to lease that equipment.

5. Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured - Owners Or Other Interests From Whom Land Has Been Leased, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and shown in the Declarations.

b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

6. Additional Insured - State Or Political Subdivision - Permits

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the state or political subdivision shown in the Declarations as an Additional

Insured – State Or Political Subdivision - Permits, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

- b. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included in the "product-completed operations" hazard.

7. Additional Insured – Vendors

- a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) (referred to below as vendor) shown in the Declarations as an Additional Insured - Vendor, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- b. The insurance afforded to the vendor is subject to the following additional exclusions:

- (1) This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

- (b) Any express warranty unauthorized by you;

- (c) Any physical or chemical change in the product made intentionally by the vendor;

- (d) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- (h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (i) The exceptions contained in Subparagraphs (d) or (f); or

- (ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- (2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

8. Additional Insured – Controlling Interest

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Controlling Interest, but only with respect to their liability arising out of:

- a. Their financial control of you; or
- b. Premises they own, maintain or control while you lease or occupy these premises.

BUSINESS LIABILITY COVERAGE FORM

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

9. Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

a. WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or organization(s) shown in the Declarations as an Additional Insured – Owner, Lessees Or Contractors, 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 for the additional insured(s); or
- (2) In connection with "your work" performed for that additional insured and included within the "products-completed operations hazard", but only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

b. With respect to the insurance afforded to these additional insureds, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (1) The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
- (2) Supervisory, inspection, architectural or engineering activities.

10. Additional Insured – Co-Owner Of Insured Premises

WHO IS AN INSURED under Section C. is amended to include as an additional insured the person(s) or Organization(s) shown in the Declarations as an Additional Insured – Co-Owner Of Insured Premises, but only with respect to their liability as co-owner of the premises shown in the Declarations.

The limits of insurance that apply to additional insureds are described in Section D. – Limits Of Insurance.

How this insurance applies when other insurance is available to an additional insured is described in the Other Insurance Condition in Section E. – Liability And Medical Expenses General Conditions.

G. LIABILITY AND MEDICAL EXPENSES DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper;

b. The Internet, but only that part of a web site that is about goods, products or services for the purposes of inducing the sale of goods, products or services; or

c. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
- b. An interactive conversation between or among persons through a computer network.

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 land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

5. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. "Coverage territory" means:

HIRED AUTO AND NON-OWNED AUTO

BUSINESS LIABILITY COVERAGE FORM

(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 as a result of the maintenance or use of a covered "auto".
4. With respect to this coverage, the following additional exclusions apply:
 - a. **Fellow employee**
Coverage does not apply to "bodily injury" to any fellow "employee" of the "insured" arising out of the operation of an "auto" owned by the "insured" in the course of the fellow "employee's" employment.
 - b. **Care, custody or control**
Coverage does not apply to "property damage" involving property owned or transported by the "insured" or in the "insured's" care, custody or control.
- C. With respect to "hired auto" and "non-owned auto" coverage, Paragraph C. **WHO IS AN INSURED** is deleted and replaced by the following:
The following are "insureds":
 - a. You.
 - b. Your "employee" while using with your permission:
 - (1) An "auto" you hire or borrow; or
 - (2) An "auto" you don't own, hire or borrow in your business or personal affairs; or
 - (3) An "auto" hired or rented by your "employee" on your behalf and at your direction.
 - c. Anyone else while using a "hired auto" or "non-owned auto" with your permission except:
 - (1) The owner or anyone else from whom you hire or borrow an "auto".
 - (2) Someone using an auto while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (3) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
 - (4) A partner (if you are a partnership), or a member (if you are a limited liability company) for an "auto" owned by him or her or a member of his or her household.
 - d. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.
- D. With respect to the operation of a "hired auto" and "non-owned auto", the following additional conditions apply:
 1. **OTHER INSURANCE**
 - a. Except for any liability assumed under an "insured contract" the insurance provided by this Coverage Form is excess over any other collectible insurance.
However, if your business is the selling, servicing, repairing, parking or storage of "autos", the insurance provided by this endorsement is primary when covered "bodily injury" or "property damage" arises out of the operation of a customer's "auto" by you or your "employee".
 - b. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.
 2. **TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US**
If the Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.
- E. The following definitions are added:
 - G. **LIABILITY AND MEDICAL EXPENSES DEFINITIONS:**
 1. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your "employees", your partners (if you are a partnership), members (if you are a limited liability company),

or your "executive officers" or members of their households.

This does not include a long-term leased "auto" that you insure as an owned "auto" under any other auto liability insurance policy or a temporary substitute for an "auto" you own that is out of service because of its breakdown, repair, servicing or destruction.

2. "Non-owned auto " means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes:
 - a. "Autos" owned by your "employees" your partners (if you are a partnership), members (if you are a limited liability company), or your "executive officers", or members of their households, but only while used in your business or your personal affairs.
 - b. Customer's "auto" that is in your care, custody or control for service.



Administrative Report

H.12., File # 22-4814

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH VERONICA TAM AND ASSOCIATES, INC. FOR SERVICES RELATED TO THE 6TH CYCLE HOUSING ELEMENT UPDATE AND PREPARATION OF AN INCLUSIONARY HOUSING ORDINANCE FOR AN ADDITIONAL AMOUNT OF \$1,500 FOR A NEW NOT TO EXCEED AMOUNT OF \$173,890 AND TO EXTEND THE TERM THROUGH MARCH 31, 2023

EXECUTIVE SUMMARY

Veronica Tam and Associates, Inc. (VTA) is assisting with the City's 6th Cycle Housing Element Update and preparation of the Inclusionary Housing Ordinance. A second amendment to the Agreement is required to cover costs for additional work due to revisions to the Draft Housing Element required by the California Department of Housing and Community Development (HCD). Work on required revisions to the Draft Housing Element has delayed progress on drafting of the Inclusionary Housing Ordinance. This Amendment will extend the term of the agreement through March 31, 2023 to allow for completion of the ordinance.

BACKGROUND

On October 20, 2020, the City Council approved a contract with VTA to begin work on the 6th Cycle Housing Element update and Inclusionary Housing Ordinance. VTA has substantial experience in assisting municipalities in preparing Housing Element Updates and in preparing Inclusionary Housing Ordinances. Subconsultants for the contract include Environmental Science Associates (ESA), to prepare the CEQA analysis for the Housing Element, and Keyser Marston Associates (KMA), to conduct the financial evaluation for the Inclusionary Housing Ordinance. Both firms have extensive experience in their respective fields, and the City has utilized ESA to conduct CEQA processes in the past.

VTA completed initial work on the Housing Element, which was adopted by City Council on October 5, 2021, and then submitted it to the California Department of Housing and Community Development (HCD) for certification. HCD issued comments on January 5, 2022. Council provided direction to respond. Staff worked with VTA to prepare a revised Housing Element, which was adopted by City Council on February 8, 2022.

On April 12, 2022, HCD provided an additional comment letter, requiring more revisions to the Housing Element. The timeline for completing the Housing Element work extended beyond the initial term of the contract. On June 7, 2022, the City Council approved the first contract amendment to

increase the amount by \$10,440 and extend the term through December 31, 2022.

The additional revisions to the Housing Element were completed, and it was approved by City Council on July 5, 2022. On September 1, 2022, HCD issued a letter certifying the Housing Element. Final invoicing for all services related to the Housing Element revisions resulted in an overage of \$1,500 from the amount approved in the first amendment.

Now that work on the Housing Element is complete, focus will shift to completion of the Inclusionary Housing Ordinance.

The second amendment will cover the full cost of the Housing Element services and extend the time needed to complete the Inclusionary Housing Ordinance.

COORDINATION

Preparation of the contract amendment was coordinated with the City Attorney's Office.

FISCAL IMPACT

Funding for the original contract amount of \$161,950 was provided by the SB2 Grant Award for completion of the Housing Element Update (\$106,700) and from the General Plan Maintenance Fund for the Inclusionary Housing Ordinance work (\$55,250).

The additional \$10,440 approved in the first amendment was funded by the General Plan Maintenance Fund.

Funding for the additional \$1,500 in the second amendment will also be paid from the General Plan Maintenance Fund.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Second Amendment Veronica Tam & Associates, Inc.
- Agmt - First Amendment Veronica Tam & Associates, Inc., June 7, 2022
- Agmt - Original Contract Veronica Tam & Associates, Inc., October 20, 2020

**SECOND AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND VERONICA TAM & ASSOCIATES, INC.**

This Second Amendment to the Agreement for Consulting Services ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Veronica Tam & Associates, Inc., a California S Corporation ("Consultant" or "Contractor").

WHEREAS, on October 20, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on June 7, 2022, the parties entered into a First Amendment ("First Amendment") to the Agreement and extended the term to December 31 2022, and increased the compensation by \$10,440; and

WHEREAS, the parties desire to again extend the term of the Agreement and increase the compensation.

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

1. Term. Exhibit "B" of the Agreement is hereby amended to extend the term until March 31, 2023, unless terminated earlier pursuant to the terms of the Agreement.
2. Compensation. Exhibit "C" of the Agreement is hereby amended to add an additional compensation amount of \$1,500 for additional analysis and document revisions based on comments from the CA Department of Housing and Community Development (HCD).
3. No Other Amendments. The Agreement, the First Amendment and this Second Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, the First Amendment and this Second Amendment, the terms of this Second Amendment shall govern.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

VERONICA TAM & ASSOCIATES, INC.
a California S Corporation

William C. Brand, Mayor

By: _____
Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

Eleanor Manzano, City Clerk

Michael W. Webb, City Attorney

APPROVED:

Diane Strickfaden, Risk Manger

**FIRST AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND VERONICA TAM & ASSOCIATES, INC.**

This First Amendment to the Agreement for Consulting Services ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Veronica Tam & Associates, Inc., a California S Corporation ("Consultant" or "Contractor").

WHEREAS, on October 20, 2020, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, the parties desire to extend the term of the Agreement and increase the compensation.

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

1. Term. Exhibit "B" of the Agreement is hereby amended to extend the term until December 31, 2022, unless terminated earlier pursuant to the terms of the Agreement.
2. Compensation. Exhibit "C" of the Agreement is hereby amended to add an additional compensation amount of \$10,440.

	Tam	Power	GIS	
Budget Amendment – Hourly Rates	\$180	\$120	\$130	
Revisions Made Post Adoption	16 hr	12 hr	8 hr	\$5,360
Additional HE and Sites Inventory Revision Anticipated	8 hr	8 hr	4 hr	\$2,920
Continued HCD/Staff Coordination	4 hr	0 hr	0 hr	\$720
Hearings (if necessary)	8 hr	0 hr	0 hr	\$1,440
<hr/>				
Total	36	20	12	\$10,440

3. No Other Amendments. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 7th day of June, 2022.


CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:

E6413C7231DF4E1...

William C. Brand, Mayor

VERONICA TAM & ASSOCIATES, INC.
a California S Corporation

DocuSigned by:

3ED8E50E8A004B1...
By: Veronica Tam
Name: Veronica Tam
Title: Principal

DocuSigned by:

ABED8CF35EEF48C...
Diane Strickfaden
Risk Manager


ATTEST:

DocuSigned by:

72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

DocuSigned by:

669049EDE03D402...

Michael W. Webb, City Attorney



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/27/2022

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

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

PRODUCER (HD) Heffernan Insurance Brokers 1350 Carback Avenue Walnut Creek CA 94596	CONTACT NAME: Cora Lim PHONE (A/C, No, Ext): 925-934-8500 E-MAIL: coral@HeffINS.com ADDRESS:														
INSURED Veronica Tam & Associates, INC. 107 South Fair Oaks Avenue; Suites 212 & 226 Pasadena CA 91105	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A: Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER B: American Casualty Company of Reading,</td> <td>20427</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Continental Casualty Company	20443	INSURER B: American Casualty Company of Reading,	20427	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES **CERTIFICATE NUMBER:** 1384873465 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			B7013623461	11/16/2021	11/16/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			B7013623461	11/16/2021	11/16/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N <input type="checkbox"/>	N / A	WC430813948	7/1/2021	7/1/2022	<input checked="" 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
A	PROFESSIONAL LIABILITY			MCH276199824	11/16/2020	11/16/2022	PER CLAIM \$ 1,000,000 AGGREGATE \$ 2,000,000

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

CERTIFICATE HOLDER

CANCELLATION

City of Redondo Beach
 415 Diamond St. Door 2
 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

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**AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND VERONICA TAM & ASSOCIATES, INC.**

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Veronica Tam & Associates, a California S corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
2. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of

Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.

4. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.
5. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
6. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
7. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
8. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make

copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

9. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.
10. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
11. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the

deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

- b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
12. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
13. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
14. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
15. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

16. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant

shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

17. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.
18. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
19. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
20. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
21. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
22. Time of Essence. Time is of the essence of this Agreement.
23. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
24. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
25. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

26. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
27. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
28. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
29. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
30. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
31. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.
32. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 20th day of October, 2020.

CITY OF REDONDO BEACH

DocuSigned by:
William C. Brand
E6413C7231DF4E1...

William C. Brand, Mayor

VERONICA TAM & ASSOCIATES, INC.
A CALIFORNIA S CORPORATION

DocuSigned by:
Veronica Tam
3ED8E50E8A004B1...

By:
Name: Veronica Tam
Title: Principal

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Risk Manager Diane Strickfaden

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

Consultant shall perform the following duties:

TASK 1 – PROJECT ADMINISTRATION AND COORDINATION

Veronica Tam & Associates (VTA) shall work with City staff and coordinate with the General Plan consultant as necessary to achieve Housing Element adoption on time (by October 15, 2021 or within the 120-day grace period, which will likely be utilized). Regular progress updates with City staff shall occur. These meetings shall be conducted via audio/video conferencing.

TASK 2 – HOUSING ELEMENT ASSESSMENT

Task 2.1 – Evaluation of the 2013-2021 Housing Element

As an initial task to the Housing Element update, VTA shall review and evaluate the City's progress in implementing the programs in the City 2017 Midterm Review of the 2013-2021 Housing Element and recommend changes in programs and objectives needed. The City's 2019 Housing Element Annual Progress Report (APR) is a good starting point for this evaluation.

Task 2.2 – Needs Analysis

The Housing Needs Assessment shall contain the following topics to satisfy Government Code Section 65583(a) requirements:

- Demographics, income, and employment trends;
- Household characteristics;
- Housing stock characteristics;
- At-risk housing analysis; analysis of special housing needs; and
- Affirmatively furthering fair housing analysis.

Most recently, HCD released a Technical Memo for AB 686 (Affirmatively Furthering Fair Housing). VTA shall consult this memo and HCD staff to ensure this new requirement is adequately addressed in the Housing Element update.

Task 2.3 – Sites Inventory and Analysis

The 6th Cycle RHNA is significant for the entire region. The City's draft RHNA is 2,483 units, doubled the City's 5th cycle RHNA. This Housing Element update would require significant efforts to identify additional sites with sufficient capacity for the increased RHNA, taking into considerations the adequate sites requirements under new Housing Element laws (SB 166, AB 1397, etc.). Specifically, HCD recommends a 20 percent buffer to accommodate the No Net Loss requirements.

VTA shall begin with the City's 2017 Housing Element Midterm Review sites inventory and remove parcels that are no longer available for development due to recent development/improvements or change in circumstance. VTA shall then identify additional sites to meet the RHNA. Identification of adequate sites for the RHNA require coordination with the General Plan consultant. The proposed Land Use Policy for the General Plan update may need to be adjusted in order to provide adequate sites for the RHNA.

Task 2.4 – Housing Constraints and Opportunities

VTA shall identify potential governmental and non-governmental constraints to housing production, including environmental and infrastructural constraints. This analysis must contain a review of factors that may potentially constrain the development, improvement, and preservation of housing in Redondo Beach. Factors to be reviewed include market, governmental, environmental, and infrastructural constraints. With the anticipated need to designate additional capacity for residential uses, the impacts of Measure DD would have to be analyzed as a potential constraint.

New Housing Element laws require the assessment of non-governmental constraints, including NIMBYism, lending practices, shortage of labor, and other economic factors.

In addition to the sites inventory, VTA shall also discuss other resources such as funding available and partnership opportunities, as well as opportunities for energy conservation.

Task 2.5 – Housing Implementation Plan

Based upon the analyses and research conducted in the previous tasks, VTA shall update the Housing Element. For each program included in the Housing Element, VTA shall establish the timeframe for implementation, specific objectives, funding sources, and responsible agencies. The programs shall satisfy requirements of Government Code Sections 65583(b) and (c). Several new programs are mandated:

- Program to incentivize Accessory Dwelling Units
- Program to address impediments to fair housing

TASK 3 – COMMUNITY PARTICIPATION (4 MEETINGS)

During the development of the Housing Element, the City is required to conduct outreach for community participation. The Housing Element shall summarize outreach activities and public participation efforts conducted as part of the General Plan Update that are relevant to the Housing Element. In addition, the budget and scope include the following:

- GPAC (1 Meeting) – To discuss with GPAC members regarding the Land Use Alternative and the need for adequate capacity for the RHNA
- Planning Commission and City Council (3 Meetings)
 - Housing Element Kickoff (2 Meetings) - To discuss the Housing Element update, new requirements, and potential challenges for the Redondo Beach Housing Element before the Planning Commission and City Council. Agencies and organizations serving low and moderate income residents and special needs groups, developers, and community stakeholders will be invited to these meetings.
 - Review of Draft Housing Element (1 Meeting) – To review the Draft Housing Element with the Planning Commission prior to submittal to HCD for review

Agencies and organizations serving low and moderate income residents and special needs groups, developers, and community stakeholders will be invited to these public meetings.

TASK 4 – REVIEW AND APPROVAL OF HOUSING ELEMENT AMENDMENT

Task 4.1 – Staff Review of Draft Housing Element

With the analyses conducted in the previous tasks, VTA shall comprehensively update the City's 2017 Midterm Review Housing Element for the 2021-2029 cycle. A Screendraft Housing Element shall be prepared for staff review.

Task 4.2 – Public Review Draft Housing Element

VTA shall revise the Screendraft Housing Element, responding to staff comments to formulate the Public Review Draft. VTA recommends presenting this Draft Housing Element to the Planning Commission prior to submitting for HCD review (see Task 3). VTA shall revise the Public Review Draft Housing Element to reflect any changes desired by the Planning Commission and respond to public comments.

Task 4.3 – HCD Submittal and Review

HCD review of the Draft Housing Element is mandatory. During the review, VTA shall work to address all HCD comments. VTA shall communicate with HCD and facilitate review of the revisions via revised pages. All revisions made to the Draft Housing Element shall be shown as tracked changes. The goal is to secure a Finding of Substantial Compliance on the Draft Element before proceeding to adoption. This way, final certification would be contingent upon adopting the Housing Element as revised and reviewed by HCD, and the City would avoid adopting a Housing Element that does not completely meet HCD requirements and needing to repeat the review and adoption process again.

Task 4.4 – Adoption Public Hearings (2)

Upon completion of HCD review, VTA shall conduct two public hearings one before the Planning Commission and one before the City Council for the adoption of the Housing Element.

Task 4.5 – Final Housing Element and State Certification

After the City Council adoption hearing, VTA shall package a Final Adopted Housing Element, along with the signed resolution, and send to HCD for its final 90-day review. VTA shall follow through with assisting the City in achieving State certification of the Housing Element.

TASK 5 – CEQA CLEARANCE

The Housing Element shall proceed before the General Plan Update. However, all redesignation of sites shall occur as part of the General Plan Update. Therefore, it is assumed the Housing Element shall be able to obtain CEQA clearance via a Negative Declaration or Mitigated Negative Declaration.

VTA will subcontract the CEQA services through ESA. ESA shall provide the following CEQA services for a not to exceed amount of \$18,290:

Scope of Work ESA – CEQA Clearance

ESA anticipates that an Initial Study/(M)ND shall be adequate to provide for CEQA clearance of the Project. While not expected, should it be determined that the Project's potential environmental effects could be significant and cannot be reduced to less than significant levels, and thus potentially require the preparation of an EIR, ESA shall immediately notify the Veronica Tam & Associates and the City (Project Team).

In accordance with CEQA requirements, ESA shall complete the environmental review process for the Project through preparation of an IS/(M)ND with the City of Redondo

Beach as the Lead Agency. The following tasks are required for the timely completion of the environmental review process:

Task 5.1 – Collect Data/Prepare Project Description

ESA shall attend a kickoff meeting with City staff and the Project Team prior to commencing work on the environmental document. Subjects for review and discussion at the meeting shall include, but not be limited to:

- finalize project description details;
- identify any prior environmental documentation that may be relevant to the Housing Element Update;
- identify project databases, sources of information, and key contacts; and
- identify key issues known to be of concern to agencies, interest groups, and the public.

It is assumed that the City shall provide any site-specific studies prepared to date, exhibits, project description details, and materials for development of the environmental document at the kick-off meeting. If additional data is required, ESA shall submit a memo detailing data needs to the City with recommendations on how best to fill them.

ESA shall prepare a draft (M)ND Project Description, with input from the Team, for City review, which shall include: a project location map; a description of the regional and local setting; the housing element history; planning context; population and housing characteristics and trends; and opportunity sites, if any. ESA assumes the necessary amendments shall be included as part of the City's General Plan Update that is currently underway. The Project Description shall be used as the basis for preparing the City's Initial Study Checklist, which is described below. Upon receipt of the City's consolidated comments, ESA shall make necessary changes to the Project Description and submit for the City's final review and approval.

Deliverables:

- Data Needs Memorandum, if needed (electronic submittal)
- Draft and Final Project Description to City for review and approval (electronic submittal)

Task 5.2 – Prepare Initial Study/(M)ND Package

The documentation necessary for completion of the Initial Study/(M)ND shall consist of the City's Initial Study Checklist form accompanied by an Explanation of Checklist Determinations and the Project Description cited above. The Initial Study Checklist is comprised of a number of technical questions under 19 issue areas, each of which must be addressed with supporting data, evidence, and logic based analysis. The Explanation of Checklist Determinations shall substantiate why each of the environmental issues included within the Initial Study Checklist shall not result in significant and unavoidable impacts to the environment. Given the nature of the Housing Element Update, it is anticipated that most issue areas would result in less than significant or no impacts as the Housing Element Update shall lay the groundwork for the City to provide the housing necessary to comply with the RHNA allocation, thereby increasing the housing stock as required. While ESA does not anticipate the need for extensive analysis of environmental issues in light of the nature of the Project, sufficient analysis based on information received in Task 1 shall be provided to satisfy the requirements of CEQA. The following CEQA issue areas would be discussed in the IS/(M)ND:

Aesthetics: ESA shall discuss the visual character of the City and the potential visual and aesthetics impacts to surrounding land uses as a result of implementation of the Housing Element Update.

Agricultural and Forestry Resources: There are currently no agriculture or forest resources in the City. Thus, it is anticipated that this analysis of this environmental topic would not result in impacts.

Air Quality: The air quality impact analysis shall include a general discussion of potential temporary, short-term (i.e., construction) air pollutant effects. ESA shall discuss short-term emissions attributable to development anticipated under the housing element and quantitatively assess the proposed project. Projected construction emissions shall be discussed based on construction data (e.g., assumed duration of construction, amount of land to be disturbed/graded, typical types of equipment to be used) for the proposed housing sites. Longterm (i.e., operational) air pollutant emissions, including stationary, area, and mobile source emissions shall be assessed. Regional mobile source emissions shall be estimated based on trip generation data from the transportation analysis. With respect to GHG emissions associated with future development under the housing element, ESA shall evaluate consistency with applicable strategies to reduce GHG emissions.

Biological Resources: The City of Redondo Beach is primarily developed. Given that development would likely occur in already urban areas, it is unlikely that there would be significant impacts associated with this topic. Nevertheless, the IS/MND shall consider the Housing Element Update's impact on biological resources, including direct and indirect impacts that could arise and identify appropriate mitigation, if necessary.

Cultural Resources: ESA shall identify and evaluate the potential impacts to cultural resources associated with the Housing Element Update and identify appropriate mitigation measures, if necessary. ESA shall rely in part on information provided in any previous studies done within the City of Redondo Beach to evaluate the cultural context. In addition, ESA shall conduct a cultural resources investigation to assess potential impacts to cultural resources associated with opportunity sites, if such are identified. A desktop geoarchaeological review to assess subsurface sensitivity for archaeological resources shall be conducted. Historic architectural resources shall be identified through a record search and any other available information. The results of the archaeological records search, geoarchaeological review, and historic database review shall be summarized in the IS/(M)ND. ESA shall further request a Sacred Lands File search from the Native American Heritage Commission (NAHC) to determine if any Native American traditional/cultural sites are located within the City. In consultation with the City, ESA shall prepare SB 18 and AB 52 letters in anticipation of a General Plan amendment and the preparation of a CEQA document, respectively. ESA assumes no cultural resources survey shall be conducted. ESA also assumes the City shall not require tribal assistance beyond the preparation of the letters.

Energy: ESA shall consider the increase in energy resources associated with the implementation of the Housing Element Update. This analysis shall consider the potential for any significant direct, indirect, and cumulative energy impacts, and associated mitigation measures. The section shall be closely coordinated with the

Project Description and GHG analysis to ensure the project and associated environmental effects are consistently characterized.

Geology and Soils: ESA shall conduct analyses of the potential impacts associated with geology and soils based on available public information, information in the General Plan, and any information provided by the City. In addition, with regard to paleontological resources, which are analyzed under the geology and soils topic, ESA shall conduct background research on the project area. ESA shall also discuss the potential impacts to paleontological resources and provide any necessary mitigation.

Greenhouse Gas Emissions: As discussed above under the Air Quality topic, ESA shall evaluate potential GHG impacts associated with the implementation of the Housing Element Update including the potential for any significant direct, indirect, and cumulative impacts. The section shall be closely coordinated with the Project Description and Air Quality analysis to ensure the Housing Element Update and associated environmental effects are consistently characterized.

Hazards and Hazardous Materials: ESA shall evaluate the potential for hazards and hazardous materials impacts associated with the implementation of the Housing Element Update, and identify mitigation measures, if necessary. ESA shall rely in part on information provided in any previous studies done within the City of Redondo Beach as well as other available information to evaluate the potential for hazards and hazardous materials.

Hydrology and Water Quality: ESA shall evaluate whether the implementation of the Housing Element Update would result in any direct or indirect physical changes to the environment as it relates to hydrology and water quality and whether the Housing Element Update would change programs or policies related to hydrology or water quality.

Land Use and Planning: The analysis of land use impacts shall evaluate the Housing Element Update's consistency with existing land use plans and zoning. This section shall discuss the existing land use and planning setting and the potential for environmental impacts associated with the Housing Element Update and identify mitigation measures, where appropriate. Any amendment needed to implement the Housing Element Update shall be evaluated through the General Plan Update process.

Mineral Resources: ESA shall describe that the Housing Element Update would not result in direct or indirect physical changes to the environment that would affect mineral resources.

Noise: ESA shall prepare a noise analysis that shall describe the noise impacts resulting from construction and on-site noise levels associated with existing and future traffic on local roadways. ESA shall rely on long-term noise data in the General Plan to the extent possible. The impacts of the project's noise and vibration levels shall be determined relative to the City's applicable noise level criteria in its Noise Control Ordinance and General Plan Noise Element.

Population and Housing: The Housing Element Update shall include programs to increase housing development within the City of Redondo Beach and, as a result, it is anticipated that this Update would increase population. ESA shall evaluate the potential

for the Housing Element Update to directly or indirectly induce population, housing, and employment growth within the City. The evaluation shall identify the existing population, housing, and employment conditions with reliance on the General Plan, other City sources, Census 2010 data, and associated projections for population, housing, and employment, including those provided by SCAG and evaluate the Housing Element Update's effects relative to projected population, housing, and employment to determine any conflicts related to growth, particularly those that would translate to significant physical impacts on the environment.

Public Services/Recreation: The Housing Element Update would include proposed programs that would increase population growth and demand for public services, including fire protection, police protection, schools, parks/recreation, and other public facilities such as libraries, in the City of Redondo Beach. ESA shall evaluate whether implementation of the of the Housing Element Update would result in any direct or indirect physical changes to the environment that would affect public services.

Transportation and Circulation: The Housing Element Update has the potential to increase population growth and the use of transportation services. While CEQA section 15064.3 requires an evaluation of Vehicle Miles Traveled (VMT), this analysis is required for development projects and transportation projects, and the adoption of the Housing Element Update would not be considered as either a development or transportation project. Thus, the evaluation shall consider consistency with applicable programs, plans, ordinances, or policies addressing the circulation system and whether the Housing Element Update would result in an increase in hazards or impacts to emergency access.

Tribal Cultural Resources: While AB 52 is the responsibility of the lead CEQA agency, ESA shall assist the City in preparing AB 52 letters. ESA assumes that the City shall conduct consultation with tribal representatives who have requested notification of projects within the City pursuant to California Public Resources Code Section 21080.3.1 (Assembly Bill 52). ESA shall document the results of the City's consultation in the Tribal Cultural Resources discussions. ESA is available to assist with consultation if so requested by the City under a separate scope and cost.

Utilities and Service Systems: The Housing Element Update would include proposed programs that would increase population growth and demand for utilities and services systems, including water, wastewater, stormwater drainage, electric power, natural gas, telecommunication systems, and solid waste, in the City of Redondo Beach. ESA shall evaluate whether implementation of the of the Housing Element Update would result in any direct or indirect physical changes to the environment as it related to utilities and service systems.

Wildfire: The City of Redondo Beach is not located within a California Department of Forestry and Fire Protection (CAL FIRE-defined Fire Hazard Severity Zone) Very High Fire Hazard Severity Zone. ESA shall evaluate whether the implementation of the Housing Element Update would result in any direct or indirect physical changes to the environment as it relates to wildfire.

Upon completion of the Initial Study/(M)ND, ESA shall submit the document to the City for review. ESA shall incorporate revisions to the document based on the single set of consolidated City comments. Upon incorporation of City revisions, ESA shall prepare a proof-check of the Initial Study/(M)ND package for City review. Upon finalization of the

Initial Study/(M)ND package, ESA shall provide a public review Draft (M)ND for City use. The City or ESA shall prepare and circulate the Notice of Intent to Adopt an (M)ND to Responsible Agencies, trustee agencies, other interested parties and the County Clerk as mandated by CEQA. In addition, ESA assumes the City shall arrange for publication of the notice in a newspaper of general circulation pursuant to CEQA Guidelines Section 15072(b)(1). It is assumed that posting of the NOC would be provided at City Hall and/or on the City Website, and would be posted by the City. This scope of work assumes ESA shall be responsible for the distribution of the IS/MND to the State Clearinghouse, agencies, interested organizations, and selected public libraries. This notice shall start the 30-day review period for the proposed (M)ND.

Deliverables:

- Draft Initial Study/(M)ND for City review (1 electronic copy)
- Proof-Check Draft Initial Study /(M)ND for City Review (1 electronic copy)
- Public Review Draft MND (1 electronic copy)

Task 5.3 – Prepare Final Initial Study/(M)ND

Upon completion of the public review period mandated by CEQA, ESA shall respond to comments on the IS/(M)ND and shall revise the document if necessary. The Responses to Comments shall be included in the Final MND, or as a standalone document. Public reaction to the IS/(M)ND cannot be predicted with accuracy and could range from a small number of largely positive comments to a substantial number of technical and/or strongly negative comments. In light of the fact that the City shall have involved the public during the preparation of the Housing Element Update, it is assumed that comments on the environmental document shall be light. If the Housing Element Update is approved and the IS/(M)ND is adopted, ESA shall prepare a Notice of Determination (NOD) consistent with Appendix D of the State CEQA Guidelines or in a format typically used by the City. Upon approval, ESA shall file the notice with the County Clerk within 5 working days. It is assumed that the City will provide any necessary filing fees. Filing of the NOD starts a 30-day statute of limitations for CEQA challenges on the Housing Element Update. ESA shall attend up to two (2) public hearings regarding the IS/(M)ND during the process.

Deliverables:

- Draft - Final MND for City review (1 electronic copy)
- Proof-Check – Final MND for City Review (1 electronic copy)
- Final MND (1 electronic copy)
- Notice of Determination

Cost – CEQA Clearance

Summary of Proposed Fees for IS/(M)ND

Task	Task Description	Fees	
		ND	MND
1	Collect Data/Prepare Project Description	\$3,010	\$3,010
2	Prepare Initial Study/MND Package	\$9,050	\$11,270
3	Prepare Final MND	\$2,780	\$3,010
	Subtotal ESA Labor	\$14,840	17,290
	Subtotal Direct Expenses	\$1,000	\$1,000
	TOTAL COST ESTIMATE	\$15,840	\$18,290

TASK 6 – INCLUSIONARY HOUSING ORDINANCE

Task 6.1 – Financial Feasibility Study

VTa will subcontract the Inclusionary Housing duties to Keyser Marston Associates (KMA). KMA shall conduct a feasibility study to test various parameters for the program, such as:

Ownership versus rental units

- Housing unit type
- Project size threshold
- Percent of requirement
- Income distribution of required affordable units

The KMA study shall also include a summary of recently adopted inclusionary housing programs in the State and compare the various parameters used in these programs. The cost for the KMA analysis shall be \$39,200 and cover the following scope:

Scope of Work KMA – Inclusionary Housing Financial Feasibility Study

The purpose of the KMA analysis shall be to evaluate the financial feasibility of imposing inclusionary housing requirements on the following types of new residential development within Redondo Beach:

1. Single family homes;
2. Condominiums; and
3. Apartment projects.

For analysis purposes, KMA shall create prototype developments for each of the three identified housing types. These prototypes shall be developed in consultation with the City staff, and they shall be representative of project types currently being developed in Redondo Beach.

The foundation of the Financial Evaluation shall be a market analysis, affordability gap analyses, and the use of KMA's proprietary pro forma models. KMA shall also review the City's anticipated Regional Housing Needs Assessment (RHNA) targets to gain an

understanding of the existing unmet need for affordable housing at varying income levels. The RHNA information and the results of financial feasibility testing will inform the recommendations regarding the percentage of affordable housing and the depth of affordability to be included in an inclusionary housing program.

The Financial Evaluation shall include be used to assist in recommending the following inclusionary housing program characteristics:

1. The threshold project size that will trigger the inclusionary requirements;
2. The percentage of affordable units that will be required to be provided;
3. The income and affordability restrictions that will be imposed;
4. The comparability standards that will be imposed on inclusionary units;
5. The treatment of inclusionary requirements that result in fractional units;
6. The supportable in-lieu fee payment amounts given the affordability gaps associated with the prototype residential types being evaluated;
7. Off-site alternatives to developing the inclusionary units on site within a market-rate project; and
8. Identification of project types that may be exempt from the inclusionary housing requirements.

In addition, KMA shall conduct a comparative analysis of the salient characteristics of other inclusionary housing policies and undertake a survey of the programs adopted throughout California. The purpose of the comparative analysis is to identify characteristics of inclusionary housing programs that are typically imposed. The results shall be used by KMA to identify the best practices being employed. This information shall provide context for the inclusionary housing program parameters to be recommended to the City.

DELIVERABLE PRODUCTS

FINANCIAL EVALUATION

As part of the Financial Evaluation, KMA proposes to deliver the following work products to the City:

1. The major assumptions to be applied in the pro forma analyses shall be identified.
2. A draft report shall be prepared that shall be supported by tables, data and other materials relevant to the analysis.

INCLUSIONARY POLICY RECOMMENDATIONS

KMA proposes to set forth policy recommendations that shall be based on the results of the Financial Evaluation, and the following other sources of information:

1. The City's zoning documents, including the anticipated RHNA targets;
2. The City's affordable housing planning documents;
3. Community input;
4. The best practices identified in the survey of existing inclusionary housing programs; and

5. Ongoing discussions with City staff.

The policy recommendations memorandum shall be organized as follows:

1. The findings of the Financial Evaluation shall be summarized.
2. The components of the recommended policies shall be identified. The following policy recommendations for ownership and rental housing development shall be included:
 - a. The financially feasible income targeting to be imposed;
 - b. The percentage of housing units that should be set aside as inclusionary housing units;
 - c. The alternatives to on-site inclusionary housing development that should be allowed by right and those that should require approval by the City Council;
 - d. The role that the California Government Code Section 65915 – 65918 density bonus should play in establishing income and affordability requirements for the City's inclusionary housing program; and
 - e. The implementation and administrative tools that should be created by the City after an inclusionary housing program is adopted.
3. The recommendations implementation package shall be described.
4. Case studies shall be presented that compare the inclusionary housing options that could potentially be applied to hypothetical projects.

PROPOSED TIMING/BUDGET

KMA proposes to complete the draft Financial Evaluation report and Policy Recommendations memorandum within eight weeks of receiving authorization from the City to proceed and the necessary background data from the City. In the following table KMA has provided an estimated fee for each task included in this proposal.

Task	Budget
Inclusionary Housing: Financial Analysis Report	\$27,400
Policy Recommendations Memorandum	\$9,000
Meetings/Presentations	\$2,800
Total	\$39,200

The fee for the individual tasks may vary from these estimates, but the total budget shall not be altered unless the work scope is expanded beyond the parameters identified in

this proposal. The preceding budget includes up to 10 hours of in-person/virtual meeting time with City staff, Planning Commission and City Council.

It is important to note that if the scope of services changes materially, and/or the in-person/virtual meeting time requested by the City exceeds 10 hours, the budget will need to be adjusted accordingly. If once the project has started, KMA believes that the budget could be exceeded, KMA will contact the City immediately for further direction.

Task 6.2 – Public Meetings (5)

VTA has included up to five meetings to discuss the inclusionary housing program with the Planning Commission and City Council:

- Introductory meeting – inclusionary housing program basics, including process and parameters for consideration, and relationship with the Housing Element and RHNA
- Parameters setting – discussions to establish basic parameters for KMA to test feasibility
- Recommendation – KMA to report on findings of study and recommend parameters for City ordinance
- Public hearings (2) – for adoption of ordinance

Task 6.3 – Ordinance Preparation

Based on Council direction (after completion of KMA study), VTA shall draft the Inclusionary Housing Ordinance for the City. Two rounds of revision are anticipated to address staff comments. The budget and scope do not include legal review the Draft Ordinance.

It is assumed that the City may claim exemption status under CEQA for the Inclusionary Housing Ordinance. Therefore, the scope and budget do not include CEQA documentation for the Ordinance.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

Term. This Agreement shall commence on October 20, 2020 and shall continue until June 30, 2022, unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

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

1. Amount. The total cost for services contained herein shall not exceed \$161,950, and shall include the following:
 - a. Housing Element Preparation - \$88,410
 - b. CEQA for Housing Element - ESA - \$18,290
 - c. Inclusionary Housing Ordinance - \$55,250
 - KMA - \$39,200
 - VTA - \$16,050

	Task	Tam \$ 170	Planners \$ 110	Plnrs/ GIS \$ 100	Other	VTA Total
Task 1:	Project Administration and Coordination					
	Project Administration and Coordination	40	20			\$ 9,000
Task 2:	Housing Element Assessment					
Task 2.1:	Evaluation of the 2013-2021 Housing Element	4	16			\$ 2,440
Task 2.2:	Needs Analysis	16	60	8		\$ 10,120
Task 2.3:	Sites Inventory and Analysis	40	60	20		\$ 15,400
Task 2.4:	Housing Constraints and Opportunities	24	60	4		\$ 11,080
Task 2.5:	Implementation Program	8	12			\$ 2,680
Task 3:	Community Participation (4 Meetings)					
	GPAC (1 Meeting)	8	12			\$ 2,680
	Planning Commission and City Council (3 Meetings)	24	24	6	\$ 500	\$ 7,820
Task 4:	Review and Approval of HE Amendment					
Task 4.1:	Staff Review Draft Housing Element	16	40	8		\$ 7,920
Task 4.2:	Public Review Draft Housing Element	8	20			\$ 3,560
Task 4.3:	HCD Submittal and Review	40	40	8		\$ 12,000
Task 4.4:	Adoption Public Hearings (2 meetings)	12	8		\$ 100	\$ 3,020
Task 4.5:	Final Housing Element and State Certification		4	2	\$ 50	\$ 690
	Total Housing Element	240	376	56	\$ 650	\$ 88,410
Task 5:	CEQA Clearance					
	ESA - ND/MND					\$ 18,290
Task 6:	Inclusionary Housing Ordinance					
Task 6.1:	KMA - Financial Feasibility Study					\$ 39,200
Task 6.2:	Public Meetings (5)	40	20		\$ 250	\$ 9,250
Task 6.3:	Ordinance Preparation	40				\$ 6,800
	Total Inclusionary Housing Ordinance					\$ 55,250

2. Method of Payment. Consultant shall provide monthly invoices to City for approval and payment. 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.

3. Schedule for Payment. City agrees to pay Consultant within thirty (30) days of receipt of monthly invoices; provided, however, that payments by City shall not exceed \$161,950 and services are performed to the full satisfaction of the City.

Consultant

Veronica Tam and Associates, Inc.
107 S. Fair Oaks Avenue, Suite 212
Pasadena, CA 91105

City

Community Development Director
415 Diamond Street
Redondo Beach, CA 90277

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT “D”

INSURANCE REQUIREMENTS FOR CONSULTANTS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer’s Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

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

Other Insurance Provisions

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

Additional Insured Endorsement:

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

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

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

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

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

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

Acceptability of Insurers

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

Verification of Coverage

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

Subcontractors

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

Risk Management

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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/01/2020

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

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

PRODUCER SelectSolutions Insurance Services 1107 Investment Blvd Suite 100 El Dorado Hills CA 95762		CONTACT NAME: Cora Lim PHONE (A/C, No, Ext): (866) 500-6359 FAX (A/C, No): (925) 951-0077 E-MAIL ADDRESS: coral@selectsolutionsins.com	
INSURED VERONICA TAM & ASSOCIATES, INC. 107 S. FAIR OAKS AVENUE, SUITE Suite 212 PASADENA CA 91105		INSURER(S) AFFORDING COVERAGE INSURER A: Continental Casualty Company NAIC # 20443 INSURER B: American Casualty Company of Reading, PA 20427 INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER: CL207153759

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			4019903754	11/16/2019	11/16/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			4019903754	11/16/2019	11/16/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	4030813948	07/01/2020	07/01/2021	<input checked="" 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
A	PROFESSIONAL LIABILITY			MCH276199824	11/16/2018	11/16/2020	PER CLAIM \$1,000,000 AGGREGATE \$2,000,000

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

Re: As Per Contract or Agreement on File with the Insured.

CERTIFICATE HOLDER

City of Redondo Beach Lina Portolese | Planning Analyst Community Development Department
 415 Diamond Street, Door 2
 Redondo Beach CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

Lefkcia Dravins

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Administrative Report

H.13., File # 22-4890

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

APPROVE A THIRD AMENDMENT TO THE AGREEMENT WITH INTERWEST CONSULTING GROUP, INC. FOR PLAN CHECK CONSULTING SERVICES FOR AN ADDITIONAL AMOUNT OF \$25,000 AND A NEW TOTAL NOT TO EXCEED AMOUNT OF \$165,000 FOR THE EXISTING TERM THROUGH FEBRUARY 8, 2024

EXECUTIVE SUMMARY

On February 9, 2021, the City Council approved agreements with six (6) firms to provide plan check and inspection services on an as-needed basis. The contracts provide the capability for the Community Development Department to offer an expedited plan check option, upon applicant request, and to fill gaps in staffing on an as-needed basis. Interwest Consulting Group, Inc. (Interwest) is one of the six (6) firms.

The contract with Interwest was amended in February 2022 and May 2022 to cover additional plan check services and provide for an Interim Building Official to fill the then vacant Chief Building Official position.

The third amendment will cover continued Building plan check services, and provide additional funding for Fire plan check services due to a current vacancy in the Fire Plan Check position.

BACKGROUND

On August 18, 2020, the City Council directed staff to proceed with selecting outside consulting firms to provide plan check services, as well as other Building Division services, on an as-needed basis. After the completion of the request for proposal process, the Community Development Department selected six firms, based on their qualifications and experience. The City Council approved the agreements on February 9, 2021. Of the six firms, Interwest currently has the best combination of staff availability and capability to provide the temporary support needed to cover the Fire plan check vacancy.

The original contract with Interwest, approved in February 2021, was for expedited plan check services for an amount not to exceed \$15,000. The first amendment to the contract with Interwest, approved in February 2022, added another \$80,000 for Interim Building Official work and an additional \$15,000 for plan check services, bringing the total not to exceed amount to \$110,000. The second amendment to the contract extended the Interim Building Official work through mid-June 2022, for an additional amount of \$30,000, bringing the total not to exceed amount to \$140,000.

This third amendment would add an additional \$25,000 to the contract amount, covering continued Building plan check services and temporary Fire plan check services until the vacancy is filled.

COORDINATION

The contract amendment has been prepared by the City Attorney's Office.

FISCAL IMPACT

Funding for the proposed contract Building plan check services was included in the FY 2022-23 operating budget for Community Development per Decision Package #76.

Expedited plan check service costs are fully funded by an additional fee paid by the project applicant equal to 50% of the original plan check fee amount added to the permit costs, and is cost neutral to the City.

The Fire plan check service costs will be offset by the savings in the Fire Department personnel operating budget from the current staffing vacancy.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Third Amendment Interwest Consulting Group, Inc.
- Agmt - Second Amendment Interwest Consulting Group, Inc., May 10, 2022
- Agmt - First Amendment Interwest Consulting Group, Inc., February 1, 2022
- Agmt - Original Agreement Interwest Consulting Group, Inc., February 9, 2021

**THIRD AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND INTERWEST CONSULTING GROUP 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 Interwest Consulting Group Inc., a Colorado corporation ("Consultant" or "Contractor").

WHEREAS, on February 9, 2021, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on February 1, 2022, the parties entered into a First Amendment ("First Amendment") to the Agreement to add Building Official services, building inspection services and plan review services and commensurate compensation: and

WHEREAS, on May 10, 2022, the parties entered into a Second Amendment ("Second Amendment") to the Agreement to add additional compensation to the Agreement; and

WHEREAS, the parties desire to modify the compensation amount of the Agreement.

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

1. Compensation. Exhibit "C" of the Agreement is hereby amended to include an additional amount of \$25,000 for a total not to exceed amount of \$165,000.
2. No Other Amendments. The Agreement, the First Amendment, the 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, the First Amendment, the 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 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

INTERWEST CONSULTING GROUP, INC.
a California corporation

William C. Brand, Mayor

By: _____
Name: _____
Title: _____

ATTEST:

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

APPROVED:

Diane Strickfaden, Risk Manager

**SECOND AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND INTERWEST CONSULTING GROUP INC.**

This Second Amendment to the Agreement for Consulting Services ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Interwest Consulting Group Inc., a Colorado corporation ("Consultant" or "Contractor").

WHEREAS, on February 9, 2021, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on February 1, 2022, the parties entered into a First Amendment to the Agreement to add Building Official services, building inspection services and plan review services and commensurate compensation; and

WHEREAS, the parties desire to modify the compensation amount of the Agreement.

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

1. Compensation. Exhibit "C" of the Agreement is hereby amended to include an additional amount of \$30,000 for a total not to exceed amount of \$140,000.
2. No Other Amendments. The Agreement and this Second Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, the First Amendment and this Second Amendment, the terms of this Second Amendment shall govern.

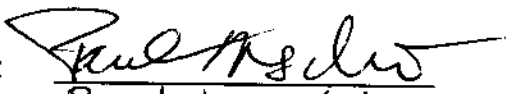
IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 10th day of May, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation



William C. Brand, Mayor

INTERWEST CONSULTING GROUP, INC.
a California corporation


By: 
Name: Paul Meschino
Title: Vice President Operations

ATTEST:



Eleanor Manzano, City Clerk

APPROVED AS TO FORM:



Michael W. Webb, City Attorney

**FIRST AMENDMENT TO THE AGREEMENT
FOR CONSULTING SERVICES BETWEEN THE CITY OF REDONDO BEACH
AND INTERWEST CONSULTING GROUP INC.**

This First Amendment to the Agreement for Consulting Services ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Interwest Consulting Group Inc., a Colorado corporation ("Consultant" or "Contractor").

WHEREAS, on February 9, 2021, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, the parties desire to modify the terms of the Agreement.

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

1. Scope of Services. Exhibit "A" of the Agreement is hereby amended to add the following services: Full Time Building Official Services, Building Inspection Services and plan review services.
2. Compensation. Exhibit "C" of the Agreement is hereby amended to include the additional amount of \$95,000 for the new services described above for a total not to exceed amount of \$110,000, compensated at the rates below:

CLASSIFICATION	TIME REQUIREMENT	HOURLY BILLING RATE	ESTIMATED COST
Kevin O'Flaherty, F/T CBO & Inspections	13 Weeks x 40 Hrs Per Wk	\$150	\$78,000

3. No Other Amendments. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First amendment shall govern.

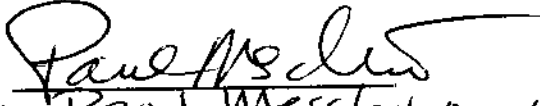
IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 1st day of February, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation



William C. Brand, Mayor

INTERWEST CONSULTING GROUP, INC.
a California corporation


By: 
Name: Paul Meschino
Title: Vice President Operations

ATTEST:



Eleanor Manzano, City Clerk

APPROVED AS TO FORM:



Michael W. Webb, City Attorney



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/17/2021

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

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

PRODUCER
RBN Insurance Services
303 E Wacker Dr Ste 650
Chicago IL 60601

CONTACT
NAME: Symone White
PHONE (A/C, No, Ext): 312-856-9400 FAX (A/C, No): 312-856-9425
E-MAIL: swhite@rbninsurance.com
ADDRESS:

INSURED
Interwest Consulting Group
P.O. Box 18330
Boulder CO 80308

SAFELLC-01

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Hartford Fire Insurance Co.	19682
INSURER B: Hartford Casualty Insurance Co	29424
INSURER C: Great American E&S Ins. Co.	37532
INSURER D: Twin City Fire Insurance Co.	29459
INSURER E: Bridgeway Insurance Company	12489
INSURER F: Navigators Specialty Ins. Co.	36056

COVERAGES

CERTIFICATE NUMBER: 1588677109

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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOG OTHER:	Y	83UENZV3951	10/3/2021	10/3/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	83UENPY9100	10/3/2021	10/3/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
F	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0	Y	CH21EXC885600IC	10/3/2021	10/3/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
D	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	83WECE0823	5/12/2021	5/12/2022	<input checked="" 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
C	Professional Liability		TER 2861558	10/3/2021	10/3/2022	Each Claim/Aggregate 10,000,000
E	Excess Liab (2nd) Layer		8E-A7-XL-0002079-00	10/3/2021	10/3/2022	Each Occ/Aggregate 5,000,000

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

The City of Redondo Beach its officers, elected and appointed officials, employees and volunteers are additional insured as respects the General Liability and Auto Liability as required by written contract. Umbrella Liability follows form over General Liability, Auto Liability, and Employers Liability as per written contract. 30 days notice of cancellation applies.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond Street
P.O. Box 270
Redondo Beach CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

1. BROAD FORM INSURED

A. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

- (1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- (2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
 - (a) That is a partnership or joint venture,
 - (b) That is an "insured" under any other policy,
 - (c) That has exhausted its Limit of Insurance under any other policy, or
 - (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

B. Employees as Insureds

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

- d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Lessors as Insureds

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:
 - (1) The agreement requires you to provide direct primary insurance for the lessor and
 - (2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

D. Additional Insured if Required by Contract

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

- (1) During the policy period, and
- (2) Subsequent to the execution of such written contract, and
- (3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

(2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (a) The limits of insurance specified in the written contract or written agreement; or
- (b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

(3) Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - OF SECTION IV - BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

E. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

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

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

Paragraphs (3) and (4) do not apply to other insurance to which the additional insured has been added as an additional insured.

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

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

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

We will share the remaining loss, if any, by the method described in Other Insurance 5.d.

2. AUTOS RENTED BY EMPLOYEES

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:

If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

3. AMENDED FELLOW EMPLOYEE EXCLUSION

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees".

Coverage is excess over any other collectible insurance.

4. HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

- (1) \$100,000;
- (2) The actual cash value of the damaged or stolen property at the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$1000 per "accident".

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

5. PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

6. LOAN/LEASE GAP COVERAGE

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto", we will pay your additional legal obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life Insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

7. AIRBAG COVERAGE

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

8. ELECTRONIC EQUIPMENT - BROADENED COVERAGE

a. The exceptions to Paragraphs B.4 - EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto";
- (2) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (3) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or

- (4) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

b. Section III – Version CA 00 01 03 10 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C.2 and Version CA 00 01 10 01 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C are each amended to add the following:

\$1,500 is the most we will pay for "loss" in any one "accident" to all electronic equipment (other than equipment designed solely for the reproduction of sound, and accessories used with such equipment) that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- (3) An integral part of such equipment.

c. For each covered "auto", should loss be limited to electronic equipment only, our obligation to pay for, repair, return or replace damaged or stolen electronic equipment will be reduced by the applicable deductible shown in the Declarations, or \$250, whichever deductible is less.

9. EXTRA EXPENSE - BROADENED COVERAGE

Under Paragraph A. - COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

10. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

11. TWO OR MORE DEDUCTIBLES

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Financial Services Group, Inc. company policy or coverage form that is not an automobile policy or coverage form applies to the same "accident", the following applies:

- (1) If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived;
- (2) If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

12. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITIONS 2.a. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or
- (4) An executive officer or insurance manager, if you are a corporation.

13. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

14. HIRED AUTO - COVERAGE TERRITORY

Paragraph e. of GENERAL CONDITIONS 7. - POLICY PERIOD, COVERAGE TERRITORY - of SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

- e. For short-term hired "autos", the coverage territory with respect to Liability Coverage is anywhere in the world provided that if the "insured's" responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

15. WAIVER OF SUBROGATION

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV - BUSINESS AUTO CONDITIONS is amended by adding the following:

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damages under this Coverage Form.

16. RESULTANT MENTAL ANGUISH COVERAGE

The definition of "bodily injury" in SECTION V-DEFINITIONS is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by any person, including mental anguish or death resulting from any of these.

17. EXTENDED CANCELLATION CONDITION

Paragraph 2. of the COMMON POLICY CONDITIONS - CANCELLATION - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

18. HYBRID, ELECTRIC, OR NATURAL GAS VEHICLE PAYMENT COVERAGE

In the event of a total loss to a "non-hybrid" auto for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended as follows:

- a. If the auto is replaced with a "hybrid" auto or an auto powered solely by electricity or natural gas, we will pay an additional 10%, to a maximum of \$2,500, of the "non-hybrid" auto's actual cash value or replacement cost, whichever is less,
- b. The auto must be replaced and a copy of a bill of sale or new lease agreement received by us within 60 calendar days of the date of "loss,"

- c. Regardless of the number of autos deemed a total loss, the most we will pay under this Hybrid, Electric, or Natural Gas Vehicle Payment Coverage provision for any one "loss" is \$10,000.

For the purposes of the coverage provision,

- a. A "non-hybrid" auto is defined as an auto that uses only an internal combustion engine to move the auto but does not include autos powered solely by electricity or natural gas.
- b. A "hybrid" auto is defined as an auto with an internal combustion engine and one or more electric motors; and that uses the internal combustion engine and one or more electric motors to move the auto, or the internal combustion engine to charge one or more electric motors, which move the auto.

19. VEHICLE WRAP COVERAGE

In the event of a total loss to an "auto" for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended to add the following:

In addition to the actual cash value of the "auto", we will pay up to \$1,000 for vinyl vehicle wraps which are displayed on the covered "auto" at the time of total loss. Regardless of the number of autos deemed a total loss, the most we will pay under this Vehicle Wrap Coverage provision for any one "loss" is \$5,000. For purposes of this coverage provision, signs or other graphics painted or magnetically affixed to the vehicle are not considered vehicle wraps.



COMMERCIAL GENERAL 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 stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
 - d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".
 - e. **Incidental Medical Malpractice And Good Samaritan Coverage**
 "Bodily injury" arising out of the rendering of or failure to render the following health care services by any "employee" or "volunteer worker" shall be deemed to be caused by an "occurrence" for:

- (1) Professional health care services such as:
 - (a) Medical, surgical, dental, laboratory, x-ray or nursing services or treatment, advice or instruction, or the related furnishing of food or beverages;
 - (b) Any health or therapeutic service, treatment, advice or instruction; or
 - (c) The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances; or
- (2) First aid services, which include:
 - (a) Cardiopulmonary resuscitation, whether performed manually or with a defibrillator; or
 - (b) Services performed as a Good Samaritan.

For the purpose of determining the limits of insurance, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

However, this Incidental Medical Malpractice And Good Samaritan Coverage provision applies only if you are not engaged in the business or occupation of providing any of the services described in this provision.

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:

- (a) Employment by the insured; or
- (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- (i) Any insured; or
- (ii) Any person or organization for whom you may be legally responsible;

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the

operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1)** A watercraft while ashore on premises you own or rent;
- (2)** A watercraft you do not own that is:
 - (a)** Less than 51 feet long; and
 - (b)** Not being used to carry persons for a charge;
- (3)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

(5) "Bodily injury" or "property damage" arising out of:

- (a)** The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b)** The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or

(6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1)** The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2)** The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1)** War, including undeclared or civil war;
- (2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1)** Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement,

enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising from the use of elevators.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at the job site.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Access or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

r. Asbestos

- (1) "Bodily injury" or "property damage" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
 - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
 - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
 - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating,

detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

s. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You - Exception For Damage By Fire, Lightning Or Explosion

Exclusions c. through h. and j. through n. do not apply to damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or

settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" arising out of an offense committed by, at the direction or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services.

i. Infringement Of Intellectual Property Rights

(1) "Personal and advertising injury" arising out of any actual or alleged infringement or violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, trade dress, service mark or other designation of origin or authenticity; or

(2) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

(1) Infringement, in your "advertisement", of:

(a) Copyright;

(b) Slogan; or

(c) Title of any literary or artistic work; or

(2) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** of the definition of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the

insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) 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) 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".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Internet Advertisements And Content Of Others

"Personal and advertising injury" arising out of:

- (1) An "advertisement" for others on your web site;
- (2) Placing a link to a web site of others on your web site;
- (3) Content, including information, sounds, text, graphics, or images from a web site of others displayed within a frame or border on your web site; or

- (4) Computer code, software or programming used to enable:

(a) Your web site; or

(b) The presentation or functionality of an "advertisement" or other content on your web site.

q. Right Of Privacy Created By Statute

"Personal and advertising injury" arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act.

r. Violation Of Anti-Trust law

"Personal and advertising injury" arising out of a violation of any anti-trust law.

s. Securities

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds or other securities.

t. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

u. Employment-Related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

v. Asbestos

- (1) "Personal and advertising injury" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
 - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
 - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
 - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

w. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed to the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

assumed by the insured in the same "insured contract";

- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or that

"volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (1)(b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services:

(a) Subparagraphs (1)(a), (1)(b) and (1)(c) above do not apply to any "employee" or "volunteer worker" providing first aid services; and

(b) Subparagraph (1)(d) above does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

e. Unnamed Subsidiary

Any subsidiary, and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which such insured is also a named insured under another policy or would be a named insured under such policy but for its termination or the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Sub-paragraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person(s) or organization(s) from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

(2) With respect to the insurance afforded to these additional insureds this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

c. Lessors Of Land Or Premises

Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

With respect to the insurance afforded these additional insureds the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or

omissions of those acting on your behalf:

(1) In connection with your premises; or

(2) In the performance of your ongoing operations performed by you or on your behalf.

With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
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 services by or for you.

e. Permits Issued By State Or Political Subdivisions

Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

With respect to the insurance afforded these additional insureds, this insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

Any other person or organization who is not an additional insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your ongoing operations;

- (2) In connection with your premises owned by or rented to you; or
- (3) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (a) The written contract or agreement requires you to provide such coverage to such additional insured; and
 - (b) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

However:

- (1) The insurance afforded to such additional insured only applies to the extent permitted by law; and
- (2) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (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 services by or for you.

The limits of insurance that apply to additional insureds is described in Section III - Limits Of Insurance.

How this insurance applies when other insurance is available to the additional insured is described in the Other Insurance Condition in Section IV - Commercial General Liability Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. General Aggregate Limit

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage B.

3. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Personal And Advertising Injury Limit

Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Each Occurrence Limit

Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Damage To Premises Rented To You Limit

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

7. Medical Expense Limit

Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

8. How Limits Apply To Additional Insureds

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- a. The limits of insurance specified in the written contract or written agreement; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation 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. Obligations At The Insureds Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or the additional insured is a partnership;

- (3) Any manager, if you or the additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or the additional insured is a corporation;
- (5) Any trustee, if you or the additional insured is a trust; or
- (6) Any elected or appointed official, if you or the additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

3. Legal Action Against Us

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

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

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

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

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

b. Excess Insurance

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

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

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

(3) Tenant Liability

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

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability;

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

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion j. of Section I - Coverage A - Bodily Injury And Property Damage Liability;

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

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

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

Any other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this coverage part.

(a) Primary Insurance When Required By Contract

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

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

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

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 Coverages A or B 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 of 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.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part 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 and retrospective premiums 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.

6. 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 that exist at the inception date of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part 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 claim is made or "suit" is brought.

8. 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.

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.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, 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.

SECTION V - DEFINITIONS

1. **"Advertisement"** means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper; or
- b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
 - b. An interactive conversation between or among persons through a computer network.
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 semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. **"Bodily injury"** means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. **"Coverage territory"** means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

- 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
- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to.

7. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".

8. **"Employment-Related Practices"** means:

- a. Refusal to employ that person;
- b. Termination of that person's employment; or
- c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person.

9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

11. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

12. **"Insured contract"** means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage to

Premises Rented To You Limit described in Section III - Limits of Insurance;

- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. 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, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral, written or electronic publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral, written or electronic publication, in any manner, of material that violates a person's right of privacy;
- f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or
- g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
- b. Created or used on; or
- c. Transmitted to or from;

computer software, including systems and applications software, hard or floppy disks, CD-

ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

21. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

22. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

23. "Volunteer worker" means a person who

- a. Is not your "employee";
- b. Donates his or her work;
- c. Acts at the direction of and within the scope of duties determined by you; and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

25. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.

**AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND INTERWEST CONSULTING GROUP INC.**

THIS AGREEMENT FOR CONSULTING SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and Interwest Consulting Group Inc., a Colorado corporation ("Consultant" or "Contractor").

The parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Consultant, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
2. Term and Time of Completion. Consultant shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
3. Compensation. City agrees to pay Consultant for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.
2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials, shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for

Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.
6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.
8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.
10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.
12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Consultant shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Consultant's breach of this Agreement.
13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict

of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
15. Insurance. Consultant shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
18. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in

writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.
21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
31. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Consultant warrants as follows: Consultant possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Consultant, at Consultant's expense, including shipping. Consultant shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this


Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 9th day of February, 2021.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:

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William C. Brand, Mayor

INTERWEST CONSULTING GROUP INC.,
a Colorado corporation

DocuSigned by:

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By: _____
Name: Terry Rodriguez
Title: President

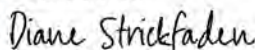
ATTEST:

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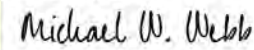
Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:

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Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:

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Michael W. Webb, City Attorney

EXHIBIT "A"

SCOPE OF WORK

I. CONSULTANT'S DUTIES

Consultant shall provide the following plan check and building inspection services for building improvements on an as-needed basis.

A. Plan Review: Upon City's request, attend meetings via electronic video conferencing, at City Hall, or at a job site to resolve plan check matters or questions. Review submitted plans or subsequent corrections by telephone, video conferencing, or email with the project's applicant, engineer/architect, and City staff. The mode of communication will be at City's discretion. Ensure the review is performed by a California registered/licensed professional who is within his/her respective field of competency. Ensure all plan check services are performed by a California licensed professional authorized to prepare and sign such plans.

1. Provide thorough and efficient plan review services for commercial, industrial, and complex residential projects as set forth below.
 - a. Review and recheck architectural, structural, grading, mechanical, plumbing, electrical, fire and life safety, accessibility, Calgreen, energy plans, calculations, reports, and specifications for compliance as described herein.
 - b. Recheck plans after the applicant has made corrections.
 - c. Review and recheck field changes and deferred submittals.
 - d. Review and recheck of any additional work on the project.
2. Ensure plan review complies with all laws, regulations, codes, ordinances, policies, and rules. Provide specific, detailed, complete plan review letter comments, and reference plan sheet numbers and code sections where applicable. Provide two copies (one hard copy and one electronic) of the plan check correction list to the City for each project reviewed.
3. Consider geo-technical reports, testing lab reports and any other in the plan review process.
4. Perform accelerated plan review.
5. Attend pre-submittal and design discussion meetings with the permit applicant as requested by the City.
6. Return telephone calls on the same day. Ensure a live person answers the City's telephone calls. Provide cell phone number to the City to ensure City shall be able to contact Consultant from 7:30 A.M. and 5:30 P.M.,

Monday through Friday (except holidays).

7. Provide plans pick up and drop off at the City at no charge to the City. Upon receipt of notification from the City, pick up the plans within 24 hours.
8. Review structural plans and ensure the review is performed by at least a registered Structural Engineer.
9. Ensure accessible plans are reviewed by at least a Certified Access Specialist (CASP).
10. Recommend which records the City must provide to the Consultant as described in Section II of this Exhibit "A". The research of and the familiarity with the records shall be Consultant's responsibility.
11. Comply with the schedule set forth below. The turnaround time shall be measured from the date Consultant receives the plan to the date the City receives the plan with Consultant's complete comments.

Structural and Architectural (Includes Disabled Access, Calgreen, and Energy)	
Regular plan check	15 working days
Accelerated plan check over \$1,000,00 in valuation	10 working days
Accelerated plan check under \$1,000,000 in valuation	5 working days
Grading	
Regular plan check	10 working days
Accelerated plan check	5 working days
Plumbing, Mechanical, and Electrical	
Regular plan check	8 working days
Accelerated plan check	4 working days

- B. Inspections: Upon City's request, provide International Code Council ("ICC") or Other Certified and experienced inspectors to conduct inspections of all phases of construction to ensure compliance with approved plans, laws, regulations, codes, ordinances, policies, and rules, including but not limited to, those relating to structural integrity, fire and life safety, electrical, plumbing, heating and air conditioning, energy conservation, handicap access, grading and site work. Contract inspection services includes enforcement of conditions and plan's requirements as approved by the City for which the permit was issued. At the request of the City, perform building inspections after hours. Ensure building inspectors perform after-hours stand-by emergency response in the event of any emergency, including but not limited to fires and accidents.

II. **CITY'S DUTIES**

City shall provide the consultant with access to copies of all adopted Building Code Amendments, available data, information, reports, records and maps available in the City's files related work described herein.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence February 9, 2021 and expire February 8, 2024 ("Term"), unless otherwise terminated as herein provided.

EXHIBIT "C"

COMPENSATION

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

- I. **AMOUNT.** Consultant shall be paid in accordance with the following hourly rate schedule.

HOURLY RATE		COMMENTS
Building Plan Review / Plans Examiner	\$95	Building Plan review may involve a licensed engineer. See our fee schedule below.
MEP Plan Review / Plans Examiner	\$95	MEP Plan review may involve a licensed engineer. See our fee schedule below.
Grading	\$120	Grading may involve a licensed engineer. See our fee schedule below.
Soils Reports Review	Please refer to rates from Kling Consulting Group (subconsultant for geotechnical and soil report reviews) on the following page.	
OTHERS:		
Principal in Charge	\$160	
Project Manager	\$150	
Plan Review Project Manager	\$140	
Certified Building Official	\$150	
Senior Structural Engineer	\$140	
Licensed Plan Review Engineer	\$125	
Senior Plan Review Architect	\$125	
ICC Certified Plans Examiner	\$95	
Senior Plans Examiner	\$105	
CASp	\$105	
Permit Technician	\$62	
Inspector I-III	\$75-95	

ONSITE STAFFING CAPABILITY & RATE/HR		COMMENTS
Building Inspectors	\$75-95	Inspector I-III
Plan Reviewer	\$110	
MEP Plan Reviewer	\$140	
Permit Technician	\$62	
Certified Building Official	\$150	
OTHERS:		
Licensed Plan Review Engineer	\$140	

ICC Certified Plans Examiner	\$110	
Senior Plans Examiner	\$120	
CASp	\$110	
Code Enforcement Officer	\$95	
Grading Inspector	\$95	\$140 for licensed grading engineer
ICC Fire Plans Examiner	\$100	
ICC Fire Inspector	\$100	

Mileage: Vehicle mileage while performing city services will be charged utilizing the current IRS Vehicle mileage rate.

Expedited Plan Reviews: Expedited plan reviews can be provided upon request. Fees for expedited plan review services will be an additional **40%** of the above noted hourly rates. No overtime fees will be added for plan review services.

Inspection Services: Inspection services will be a minimum of 4 hours per day. Overtime fees will be assessed at **40%** of the above hourly rates for inspection exceeding 8 hours or for afterhours emergency inspection.

* Pre-submittal and design discussion meetings with the permit applicant as requested by the City shall be compensated at the rate of one (1) hour of straight-time compensation and does not include travel time.

II. **NOT TO EXCEED AMOUNT.** In no event shall the total amount paid to Consultant exceed \$15,000 during the term of this Agreement.

III. **METHOD OF PAYMENT.** Consultant shall provide monthly invoices to City for approval and payment for those services performed in the month prior to invoice submission. Invoices must include the following information.

- A. Description of the work performed.
- B. Applicable hourly rate.
- C. Additional rate and City's prior written approval if applicable.
- D. Number of hours worked.

Invoice must be itemized, adequately detailed, based on accurate records, in a form reasonably satisfactory to City. If no work is performed in a given month, no invoice is required. Consultant may be required to provide back-up material upon request.

IV. **SCHEDULE FOR PAYMENT.** City agrees to pay Consultant within thirty days of City's receipt of Consultant's monthly invoice; provided that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.

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

Consultant: Interwest Consulting Group Inc.
1 Jenner, Suite 160
Irvine, CA 92618
Attention: Jay Elbettar

City: City of Redondo Beach
Community Development Department, Building Division
415 Diamond Street
Redondo Beach, CA 90277
Attention: Chief Building Official

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

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

Other Insurance Provisions

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

Additional Insured Endorsement:

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

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

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

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

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

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

Acceptability of Insurers

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

Verification of Coverage

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

Subcontractors

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

Risk Management

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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/27/2021

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

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

PRODUCER RBN Insurance Services 303 E Wacker Dr Ste 650 Chicago IL 60601	CONTACT NAME: Rich Delich PHONE (A/C, No, Ext): 312-856-9400 E-MAIL: rdelich@rbninsurance.com FAX (A/C, No): 312-856-9425												
INSURED Interwest Consulting Group P.O. Box 18330 Boulder CO 80308	INSURER(S) AFFORDING COVERAGE <table><tr><td>INSURER A: Hartford Fire Insurance Co.</td><td>NAIC # 19682</td></tr><tr><td>INSURER B: Hartford Casualty Insurance Co</td><td>29424</td></tr><tr><td>INSURER C: Navigators Insurance Company</td><td>42307</td></tr><tr><td>INSURER D: Great American E&S Ins. Co.</td><td>37532</td></tr><tr><td>INSURER E: Twin City Fire Insurance Co.</td><td>29459</td></tr><tr><td>INSURER F: Princeton Excess & Surplus Lines Insurance Co.</td><td>10786</td></tr></table>	INSURER A: Hartford Fire Insurance Co.	NAIC # 19682	INSURER B: Hartford Casualty Insurance Co	29424	INSURER C: Navigators Insurance Company	42307	INSURER D: Great American E&S Ins. Co.	37532	INSURER E: Twin City Fire Insurance Co.	29459	INSURER F: Princeton Excess & Surplus Lines Insurance Co.	10786
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COVERAGES**CERTIFICATE NUMBER:** 1019443220**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 SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	83UENZV3951	10/3/2020	10/3/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	83UENPY9100	10/3/2020	10/3/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0	Y	CH20EXC885600IC	10/3/2020	10/3/2021	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
E	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	83WECE0623	5/12/2020	5/12/2021	<input checked="" 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
D F	Professional Liability Excess Liab (2nd) Layer		TER 286-10-59 8E-A3-XL-0000121-00	10/3/2020 10/3/2020	10/3/2021 10/3/2021	Each Claim/Aggregate 10,000,000 Each Occ/Aggregate 5,000,000

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

The City of Redondo Beach its officers, elected and appointed officials, employees and volunteers are additional insured as respects the General Liability, Auto Liability and Umbrella/Excess follows form as required by written contract. (30) day notice of cancellation given to the certificate holder.

CERTIFICATE HOLDER

City of Redondo Beach 415 Diamond Street P.O. Box 270 Redondo Beach CA 90277	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

1. BROAD FORM INSURED

A. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

- (1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- (2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
 - (a) That is a partnership or joint venture,
 - (b) That is an "insured" under any other policy,
 - (c) That has exhausted its Limit of Insurance under any other policy, or
 - (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

B. Employees as Insureds

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

- d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Lessors as Insureds

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:
 - (1) The agreement requires you to provide direct primary insurance for the lessor and
 - (2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

D. Additional Insured if Required by Contract

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

- (1) During the policy period, and
- (2) Subsequent to the execution of such written contract, and
- (3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

(2) How Limits Apply

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (a) The limits of insurance specified in the written contract or written agreement; or
- (b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

(3) Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

(4) Duties in The Event Of Accident, Claim, Suit or Loss

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - OF SECTION IV - BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

E. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

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

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

Paragraphs (3) and (4) do not apply to other insurance to which the additional insured has been added as an additional insured.

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

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

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

We will share the remaining loss, if any, by the method described in Other Insurance 5.d.

2. AUTOS RENTED BY EMPLOYEES

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:

If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

3. AMENDED FELLOW EMPLOYEE EXCLUSION

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees".

Coverage is excess over any other collectible insurance.

4. HIRED AUTO PHYSICAL DAMAGE COVERAGE

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

- (1) \$100,000;
- (2) The actual cash value of the damaged or stolen property at the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$1000 per "accident".

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

5. PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

6. LOAN/LEASE GAP COVERAGE

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto", we will pay your additional legal obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

7. AIRBAG COVERAGE

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

8. ELECTRONIC EQUIPMENT - BROADENED COVERAGE

a. The exceptions to Paragraphs B.4 - EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto";
- (2) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (3) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or

- (4) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

b. Section III - Version CA 00 01 03 10 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C.2 and Version CA 00 01 10 01 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C are each amended to add the following:

\$1,500 is the most we will pay for "loss" in any one "accident" to all electronic equipment (other than equipment designed solely for the reproduction of sound, and accessories used with such equipment) that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- (3) An integral part of such equipment.

c. For each covered "auto", should loss be limited to electronic equipment only, our obligation to pay for, repair, return or replace damaged or stolen electronic equipment will be reduced by the applicable deductible shown in the Declarations, or \$250, whichever deductible is less.

9. EXTRA EXPENSE - BROADENED COVERAGE

Under Paragraph A. - COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

10. GLASS REPAIR - WAIVER OF DEDUCTIBLE

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

11. TWO OR MORE DEDUCTIBLES

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Financial Services Group, Inc. company policy or coverage form that is not an automobile policy or coverage form applies to the same "accident", the following applies:

- (1) If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived;
- (2) If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

12. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in LOSS CONDITIONS 2.a. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or
- (4) An executive officer or insurance manager, if you are a corporation.

13. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

14. HIRED AUTO - COVERAGE TERRITORY

Paragraph e. of GENERAL CONDITIONS 7. - POLICY PERIOD, COVERAGE TERRITORY - of SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

e. For short-term hired "autos", the coverage territory with respect to Liability Coverage is anywhere in the world provided that if the "insured's" responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

15. WAIVER OF SUBROGATION

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV - BUSINESS AUTO CONDITIONS is amended by adding the following:

We waive any right of recovery we may have against any person or organization with whom you have a written contract that requires such waiver because of payments we make for damages under this Coverage Form.

16. RESULTANT MENTAL ANGUISH COVERAGE

The definition of "bodily injury" in SECTION V-DEFINITIONS is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by any person, including mental anguish or death resulting from any of these.

17. EXTENDED CANCELLATION CONDITION

Paragraph 2. of the COMMON POLICY CONDITIONS - CANCELLATION - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

18. HYBRID, ELECTRIC, OR NATURAL GAS VEHICLE PAYMENT COVERAGE

In the event of a total loss to a "non-hybrid" auto for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended as follows:

- a. If the auto is replaced with a "hybrid" auto or an auto powered solely by electricity or natural gas, we will pay an additional 10%, to a maximum of \$2,500, of the "non-hybrid" auto's actual cash value or replacement cost, whichever is less.
- b. The auto must be replaced and a copy of a bill of sale or new lease agreement received by us within 60 calendar days of the date of "loss."

- c. Regardless of the number of autos deemed a total loss, the most we will pay under this Hybrid, Electric, or Natural Gas Vehicle Payment Coverage provision for any one "loss" is \$10,000.

For the purposes of the coverage provision,

- a. A "non-hybrid" auto is defined as an auto that uses only an internal combustion engine to move the auto but does not include autos powered solely by electricity or natural gas.
- b. A "hybrid" auto is defined as an auto with an internal combustion engine and one or more electric motors; and that uses the internal combustion engine and one or more electric motors to move the auto, or the internal combustion engine to charge one or more electric motors, which move the auto.

19. VEHICLE WRAP COVERAGE

In the event of a total loss to an "auto" for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended to add the following:

In addition to the actual cash value of the "auto", we will pay up to \$1,000 for vinyl vehicle wraps which are displayed on the covered "auto" at the time of total loss. Regardless of the number of autos deemed a total loss, the most we will pay under this Vehicle Wrap Coverage provision for any one "loss" is \$5,000. For purposes of this coverage provision, signs or other graphics painted or magnetically affixed to the vehicle are not considered vehicle wraps.



COMMERCIAL GENERAL 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 stock insurance company member of The Hartford providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- d. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

e. Incidental Medical Malpractice And Good Samaritan Coverage

"Bodily injury" arising out of the rendering of or failure to render the following health care services by any "employee" or "volunteer worker" shall be deemed to be caused by an "occurrence" for:

- (1) Professional health care services such as:
 - (a) Medical, surgical, dental, laboratory, x-ray or nursing services or treatment, advice or instruction, or the related furnishing of food or beverages;
 - (b) Any health or therapeutic service, treatment, advice or instruction; or
 - (c) The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances; or
- (2) First aid services, which include:
 - (a) Cardiopulmonary resuscitation, whether performed manually or with a defibrillator; or
 - (b) Services performed as a Good Samaritan.

For the purpose of determining the limits of insurance, any act or omission together with all related acts or omissions in the furnishing of these services to any one person will be considered one "occurrence".

However, this Incidental Medical Malpractice And Good Samaritan Coverage provision applies only if you are not engaged in the business or occupation of providing any of the services described in this provision.

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:

- (a) Employment by the insured; or
- (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- (i) Any insured; or
- (ii) Any person or organization for whom you may be legally responsible;

- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the

operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

- (5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or

- (6) An aircraft that is not owned by any insured and is hired, chartered or loaned with a paid crew. However, this exception does not apply if the insured has any other insurance for such "bodily injury" or "property damage", whether the other insurance is primary, excess, contingent or on any other basis.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement,

enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising from the use of elevators.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraphs (3) and (4) of this exclusion do not apply to "property damage" to borrowed equipment while not being used to perform operations at the job site.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

i. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Employment-Related Practices

"Bodily injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

r. Asbestos

- (1) "Bodily injury" or "property damage" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
 - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
 - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
 - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating,

detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

s. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Damage To Premises Rented To You - Exception For Damage By Fire, Lightning Or Explosion

Exclusions c. through h. and j. through n. do not apply to damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or

settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" arising out of an offense committed by, at the direction or with the consent or acquiescence of the insured with the expectation of inflicting "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral, written or electronic publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's "advertising idea" in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services.

i. Infringement Of Intellectual Property Rights

- (1) "Personal and advertising injury" arising out of any actual or alleged infringement or violation of any intellectual property rights such as copyright, patent, trademark, trade name, trade secret, trade dress, service mark or other designation of origin or authenticity; or
- (2) Any injury or damage alleged in any claim or "suit" that also alleges an infringement or violation of any intellectual property right, whether such allegation of infringement or violation is made by you or by any other party involved in the claim or "suit", regardless of whether this insurance would otherwise apply.

However, this exclusion does not apply if the only allegation in the claim or "suit" involving any intellectual property right is limited to:

- (1) Infringement, in your "advertisement", of:
 - (a) Copyright;
 - (b) Slogan; or
 - (c) Title of any literary or artistic work; or
- (2) Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement".

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **a.**, **b.** and **c.** of the definition of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the

insured hosts, owns, or over which the insured exercises control.

i. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) 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) 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".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Internet Advertisements And Content Of Others

"Personal and advertising injury" arising out of:

- (1) An "advertisement" for others on your web site;
- (2) Placing a link to a web site of others on your web site;
- (3) Content, including information, sounds, text, graphics, or images from a web site of others displayed within a frame or border on your web site; or

- (4) Computer code, software or programming used to enable:

(a) Your web site; or

(b) The presentation or functionality of an "advertisement" or other content on your web site.

q. Right Of Privacy Created By Statute

"Personal and advertising injury" arising out of the violation of a person's right of privacy created by any state or federal act.

However, this exclusion does not apply to liability for damages that the insured would have in the absence of such state or federal act.

r. Violation Of Anti-Trust law

"Personal and advertising injury" arising out of a violation of any anti-trust law.

s. Securities

"Personal and advertising injury" arising out of the fluctuation in price or value of any stocks, bonds or other securities.

t. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

u. Employment-Related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any "employment-related practices"; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any "employment-related practices" are directed.

This exclusion applies:

- (1) Whether the injury-causing event described in the definition of "employment-related practices" occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

v. Asbestos

- (1) "Personal and advertising injury" arising out of the "asbestos hazard".
- (2) Any damages, judgments, settlements, loss, costs or expenses that:
 - (a) May be awarded or incurred by reason of any claim or suit alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard";
 - (b) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
 - (c) Arise out of any claim or suit for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

w. Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, such costs do not include attorneys' fees, attorneys' expenses, witness or expert fees, or any other expenses of a party taxed to the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance; we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been

assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Employees And Volunteer Workers

Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these "employees" or "volunteer workers" are insureds for:

- (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or that

"volunteer worker" as a consequence of Paragraph (1)(a) above;

- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (1)(b) above; or

- (d) Arising out of his or her providing or failing to provide professional health care services.

If you are not in the business of providing professional health care services:

- (a) Subparagraphs (1)(a), (1)(b) and (1)(c) above do not apply to any "employee" or "volunteer worker" providing first aid services; and

- (b) Subparagraph (1)(d) above does not apply to any nurse, emergency medical technician or paramedic employed by you to provide such services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;

- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Real Estate Manager

Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager,

c. Temporary Custodians Of Your Property

Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

d. Legal Representative If You Die

Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

e. Unnamed Subsidiary

Any subsidiary, and subsidiary thereof, of yours which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of the Coverage Part.

The insurance afforded herein for any subsidiary not named in this Coverage Part as a named insured does not apply to injury or damage with respect to which such insured is also a named insured under another policy or would be a named insured under such policy but for its termination or the exhaustion of its limits of insurance.

3. Newly Acquired Or Formed Organization

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain financial interest of more than 50% of the voting stock, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

4. Nonowned Watercraft

With respect to watercraft you do not own that is less than 51 feet long and is not being used to carry persons for a charge, any person is an insured while operating such watercraft with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the watercraft, and only if no other insurance of any kind is available to that person or organization for this liability.

However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

5. Additional Insureds When Required By Written Contract, Written Agreement Or Permit

The following person(s) or organization(s) are an additional insured when you have agreed, in a written contract, written agreement or because of a permit issued by a state or political subdivision, that such person or organization be added as an additional insured on your policy, provided the injury or damage occurs subsequent to the execution of the contract or agreement.

A person or organization is an additional insured under this provision only for that period of time required by the contract or agreement.

However, no such person or organization is an insured under this provision if such person or organization is included as an insured by an endorsement issued by us and made a part of this Coverage Part.

a. Vendors

Any person(s) or organization(s) (referred to below as vendor), but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business and only if this Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

- (1) The insurance afforded the vendor is subject to the following additional exclusions:

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (b) Any express warranty unauthorized by you;
- (c) Any physical or chemical change in the product made intentionally by the vendor;
- (d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Subparagraphs (d) or (f); or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

b. Lessors Of Equipment

(1) Any person(s) or organization(s) from whom you lease equipment; but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

(2) With respect to the insurance afforded to these additional insureds this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

c. Lessors Of Land Or Premises

Any person or organization from whom you lease land or premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land or premises leased to you.

With respect to the insurance afforded these additional insureds the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

d. Architects, Engineers Or Surveyors

Any architect, engineer, or surveyor, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or

omissions of those acting on your behalf:

(1) In connection with your premises; or

(2) In the performance of your ongoing operations performed by you or on your behalf.

With respect to the insurance afforded these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services by or for you, including:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
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 services by or for you.

e. Permits Issued By State Or Political Subdivisions

Any state or political subdivision, but only with respect to operations performed by you or on your behalf for which the state or political subdivision has issued a permit.

With respect to the insurance afforded these additional insureds, this insurance does not apply to:

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or municipality; or
- (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

f. Any Other Party

Any other person or organization who is not an additional insured under Paragraphs a. through e. above, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

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

- (2) In connection with your premises owned by or rented to you; or
- (3) In connection with "your work" and included within the "products-completed operations hazard", but only if
 - (a) The written contract or agreement requires you to provide such coverage to such additional insured; and
 - (b) This Coverage Part provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard".

However:

- (1) The insurance afforded to such additional insured only applies to the extent permitted by law; and
- (2) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- (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 services by or for you.

The limits of insurance that apply to additional insureds is described in Section III - Limits Of Insurance.

How this insurance applies when other insurance is available to the additional insured is described in the Other Insurance Condition in Section IV - Commercial General Liability Conditions.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Most We Will Pay

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. General Aggregate Limit

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage B.

3. Products-Completed Operations Aggregate Limit

The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Personal And Advertising Injury Limit

Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Each Occurrence Limit

Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Damage To Premises Rented To You Limit

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner.

In the case of damage by fire, lightning or explosion, the Damage to Premises Rented To You Limit applies to all damage proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of these.

7. Medical Expense Limit

Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

8. How Limits Apply To Additional Insureds

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- a. The limits of insurance specified in the written contract or written agreement; or
- b. The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

a. Notice Of Occurrence Or Offense

You or any additional insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. Notice Of Claim

If a claim is made or "suit" is brought against any insured, you or any additional insured must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You or any additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. Assistance And Cooperation Of The Insured

You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation 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. Obligations At The Insureds Own Cost

No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Additional Insureds Other Insurance

If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance.

f. Knowledge Of An Occurrence, Offense, Claim Or Suit

Paragraphs a. and b. apply to you or to any additional insured only when such "occurrence", offense, claim or "suit" is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or the additional insured is a partnership;

- (3) Any manager, if you or the additional insured is a limited liability company;
- (4) Any "executive officer" or insurance manager, if you or the additional insured is a corporation;
- (5) Any trustee, if you or the additional insured is a trust; or
- (6) Any elected or appointed official, if you or the additional insured is a political subdivision or public entity.

This duty applies separately to you and any additional insured.

3. Legal Action Against Us

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

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

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

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

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

b. Excess Insurance

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

(1) Your Work

That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(2) Premises Rented To You

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

(3) Tenant Liability

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

(4) Aircraft, Auto Or Watercraft

If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability;

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

If the loss arises out of "property damage" to borrowed equipment or the use of elevators to the extent not subject to Exclusion **j.** of Section **I** - Coverage **A** - Bodily Injury And Property Damage Liability;

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

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

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

Any other insurance available to an additional insured.

However, the following provisions apply to other insurance available to any person or organization who is an additional insured under this coverage part.

(a) Primary Insurance When Required By Contract

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

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

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

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 Coverages A or B 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 of 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.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part 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 and retrospective premiums 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.

6. 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 that exist at the inception date of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part 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 claim is made or "suit" is brought.

8. 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.

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.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, 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.

SECTION V - DEFINITIONS

1. **"Advertisement"** means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:

- a. (1) Radio;
- (2) Television;
- (3) Billboard;
- (4) Magazine;
- (5) Newspaper; or
- b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
 - b. An interactive conversation between or among persons through a computer network.
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 semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

5. **"Bodily injury"** means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

6. **"Coverage territory"** means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

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
- (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in the United States of America (including its territories and possessions), Puerto Rico or Canada, in a "suit" on the merits according to the substantive law in such territory or in a settlement we agree to.

7. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".

8. **"Employment-Related Practices"** means:

- a. Refusal to employ that person;
- b. Termination of that person's employment; or
- c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person.

9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

10. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

11. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work", or your fulfilling the terms of the contract or agreement.

12. **"Insured contract"** means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is subject to the Damage to

Premises Rented To You Limit described in Section III - Limits of Insurance;

- b. A sidetrack agreement;
- c. Any easement or license agreement, including an easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. 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, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. includes that part of any contract or agreement that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

However, Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.

13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

14. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or organization occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral, written or electronic publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral, written or electronic publication, in any manner, of material that violates a person's right of privacy;
- f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; or
- g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement".

18. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
 - b. Created or used on; or
 - c. Transmitted to or from;
- computer software, including systems and applications software, hard or floppy disks, CD-



Administrative Report

H.14., File # 22-4567

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE AMENDMENTS TO THE AGREEMENTS FOR TRAFFIC STRIPING SERVICES WITH SUPERIOR PAVEMENT MARKINGS AND WGJ ENTERPRISES, INC., DBA PCI CORPORATION, TO INCREASE THE ANNUAL NOT TO EXCEED AMOUNTS OF EACH AGREEMENT FROM \$54,000 TO \$479,000 AND TO ADD UNIT PRICING FOR PAINTED BICYCLE LANES

EXECUTIVE SUMMARY

Approval of this item would amend two existing agreements for street striping services to increase the not to exceed amounts of each from \$54,000 to \$479,000. As part of the FY 2022-23 Budget Adoption, the City Council approved additional funding to cover the cost of the amendments and to accelerate the City-wide restriping effort.

BACKGROUND

The Public Works Department is responsible for maintaining pavement markings, street striping and crosswalks throughout the City. However, the Department does not have the staffing resources to perform the high volume of striping maintenance tasks required on annual basis. Therefore, the City periodically retains outside vendors to provide these services.

On May 3, 2022, the City Council, after a request for proposal process, awarded three-year agreements to Superior Pavement Markings and WGJ Enterprises, Inc. (PCI Corporation) to provide pavement markings, street striping and crosswalk maintenance services in both paint and thermoplastic material. While the projected cost for services for the entire City is roughly \$950,000, the initial not to exceed amount for each agreement was \$54,000, as only \$108,000 was available in the project budget. As part of the FY 2022-23 budget the City Council provided \$850,000 in additional funding. Decision Package #69 added \$450,000 to the Public Works operations budget and an additional \$400,000 was added to the CIP project account. Now that the project is fully funded, it is necessary to amend the two agreements to increase the not to exceed amounts from \$54,000 to \$479,000 and complete the work. The amendment also adds unit pricing to the agreements for painting green bicycle lanes. This service will be provided on a per square foot basis.

COORDINATION

This item was coordinated by the Public Works and Financial Services Departments. The City Attorney's Office prepared the amendment.

FISCAL IMPACT

The cost to provide street striping services for the entire City will not exceed \$479,000 per vendor. Funding is available in the Public Works operating budget and the Citywide Striping CIP project budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt- First Amendment - Superior Pavement Markings
- Insurance - Superior Pavement Markings
- Agmt- First Amendment - WGJ Enterprises, Inc.
- Insurance - WGJ Enterprises, Inc.

**FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND SUPERIOR PAVEMENT MARKINGS, INC.**

THIS FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Superior Pavement Markings, Inc., a California corporation ("Contractor").

WHEREAS, on December 7, 2021, the parties hereto originally entered into the Agreement for Project Services between the City and Contractor (the "Agreement"); and

WHEREAS, the parties wish to amend the Agreement.

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

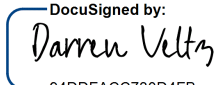
1. **COMPENSATION.** Exhibit "C" of the Agreement is hereby amended to add Exhibit "C-1" to add Green Bicycle Lanes to the Markings and increase the not to exceed amount from \$54,000 to \$479,000. Exhibit "C-1" is attached hereto and incorporated by reference. Contractor shall be compensated for the services described in Exhibit "A".
2. **NO OTHER AMENDMENTS.** Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

SUPERIOR PAVEMENT MARKINGS, INC.,
a California corporation

William C. Brand, Mayor

DocuSigned by:

94DDFACC730D4FB...
By: ~~Darren Veltz~~_____
Name: _____
Title: CFO_____

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "C-1"

COMPENSATION

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

- I. **AMOUNT.** Contractor shall be paid in accordance with the following schedule.

Markings					
Description	Quantity	Color	Unit	Material	Unit Price
Stop	1,820	White	Ea	Thermoplastic	\$200.00
Ped Crossing	50	White	Ea	Thermoplastic	\$350.00
Stop Ahead	20	White	Ea	Thermoplastic	\$500.00
Right Lane Must Turn Right	5	White	Ea	Thermoplastic	\$1,100.00
Slow School Crossing	5	Yellow	Ea	Thermoplastic	\$700.00
Railroad Crossing	10	White	Ea	Thermoplastic	\$500.00
No Left Turn	5	White	Ea	Thermoplastic	\$500.00
Arrow (Straight)	20	White	Ea	Thermoplastic	\$65.50
Arrow (Multi-directional)	35	White	Ea	Thermoplastic	\$70.00
Arrow (Left-Right)	320	White	Ea	Thermoplastic	\$125.00
Arrow (Bike)	95	White	Ea	Thermoplastic	\$25.00
Bike Lane Symbols	95	White	Ea	Thermoplastic	\$100.00
Parking T's	245	White	Ea	Thermoplastic	\$20.00
ISA	80	Blue/White	Ea	Paint	\$285.00
Only	25	White	Ea	Thermoplastic	\$200.00
25 MPH	25	White	Ea	Thermoplastic	\$250.00
30 MPH	25	White	Ea	Thermoplastic	\$250.00
35 MPH	25	White	Ea	Thermoplastic	\$250.00
Wait Here	15	White	Ea	Thermoplastic	\$450.00
OK	5	White	Ea	Thermoplastic	\$100.00
Slow	1	Yellow	Ea	Thermoplastic	\$200.00
Keep Clear	15	White	Ea	Thermoplastic	\$450.00
Sandblast / Removal	25,000	-	L.F.	-	\$3.15
Green Bicycle Lanes	20	Green	SF	Paint	\$4.15

Striping					
<u>Description</u>	<u>Quantity</u>	<u>Color</u>	<u>Unit</u>	<u>Material</u>	<u>Unit Price</u>
Caltrans Det 1 (4" Single Broken)	269,550	Yellow	L.F.	Paint	\$0.15
Caltrans Det 8 (4" Single Broken)	223,400	White	L.F.	Paint	\$0.15
Caltrans Det 21 (4" Double Solid)	131,650	Yellow	L.F.	Paint	\$0.27
Caltrans Det 24 (4" Single Solid)	16,900	Yellow	L.F.	Paint	\$0.20
Caltrans Det 38B (8" Single Solid)	95,100	White	L.F.	Paint	\$0.34
4" Solid (Parking Stall)	8,750	White	L.F.	Paint	\$0.25
4" Solid	3,550	Blue	L.F.	Paint	\$0.57
12" Solid	300	Blue	L.F.	Paint	\$3.25
12" Solid Limit Line (Caltrans SP A24E)	27,240	White	L.F.	Paint	\$2.00
Two-Way Left Turn	59,700	Yellow	L.F.	Paint	\$0.27

Crosswalk					
<u>Description</u>	<u>Quantity</u>	<u>Color</u>	<u>Unit</u>	<u>Material</u>	<u>Unit Price</u>
12" Continental Crosswalk	27,100	Yellow	L.F.	Thermoplastic	\$2.00
12" Continental Crosswalk	52,300	White	L.F.	Thermoplastic	\$2.00

- II. **NOT TO EXCEED AMOUNT.** In no event shall the total amount paid to Contractor, exceed \$479,000 during the term of the Agreement.
- 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.
- All personnel who performed work.
 - Description of the work performed.
 - Material used.
 - Quantity
 - Unit Price
 - Total Amount (Unit x Quantity)
- Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, and include the prior written authorization of the City and copies of receipts to substantiate expense requests. Contractor may be required to provide back-up material upon request. If no work is performed in a given month, no invoice is required.
- IV. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty days of City's receipt of Contractor's monthly invoice; provided that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.

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

Contractor: Superior Pavement Markings
5312 Cypress St
Cypress, CA 90630
Attention: Darren Veltz

City: City of Redondo Beach
Public Works Department
531 N Gertruda Ave
Redondo Beach, CA 90277
Attention: Rob Osborne

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/16/2022

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

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

PRODUCER Patriot Risk & Insurance Services 2415 Campus Drive, Suite #200 Irvine, CA 92612 www.patrisk.com 0K07568	CONTACT NAME: Sondra Alvarado PHONE (A/C, No. Ext): 9494867902 E-MAIL ADDRESS: salvarado@patrisk.com FAX (A/C, No): INSURER(S) AFFORDING COVERAGE INSURER A: Travelers Indemnity Co of Connecticut INSURER B: Travelers Property Casualty Co of Amer INSURER C: Redwood Fire and Casualty Insurance Co INSURER D: INSURER E: INSURER F:	NAIC # 25682 25674 11673
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COVERAGES**CERTIFICATE NUMBER:** 70277055**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	DT22-CO-6S124780-TCT-22	9/18/2022	9/18/2023	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$300,000 PERSONAL & ADV INJURY \$5,000 GENERAL AGGREGATE \$1,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			810-6S126005-22-26-G	9/18/2022	9/18/2023	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			CUP-6S129947-22-26	9/18/2022	9/18/2023	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> Y <input type="checkbox"/> N/A	<input checked="" type="checkbox"/>	SUWC352595	6/1/2022	6/1/2023	<input checked="" 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

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

Re: All Operations
City of Redondo Beach is named as additional insureds as respects to General Liability per endorsement attached as required by written contract. Coverage includes Waiver of subrogation.

*30 day notice of cancellation / 10-days for non-payment of premium.

CERTIFICATE HOLDER**CANCELLATION**

City of Redondo Beach
415 Diamond Street
Redondo Beach CA

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

Dave Jacobson

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ACORD 25 (2016/03)

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED
(Includes Products-Completed Operations If Required By Contract)

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that you agree in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only:

- a. With respect to liability for "bodily injury" or "property damage" that occurs, or for "personal injury" caused by an offense that is committed, subsequent to the signing of that contract or agreement and while that part of the contract or agreement is in effect; and
- b. If, and only to the extent that, such injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the written contract or agreement applies. Such person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.

The insurance provided to such additional insured is subject to the following provisions:

- a. If the Limits of Insurance of this Coverage Part shown in the Declarations exceed the minimum limits required by the written contract or agreement, the insurance provided to the additional insured will be limited to such minimum required limits. For the purposes of determining whether this limitation applies, the minimum limits required by the written contract or agreement will be considered to include the minimum limits of any Umbrella or Excess liability coverage required for the additional insured by that written contract or agreement. This provision will not increase the limits of insurance described in Section III – Limits Of Insurance.
- b. The insurance provided to such additional insured does not apply to:

- (1) Any "bodily injury", "property damage" or "personal injury" arising out of the providing, or failure to provide, any professional architectural, engineering or surveying services, including:

- (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
- (b) Supervisory, inspection, architectural or engineering activities.

- (2) Any "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the written contract or agreement specifically requires you to provide such coverage for that additional insured during the policy period.

- c. The additional insured must comply with the following duties:

- (1) Give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
 - (a) How, when and where the "occurrence" or offense took place;
 - (b) The names and addresses of any injured persons and witnesses; and
 - (c) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- (2) If a claim is made or "suit" is brought against the additional insured:

COMMERCIAL GENERAL LIABILITY

- (a) Immediately record the specifics of the claim or "suit" and the date received; and
 - (b) Notify us as soon as practicable and see to it that we receive written notice of the claim or "suit" as soon as practicable.
- (3) Immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- (4) Tender the defense and indemnity of any claim or "suit" to any provider of other insurance which would cover such additional insured for a loss we cover. However, this condition does not affect whether the insurance provided to such additional insured is primary to other insurance available to such additional insured which covers that person or organization as a named insured as described in Paragraph 4., Other Insurance, of Section IV – Commercial General Liability Conditions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR CONTRACTORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Who Is An Insured – Unnamed Subsidiaries**
- B. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations**

- C. Incidental Medical Malpractice**
- D. Blanket Waiver Of Subrogation**
- E. Contractual Liability – Railroads**
- F. Damage To Premises Rented To You**

PROVISIONS

A. WHO IS AN INSURED – UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership, joint venture or limited liability company, that is not shown as a Named Insured in the Declarations is a Named Insured if:

- a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and
- b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

- a. Before you maintained an ownership interest of more than 50% in such subsidiary; or
- b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph 1. of Section II – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

- a. An organization other than a partnership, joint venture or limited liability company; or

- b. A trust;

as indicated in its name or the documents that govern its structure.

B. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

- a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

COMMERCIAL GENERAL LIABILITY

C. INCIDENTAL MEDICAL MALPRACTICE

1. The following replaces Paragraph b. of the definition of "occurrence" in the **DEFINITIONS** Section:

- b. An act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

2. The following replaces the last paragraph of Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs (1)(a), (b), (c) and (d) above do not apply to "bodily injury" arising out of providing or failing to provide:

- (a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician or paramedic; or
- (b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following replaces the last sentence of Paragraph 5. of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of

pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

6. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph 2.a.(1) of Section II – Who Is An Insured.

D. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.

E. CONTRACTUAL LIABILITY – RAILROADS

1. The following replaces Paragraph c. of the definition of "insured contract" in the **DEFINITIONS** Section:

- c. Any easement or license agreement;

COMMERCIAL GENERAL LIABILITY

2. Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

F. DAMAGE TO PREMISES RENTED TO YOU

The following replaces the definition of "premises damage" in the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA
BLANKET BASIS**

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 calculated by applying a factor of 2% to the total manual premium, with a minimum initial charge of \$350, then applying all other pricing factors for the policy to this calculated charge to derive the final cost of this endorsement.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule**Blanket Waiver****Person/Organization**

Blanket Waiver – Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

Job Description

All CA Operations

Waiver Premium (prior to adjustments)

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 06/01/2022

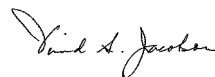
Policy No.: SUWC352595

Endorsement No.:

Insured: Superior Pavement Markings, Inc.

Premium \$

Insurance Company: Redwood Fire and Casualty Ins Co



Countersigned by _____

WC 99 04 10 C

(Ed. 01-19)

**FIRST AMENDMENT TO THE
AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND WGJ ENTERPRISES, INC. DBA PCI CORPORATION**

THIS FIRST AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES ("First Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and WGJ Enterprises, Inc., a California corporation dba PCI Corporation ("Contractor" or "Consultant").

WHEREAS, on May 3, 2022, the parties hereto originally entered into the Agreement for Project Services between the City and Contractor ("Agreement") for street striping and signage services; and

WHEREAS, the parties wish to increase the compensation.

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

1. Compensation. Exhibit "C" of the Agreement is hereby amended to increase the compensation from \$54,000.00 to a not-to-exceed amount of \$479,000.00.
2. No Other Amendments. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and the First Amendment, the terms of this First Amendment shall govern.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH

WGJ ENTERPRISES, INC.,
a California corporation dba PCI
Corporation

William C. Brand, Mayor

DocuSigned by:
William G. Jacob
By: _____
Name: William G. Jacob
Title: President

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney



PCI-----

ADIAZ

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/3/2022

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

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

PRODUCER

The Wooditch Company Insurance Services, Inc.
1 Park Plaza, Suite 400
Irvine, CA 92614

CONTACT
NAME:
PHONE
(A/C, No, Ext): (949) 553-9800
E-MAIL
ADDRESS:

FAX
(A/C, No): (949) 553-0670

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A : Allied World Ins. Co., Inc. 22730

INSURER B : Allied World Assurance Company 19489

INSURER C : Starstone National Insurance Company 25496

INSURER D :

INSURER E :

INSURER F :

INSURED

WGJ Enterprises, Inc. dba PCI
975 W. 1st Street
Azusa, CA 91702

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>		6004-0531	11/1/2021	11/1/2022	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 Deductible \$ 5,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>		6000-0973	11/1/2021	11/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y / <input checked="" type="checkbox"/> N	N / A	T10211116	11/1/2021	11/1/2022	<input checked="" 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

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

RE: PCI Job #10998C; RFP #2122-011; City-wide Traffic Striping and Street Signage Services, Redondo Beach, CA. glaip/auai

The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers are included as Additional Insureds as respects General Liability and Auto Liability per attached endorsements.

This insurance shall apply as Primary and Non-Contributory per attached endorsement.

CERTIFICATE HOLDER

City of Redondo Beach
Public Works Department
531 North Gertruda Avenue
Redondo Beach, CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE



AGENCY CUSTOMER ID: PCI-----

ADIAZ

LOC #: 1

ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY		NAMED INSURED WGJ Enterprises, Inc. dba PCI 975 W. 1st Street Azusa, CA 91702
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**Cancellation:**

*Except 10 days notice of Cancellation for non-payment of premium.

Should this policy be cancelled before the expiration date, The Wooditch Company will mail 30 (thirty) days written notice to those Certificate Holders which require such action per contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: WGJ Enterprises, Inc. dba PCI

Endorsement Effective Date: 11/01/2021

SCHEDULE

Name Of Person(s) Or Organization(s): Any person or organization whom you have agreed to include as an additional insured under a fully executed written contract or written agreement, provided that such was executed prior to an "occurrence", loss, injury or damage.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization whom you have agreed to include as an additional insured under a fully executed written contract or written agreement, provided that such was executed prior to an "occurrence", loss, injury or damage.	All Locations of the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any person or organization whom you have agreed to include as an additional insured under a fully executed written contract or written agreement, provided that such was executed prior to an "occurrence", loss, injury or damage.	All Locations of the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NON-CONTRIBUTORY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS / COMPLETED OPERATIONS COVERAGE PART

Notwithstanding any other provision of this policy to the contrary, the insurance afforded to an additional insured under this policy will be primary to, and non-contributory with, any other insurance available to that person or organization in the event a written contract or written agreement you enter into requires you to furnish insurance to that person or organization of the type provided by this policy.



Administrative Report

H.15., File # 22-4774

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: TED SEMAAN, DIRECTOR OF PUBLIC WORKS

TITLE

APPROVE AN AMENDMENT TO THE AGREEMENT WITH E.J. WARD, INC. AND SIMPLYFUEL SOLUTIONS, LLC. FOR FUEL VIEW SOFTWARE FOR A ONE-TIME COST OF \$35,209.54 AND AN ANNUAL COST OF \$8,268 FOR A NEW NOT TO EXCEED AMOUNT OF \$108,109.29 FOR THE TERM OCTOBER 4, 2022 TO JANUARY 2, 2026 WITH AN OPTION TO EXTEND FOR TWO ADDITIONAL YEARS

EXECUTIVE SUMMARY

Approve an amendment to the existing agreement with E.J. Ward, Inc. (E.J. Ward) and Simplyfuel Solutions, LLC. (Simplyfuel) to upgrade the fuel management hardware and software systems and improve the effectiveness of the fuel management program at the City Yard. The services will include ongoing support for software, hardware, terminal and all other system parts for a three-year period with the option to extend for an additional two years. In anticipation of this need the City Council approved additional funding in the FY 2022-23 Adopted Budget per Decision Package #34 - Vehicle Fleet Software Updates.

BACKGROUND

The City Yard uses a fuel management system to track the amount of fuel used per vehicle and provide data to assist with the scheduling of preventative maintenance of each vehicle. The fuel management system works in concert with the City's fleet management system by capturing fuel usage at the pump and transmitting it to the fleet database. This information allows Fleet Services staff to track all fuel usage and unit by unit vehicle operating costs. It is also a key tool for managing, monitoring and billing for fuel usage in the City.

At this time City staff is recommending a planned upgrade of the E.J. Ward and Simplyfuel hardware and supporting software outlined in the amendment. The recommended purchase would be acquired through the City's regular purchasing procedures. If approved, the Sourcewell Cooperative Purchasing Program will be used for this purchase through Awarded Contract #092920-EJW.

Cooperative purchasing programs provide valuable benefits to state and local governments. By attaching to national or regional cooperatives, an agency has immediate access to solicited contract and guaranteed pricing and delivery options. If approved staff will begin work on the installation and transition to the new system. It is anticipated the project will be completed and ready for year one services of the amended agreement no later than January 2, 2023. Year One services of this amendment will begin when the transition to the new operating system is complete and the year one

invoice is received, no later than January 2, 2023.

There is a one-time cost for hardware and software installation and implementation of \$35,209.54. In addition, there is an annual cost of \$8,268 for hosting and support services for the first three years of this amendment and \$8,681 for a possible two additional years.

The amendment increases the existing agreement not to exceed amount of \$31,225 to a new not to exceed amount of \$108,109.29. The amendment also extends the term until January 2, 2026 with an option to extend for two additional years.

COORDINATION

Public Works has coordinated this report with the I.T. and Finance Departments.

FISCAL IMPACT

Funding for the one-time costs of the amendment is available in the FY 2022-23 Approved Budget via Decision Package #34 - Vehicle Fleet Software Upgrades. Funding for ongoing system support costs is available in the annual Fleet maintenance and operations budget.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - First Amendment - E.J. Ward Inc. and Simplyfuel, LLC. and Certificate of Insurance
- Agmt -E.J. Ward, Inc., March 28, 2019



Amendment to Service Call Center and Support Agreement

This Amendment is entered into on October 4, 2022, between E.J. Ward, Inc., a Nevada corporation with its principal place of business located at 8620 N New Braunfels, Suite 200 North, San Antonio, Texas, 78217, SimplyFuel Solutions, LLC, a Nevada limited liability company, and the City of Redondo Beach, a chartered municipal corporation with its principal places of business located at 415 Diamond Street, Redondo Beach, CA 90277, and shall be effective on October 4, 2022

Terms & Conditions

The Amendment is between E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC (“we,” “us” “EJW” “SFS” or “our”) and the customer who orders E.J. WARD, INC. products and services (“you,” “your” or “Customer”).

This Amendment governs your purchase and use of all Services offered by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC as may be further described in this Amendment or any Order. This Amendment applies to you (“User”). You must register with E.J. WARD, INC. and accept the terms of this Amendment to use the Services.

BY REGISTERING FOR AND USING THE SERVICES, YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AMENDMENT AND AGREE THAT YOU WILL BE BOUND BY ALL TERMS AND CONDITIONS OF THIS AMENDMENT.

This Amendment is the complete and exclusive agreement between you and E.J. WARD, INC. regarding its subject matter and supersedes and replaces any prior agreement, understanding, and communication, written or oral.

Your use of E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC services is governed by this Fuel View Software as a Service and Extended Warranty Agreement, the Acceptable Use Policy, and the terms of your Order. When we use the term “Agreement” in any of the Fuel View Software as a Service and Extended Warranty Agreement, the Acceptable Use Policy, or an Order, we are referring to all of them collectively. If there is any inconsistency or conflict between the provisions of these documents, then the documents will be given precedence in the following order: (a) the Fuel View Software as a Service and Extended Warranty Agreement, (b) the Acceptable Use Policy, (c) and the terms of your Order.

SaaS Support Number 1-800-580-WARD (9273) or email support@ejward.com (email for non-emergency support only during normal business hours: Monday-Friday 8am-5pm CST).



Definitions

“Acceptable Use Policy” means E.J. WARD, INC.’s Acceptable Use Policy (Attachment “A”) as of the date you sign or submit your Order.

“Business Day” means 8:00 a.m. - 5:00 p.m. Central Standard Time (CST), Monday through Friday, excluding federal public holidays in the United States.

“Confidential Information” means all information disclosed by either party to the other, whether before or after the effective date of the Agreement that the recipient should reasonably understand to be confidential.

“Distributor” means a third party appointed by either E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC to distribute PRODUCT(S) directly to customers subject to the terms and conditions imposed by their agreement.

“EFT” means Electronic Fund Transfer.

“End User” means a third party sublicensed by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC RESELLER or DISTRIBUTOR to use a PRODUCT(S) for its customary internal business purposes and not for redistribution.

“E.J. WARD, INC. Website” means website located at <http://www.ejward.com>.

“Excessive” is defined for the purpose of this agreement as time spent beyond what is considered industry acceptable, proper, usual, or necessary to solve the problem solely based on the judgment of E.J. WARD, INC. Technical Support or the “seller”.

“Exchange Policy” means Exchange and/or repair of components is normally two to three (2/3) days after the receipt of the items in need of repair or exchange or after the receipt of a Return Material Authorization (RMA) A Customers exchange and shipment to the company must comply with the Return Material Authorization (RMA) policy found in the current published price book and reference a support ticket number assigned by E.J. WARD, INC. Technical Support.

“Order” means either: (a) an order that you submit to E.J. WARD, INC. via email, fax, US Mail or the E.J. WARD, INC. Website or (b) any other written order (either in electronic or paper form) provided to you by E.J. WARD, INC. for signature that describes the Services you are purchasing, and is signed by you, either manually or electronically.

“Onsite Labor” for the purpose of this agreement is defined as a single technician’s time spent at the hardware’s location to troubleshoot, repair or replace defective components. It does not include travel time or mileage charges to and from the service call.

“Overtime Rates” for the purpose of this agreement are defined as charges equal to 1.5 times the base rate (preferred or otherwise) for work performed after normal business hours, on weekends or holidays. For work performed after normal business hours, weekends, or holidays invoiced at a minimum of four (4) hours, not inclusive of travel or other direct costs.

“Preferred Rates” for the purpose of this agreement are defined as those rates in the current published semi-annually E.J. WARD, INC. price book using Sourcwell (formally NJPA) or other similar cooperative group discounts.



"Reseller" means a third party appointed by either E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC to sell products, systems and solutions directly to customers subject to the terms and conditions imposed by their Agreement.

"SaaS" means Software as a Service.

"Services" means those E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC products or services described in the Customers Order.

"Service Response vs Service Repair" means the Service Response requirements as defined in this agreement. The actual time to Repair the equipment however, cannot be determined or controlled by the response time period. Each service call will require analysis to determine the failure, actual repair, and testing to confirm the unit is working within specifications. In special cases, the repair may require unique parts which require additional time to obtain.

"Software as a Service" means Fuel View, and/or its IoT version Hosted by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC and deployed over the Internet rather than installed on a client's computer as of the date you sign or submit the Order.

"Third Party Products" means third party software or products that E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC may provide to you under this Agreement.

"Third Party Hardware Support" means E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC agrees to provide customers with limited technical support in troubleshooting problems associated with "Third-Party" or "Non-Covered" hardware or software. E.J. WARD, INC. Technical Support may consult with representatives of other support organizations if required. If the time required to resolve third party issues is excessive, customers will be contacted for authorization to proceed before charges are incurred.

"Third Party Vendors" means an authorized reseller, certified service provider and other relationships that E.J. WARD, INC. established with certain commercial vendors.

Obligations, Rights and Responsibilities

E.J. WARD, INC. Obligations

For all Orders accepted by E.J. WARD, INC. and subject to this Agreement, E.J. WARD, INC. agrees to provide the Services and the applicable support listed on your Orders, subject to and in accordance with

E.J. WARD, INC., its Fuel View, SaaS and Extended Warranty Agreement.

- a) E.J. WARD, INC. shall provide immediate notification of any unauthorized use of the customer's account, issues that impact the security, stability and operational reliability of the customer's data and/or applications used to access the data.
- b) Resolution times are as referenced in "Exhibit "A" attached.

Your Obligations

You agree to do each of the following:

- a) pay when due the fees for the Services and any additional applicable charges;
- b) use reasonable security precautions in light of your use of the Services;
- c) cooperate with E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC reasonable investigation of outages, security issues, and any suspected breach of the Agreement;
- d) keep your billing contact and other account information up to date;



- e) immediately notify E.J. WARD, INC. of any unauthorized use of your account or any other breach of the security of the Services; provided, that in the event of a dispute between the parties regarding the interpretation of applicable law or the Acceptable Use Policy, then E.J. WARD, INC.'s reasonable determination will control;
- f) pay all federal, state, and local sales, use, surcharges, excise, franchise, property, gross receipts, license, privilege, and any other taxes assessed with respect to the Services; and
- g) provide E.J. WARD, INC. with accurate factual information to help determine if any tax is due with respect to the provision of the Services, and if E.J. WARD, INC. is required by law to collect taxes on the provision of the Services, then you must pay E.J. WARD, INC. the amount of the tax due or provide satisfactory evidence of your exemption from the tax.

Acceptable Use Policy

By agreeing to the terms and conditions of this Agreement, you agree to E.J. WARD, INC.'s Acceptable Use Policy, which is expressly incorporated herein by reference.

Intellectual Property Rights

You warrant, represent, and covenant to E.J. WARD, INC. that:

- a) you possess the legal right and ability to enter into this Agreement;
- b) you and your Users will use the Services only for lawful purposes and in accordance with this Agreement, E.J. WARD, INC.'s Acceptable Use Policy, and all applicable E.J. WARD, INC. policies and guidelines, as contained in this Agreement or posted on the E.J. WARD, INC. Website; and
- c) you and your Users have obtained all license or other rights necessary to install or use any software or products in conjunction with your use of the Services.

IP Numbers

E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC will maintain and control ownership of all Internet protocol numbers and addresses it may assign to you or request to be provided by you. E.J. WARD, INC. may, in its sole discretion, change or remove or request new Internet protocol numbers and addresses.

Third Party Products

For your convenience, E.J. WARD, INC. may provide you access to Third Party Products through certain Third-Party Vendor relationships. Neither E.J. WARD, INC. nor any Third-Party Vendor makes any representations or warranties of any kind, express or implied, regarding any Third-Party Products.

You agree that you will not

- a) copy any license keys or otherwise decrypt or circumvent any license key,
- b) run Third Party Products on a second system or through any other hosting provider, remove, modify, or obscure any copyright, trademark, or other proprietary rights notices that appear on or during use of any product provided by Ward, or reverse engineer, decompile, or disassemble any product provided under this agreement, except to the extent that such activity is expressly permitted by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC in writing or applicable law.

You agree to observe the terms of any license or applicable end user subscriber agreement for Third Party Products and E.J. WARD, INC. will not have any liability for your use of any Third-Party Products or any violation of any license agreements or end user subscriber agreements that govern such Third-Party Products. You will be solely responsible for any additional software or products that you install or use in conjunction with the Services provided herein.



Additional Requirements for Using Microsoft Software or Server Operating Systems under Microsoft Corporation's licensing terms.

If Microsoft software is provided to you as part of the Services, then additional restrictions may apply, including but not limited to limits on the number of authenticated users of the hosted environment unless expressly noted in your Order.

Confidentiality

Any Confidential Information disclosed by one party ("Disclosing Party") to the other party ("Recipient") in connection with this Agreement that is marked confidential or that due to its character and nature, a reasonable person under like circumstances would treat as confidential including: (a) for you, all information transmitted to or from, or stored on, E.J. WARD, INC.'s systems, (b) for E.J. WARD, INC. unpublished prices and other terms of service, audit and security reports, product development plans, data center designs, server configuration designs, and other proprietary information or technology, and (c) for both parties, information that is marked or otherwise conspicuously designated as confidential. Information that is developed by either party on its own, without reference to the other's Confidential Information, or that becomes available to either party other than through breach of the Agreement or applicable law, will not be considered "Confidential Information" of the other party and shall be protected and held in confidence by the Recipient. Disclosure of the Confidential Information will be restricted to the Recipient's employees, contractors, affiliates, or agents (including outside counsel and consultants) on a "need to know" basis in connection with the services, who are bound by confidentiality obligations no less stringent than these prior to any disclosure. Each party may disclose Confidential Information relating to the Services to providers of goods and services for the engagement to the extent such disclosure is necessary and reasonably anticipated. Confidential Information does not include information which: (i) is already known to Recipient at the time of disclosure; (ii) is or becomes publicly known through no wrongful act or failure of the Recipient; (iii) is independently developed by Recipient without benefit of Disclosing Party's Confidential Information; (iv) is received from a third party which is not under and does not thereby breach an obligation of confidentiality; (v) is disclosed pursuant to law, including without limitation the California Public Records Act; (vi) is disclosed due to any rule, order, referral, or request, including without limitation any rule, order, referral, or request of City Council; (vii) disclosed as part of the Customer's contract approval process.

Each party agrees to protect the other's Confidential Information at all times and in the same manner as each protects the confidentiality of its own proprietary and confidential materials, but in no event with less than a reasonable standard of care. A Recipient may disclose Confidential Information to the extent required by law.

Term and Payment for Services

This Agreement will be effective October 4, 2022.

- Year One of the Services shall commence the date of the Year One invoice, which shall be prior to January 2, 2023.
- Services for Years Two and Three shall commence on the anniversary start date of Year One's Service.
- Thereafter, the Agreement shall renew for subsequent one year terms for \$8,681 per year, unless Customer provides written notification to E.J. WARD, INC. at least 15 days prior to expiration date of the current term. However, in no event, shall the Agreement continue beyond January 2, 2028.

Total compensation, including the Agreement and this amendment for "EJW" shall not exceed \$108,109.29.



Termination

This Agreement may be terminated in one of the following ways:

- a) by you without cause and for convenience by providing a Cancellation Request.
- b) by E.J. WARD, INC. without cause by providing you with a written notice at least 30 days prior to the termination date but not before expiration of the "Initial Term".
- c) by E.J. WARD, INC. in the event you do not pay any undisputed fees due hereunder within or after 45 days of the due date;
- d) by you or E.J. WARD, INC. if a party commits a material breach of or fails to perform any obligations under this Agreement and has not cured such breach or failure within 45 days of receiving written notice from the terminating party specifying such breach or failure; or as otherwise provided in this Agreement or the Acceptable Use Policy.

Payment

- a) All charges under this Agreement are due within 45 days after Customer's receipt of invoice; provided, however, that services have been completed to the Customer's reasonable satisfaction.
- b) For recurring billing, "SaaS" Hosting and "Cellular Services" are billed annually and payments are due 45 days from the date of invoice.
- c) For non-recurring fees (such as fees for initial set-up, backup overages, bandwidth overages, paid for support request and any other non-recurring service) on or around the date incurred, or on or around the first day of the billing cycle that follows the date incurred, at E.J. WARD, INC.'s option; provided that E.J. WARD, INC. may wait to invoice the total aggregate fees due at the next billable cycle. Unless otherwise agreed in the Order or modified via request, your billing cycle will be monthly, beginning on the date that E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC first makes the Services available to you.
 - a. Charges that are not disputed within 60 days of the date charged are conclusively deemed accurate.
- d) You agree that you will notify E.J. WARD, INC. of any changes to your account, your billing address, or any information that E.J. WARD, INC. may reasonably require in order to process your payments in a timely manner.

Refund and Disputes

Except where expressly provided in this Agreement, all payments to E.J. WARD, INC. are nonrefundable. This includes but is not limited to any applicable setup fees and subsequent charges, regardless of usage. Notwithstanding the foregoing, Customer shall be refunded for all prepaid fees and charges upon termination of the Agreement.

You must report any overcharges or billing disputes to E.J. WARD, INC. within 90 days of the time on which you became aware, or should have become aware, of the existence of the overcharge or dispute.

Data Control and Location of Services

The method and means of providing the Services shall be under the exclusive control, management, and supervision of E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC giving due consideration to the requests of the Customer. The Services (including data storage), shall be provided solely from within the continental United States and on computing and data storage devices residing therein.

Data Ownership

Customer's data which shall also be known and treated by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC as Confidential Information shall include: (a) data collected, used, processed, stored, or generated as the result of the use of the Services; and, (b) identifiable information collected, used, processed, stored, or generated as the result of the use of the Services. Customer's data is and shall remain the sole and exclusive property of the customer and all right, title, and interest in the same is



reserved by the customer. This Section shall survive the termination of this Agreement.

E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC Use of Customer Data E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC is provided a limited license to Customer Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display Customer Data only to the extent necessary in the providing of the Services. E.J. WARD, INC. shall: (a) keep and maintain Customer Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Agreement and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose Customer Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Agreement, and applicable law; and, (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available Customer Data for the benefit of anyone other than the Customer without Customer's prior written consent. This Section shall survive the termination of this Agreement.

Backup and Recovery of Customer Data Customer data will be mirrored in real-time, backed up not less than hourly and moved, disaster recovery data resides within the United States. A Service Level Commitment Agreement is attached as exhibit "A". A Recovery Point Objective of not more than seventy-two 72 hours for the system and application in a disaster is in place. E.J. WARD, INC. tests system failover quarterly and the Business Continuity / Disaster Recovery Plan is reviewed annually and with its critical vendors.

Maintenance Periods / Application Updates

Unless as otherwise agreed to by Customer on a case-by-case basis, E.J. WARD, INC. shall provide no less than three (3) calendar days prior notice to Customer of all non-emergency maintenance or updates to be performed on the Services or application, such notice shall include a detailed description of all maintenance to be performed. For emergency maintenance, patches, critical bug fixes E.J. WARD, INC. shall provide as much prior notice as commercially practicable to the Customer and shall provide a detailed description of all maintenance performed no greater than one (1) calendar day following the implementation of the emergency maintenance.

Data Retention Policy after Contract Expiration

E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC makes no guarantees about retaining any data stored on systems or servers following expiration or termination of this Agreement. The Company will typically delete such data

- a) thirty (30) days following termination of any "Software as a Service" agreement by either you or E.J. WARD, INC. or
- b) on your next billing date following termination of any "Software as a Service" agreement by either you or E.J. WARD, INC. You will not have access to your data stored on systems or servers during a suspension or following a termination.

Limitation of Liability and Indemnity

Monitoring User Activity

Users voluntarily engage in the activity of Internet use and bear the risks associated with that activity. E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC exercises no control over and expressly disclaims any obligation to monitor its customers and other Users with respect to breaches of this Agreement or any content of the information made available for distribution via the Services, including without limitation any information passing through E.J. WARD, INC.'s host computers, network hubs and points of presence, or the Internet, or any content posted any User may post on any server or website. In no event will E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC have any liability to you or any third party for unauthorized access to, or alteration, theft, or destruction of information distributed or made available for distribution via the Services by Customer's accident, or fraudulent means or devices.

**Interruption of Service**

Except as set expressly provided in this Agreement, E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC will not be liable for any temporary delay, outages, or interruptions of the Services. Further, it's not liable for any delay or failure to perform its obligations under this Agreement, where the delay or failure results from any act of God or other cause beyond its reasonable control (including, without limitation, any mechanical, electronic, communications, or third-party supplier failure). E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC cannot guarantee that (i) access to the Services will be uninterrupted or error-free, (ii) defects will be corrected, or (iii) the Services will be secure.

Warranty Disclaimer:

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SERVICES, INCLUDING, WITHOUT LIMITATION, ALL INFORMATION, CONTENT, AND OTHER SERVICES MADE AVAILABLE BY E.J. WARD, INC. OR ANY THIRD-PARTY VENDORS ARE PROVIDED ON AN "AS IS" OR "AS AVAILABLE" BASIS AND NEITHER E.J. WARD, INC. OR SIMPLYFUEL SOLUTIONS, LLC MAKES ANY REPRESENTATIONS OR WARRANTIES REGARDING THE SERVICES. E.J. WARD, INC. HEREBY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES AND CONDITIONS OF ANY KIND OR NATURE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, WARRANTIES RELATED TO ANY COURSE OF DEALING, USAGE OR TRADE PRACTICE, OR IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Limitation of Liability:

EXCEPT FOR A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY OR ANY USER OR ANY THIRD PARTY FOR ANY LOSS OF PROFITS OR REVENUES OR COST OF REPLACEMENT SERVICES (WHETHER DIRECT OR INDIRECT) NOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR SPECIAL DAMAGES OF ANY KIND ARISING FROM THE USE OF THE SERVICES, EVEN IF SUCH PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR E.J. WARD, INC.'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, E.J. WARD, INC.'S LIABILITY TO YOU FOR ANY REASON AND UPON ANY CAUSE OF ACTION IS LIMITED TO THE AMOUNT YOU ACTUALLY PAID TO E.J. WARD, INC. UNDER THIS AGREEMENT DURING THE ONE MONTH IMMEDIATELY PRECEDING THE DATE ON WHICH THE CLAIM ACCRUED. THIS LIMITATION APPLIES TO ALL CAUSES OF ACTION IN THE AGGREGATE, INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATIONS, OR OTHER TORTS. THE FEES FOR THE SERVICES SET BY E.J. WARD, INC. UNDER THIS AGREEMENT HAVE BEEN AND WILL CONTINUE TO BE BASED UPON THIS ALLOCATION OF RISK. NOTHING IN THIS AGREEMENT IS INTENDED TO EXCLUDE OR LIMIT EITHER PARTY'S LIABILITY WITH RESPECT TO THOSE LIABILITIES

THAT CANNOT BE LEGALLY EXCLUDED OR LIMITED EVEN IF ANY OTHER PROVISION MAY SUGGEST OTHERWISE.

Customer Indemnity:

You agree to indemnify, defend, and hold harmless E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC and all employees, officers, directors, partners, representatives or any such entity, from and against any and all third-party claims, damages, losses, liability, causes of action, judgments, costs, or expenses (including, without limitation, reasonable attorney's fees) asserted against or suffered by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC arising out of any breach of this Agreement by you, your Users, or your customers.



E.J. WARD, INC. Indemnity

E.J. WARD, INC. agrees to indemnify, defend, and hold harmless Customer from and against any and all third-party claims, damages, losses, liability, causes of action, judgments, costs, or expenses (including, without limitation, reasonable attorney's fees) asserted against or suffered by Customer arising out of any claim alleging that the Services as provided by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC infringement of any third party's intellectual property rights or any breach of this Agreement by E.J. WARD, INC.

Governing Law

With respect to Services rendered by E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC in the United States of America, this Agreement will be governed by, and construed in accordance with, the laws of The State of California and the county of Los Angeles and all disputes arising out of or related to this Agreement will be brought exclusively in the courts located in The State of California and the county of Los Angeles; provided, however, that neither party will be prevented from enforcing any related judgment against the other party in any other jurisdiction.

Miscellaneous Provisions

The waiver of any breach or default of this Agreement will not constitute a waiver of any subsequent breach or default and will not act to amend or negate the rights of the waiving party. You may not sell, assign or transfer your rights or delegate your duties under this Agreement either in whole or in part without the prior written consent of E.J. WARD, INC. and any attempted assignment or delegation without such consent will be void. You agree that, except as otherwise expressly provided in this Agreement, the Order, or the terms and conditions of use of any Third-Party Products, there will be no third-party beneficiaries to this Agreement. To the extent any portion of this Agreement is determined to be unenforceable by a court of competent jurisdiction, such unenforceability will not invalidate this Agreement as a whole, but only that specific portion held to be unenforceable, and all other terms and conditions contained in this Agreement will remain in full force and effect. Any provision of this Agreement that, by its nature, is applicable to circumstances arising after the termination or expiration of this Agreement will survive such termination or expiration and remain in full force and effect, and no termination or expiration of this Agreement will relieve either party from any liability arising out of any breach of this Agreement occurring prior to said termination or expiration. Neither party will be liable for any failure or delay in performance under this Agreement (other than for delay in the payment of money due and payable hereunder) to the extent such failures or delays are proximately caused by causes beyond that party's reasonable control and occurring without its fault or negligence, including, without limitation, acts of God, government restrictions (including without limitation the denial or cancellation of any export or other necessary license), wars, insurrections, acts of terrorism, or failure of suppliers. Unless otherwise specified herein, all notices, demands, requests or other communications required or permitted under this Agreement will be deemed given when delivered personally, sent by facsimile upon confirmation, sent and received by return receipt email, or upon receipt of delivery of overnight mail.



Attachment “A”

Acceptable Use Policy

This Acceptable Use Policy (the “AUP”) governs your use of all products and services (collectively, the “Services”) offered by E.J. WARD, INC. This AUP applies to you and your employees, agents, contractors, or other users who obtain and use the Services from E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC (each such person or entity being a “User”).

BY REGISTERING FOR AND USING THE SERVICES, YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AUP AND AGREE THAT YOU AND YOUR USERS WILL BE BOUND BY ALL TERMS AND CONDITIONS OF THIS AUP.

Prohibited Use. E.J. WARD, INC.’s or SIMPLYFUEL SOLUTIONS, LLC services may only be used for lawful purposes. Users may not use the Services to engage in, foster, or promote illegal, abusive, or irresponsible behavior, including:

- 1) Utilizing the Services to send mass unsolicited e-mail to third parties.
- 2) Utilizing the Services in connection with any illegal activity. Without limiting the general application of this provision, users may not: utilize the services to:
 - a) Copy material from third parties (including text, graphics, music, videos or other copyrightable material) without proper authorization;
 - b) Misappropriate or infringe the patents, copyrights, trademarks, or other intellectual property rights of E.J. WARD, INC. or any third party;
- 3) Violate any applicable state, federal and international law.

Utilizing the Services in connection with any tortious or actionable activity.

Without limiting the general application of this provision, users may not utilize the Services to

Publish or disseminate information that

- 1) constitutes slander, libel or defamation,
- 2) publicizes the personal information or likeness of a person without that person’s consent or
- 3) otherwise violates the privacy rights of any person.

Utilizing the Services in connection with any other disruptive or abusive activity. Without limiting the general application of this provision, Users may not utilize the Services to

- 1) Cause denial of service attacks against E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC or other network hosts or Internet users or to otherwise degrade or impair the operation of the services, facilities or the servers and or Internet users;
- 2) Offer mail services, mail forwarding capabilities other than for the user’s own account;
- 3) Resell access to software installed on E.J. WARD, INC.’s or SIMPLYFUEL SOLUTIONS, LLC servers;
- 4) Subvert, or assist others in subverting, the security or integrity of any systems, facilities or equipment;
- 5) Gain unauthorized access to the computer networks of E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC or any other person or customer;
- 6) Provide passwords or access codes to persons not authorized to receive such materials by the operator of the system requiring the password or access code;

- 7) Distribute or post any virus, worm, Trojan horse, or computer code intended to disrupt services, destroy data, destroy or damage equipment, or disrupt the operation of the Services;
- 8) Conduct port scans or other invasive procedures against any server;
- 9) Post messages, run scripts or run software programs that consume excessive CPU time or storage space;
- 10) Use in any manner that might subject E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC to unfavorable regulatory action, subject the company to any liability for any reason, or adversely affect E.J. WARD, INC.'s public image, reputation or goodwill, including, sending or distributing sexually explicit, hateful, vulgar, racially, ethnically or otherwise objectionable materials; or in any manner interrupt or interfere with the Internet usage of other persons.

Remedies

- 1) Warning the User;
- 2) Removing the offending content;
- 3) Suspending the offending user from the Services;
- 4) Terminating the offending user from the Services;
- 5) Imposing fees or charges on the offending account in accordance with the applicable service contract; or
- 6) Taking other action in accordance with this AUP, the applicable service contract, or applicable law.

Violations

If E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC learns of a violation of the AUP, then the company reserves the right to take any of the following actions, in accordance with the severity and duration of the violation:

Enforcement Actions. E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC will provide you with at least 48 hours' notice (by email or otherwise) of any proposed suspension, restriction, limitation, modification, or termination of the Services or any functionality related to the Services based on an alleged violation of this AUP, the applicable service contract, or any other reason; provided, however, if (i) your violation of this AUP immediately threatens the security of or damages to E.J. WARD, INC.'s network, information, data, software, hardware, or facilities or (ii) such suspension, restriction, limitation, modification, or termination is at the request of law enforcement or required by the appropriate legal authorities, then E.J. WARD, INC. will give you notice within seventy two hours. To the extent that any element or functionality of the Services, including, without limitation, a particular account or "server," is suspended, restricted, limited, modified, or terminated, E.J. WARD, INC. will use commercially reasonable efforts to minimize the effects against any other component or functionality of the Services.

Cooperation with Law Enforcement. E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC reserves the right to involve and cooperate with law enforcement or the appropriate legal authorities in investigations of claims of illegal activity involving its Services or any users thereof and to respond to any violations of this AUP to the extent permitted under applicable law.



IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives.

City of Redondo Beach,
a chartered municipal corporation

E.J. Ward, Inc.,
a Nevada corporation

Accepted By: William C. Brand

MARKAY R WARD
Ratified by: _____

Signature: _____

Signature: MARKAY R WARD
DocuSigned by: 799FD4F0CD5048B...

Title: Mayor

Title: President

Date: _____

Date: 9/27/2022 | 9:39 AM PDT

ATTEST:

SimplyFuel, LLC,
a Nevada limited liability company

Robert E. Kettyle

Ratified by: _____

Eleanor Manzano, City Clerk

Signature: Robert E. Kettyle
3976CC4FAFC941F DocuSigned By: Robert E. Kettyle

Title: Chief Operating Officer

APPROVED AS TO FORM:

Date: 9/27/2022 | 12:58 PM PDT

Michael W. Webb, City Attorney

APPROVED:

Diane Strickfaden, Risk Manager

EXHIBIT "A"

Minimum Service Level Commitments			
Fuel View Applications (24x7x365)	SLA Coverage Time	Minimum Commitment	SLA Measurement Period
System Availability	24x7x365	99.95%	Monthly
Issue Response Time - Severity 1	24x7x365	30 minutes	Monthly
Issue Response Time - Severity 2	24x7x365	1 hour	Monthly
Issue Response Time - Severity 3	24x7x365	48 hours	Monthly
Issue Response Time - Severity 4	24x7x365	48 hours	Monthly
Non-Critical Applications (8x5, Business Days)	SLA Coverage Time	Minimum Commitment	SLA Measurement Period
System Availability	8x5, Business Days	99.95%	Monthly
Issue Response Time - Severity 1	8x5, Business Days	30 minutes	Monthly
Issue Response Time - Severity 2	8x5, Business Days	1 hour	Monthly
Issue Response Time - Severity 3	8x5, Business Days	48 hours	Monthly
Issue Response Time - Severity 4	8x5, Business Days	48 hours	Monthly

SLA Metric	Metric Definition
"System Availability"	The software solution ("System") proposed will be available to all users in a Production environment and functioning as designed and in accordance with System documentation.
"Response Time"	E.J. WARD, INC. will use commercially reasonable efforts to respond to each case within the applicable response time described in the table above, depending on the Severity Level set on the issue.
"Resolution Time"	E.J. WARD, INC. will use commercially reasonable efforts to resolve each case or providing a functioning work around within the applicable resolution time described in the table above, depending on the Severity Level set on the issue.
"Severity 1"	The issue must be restored for business to continue. Critical job functions cannot be completed. (e.g. System down or unavailable and outage impacts many users)
"Severity 2"	The operations are severely affected. (e.g. disruption, access limitation, degraded performance issues, missing functionality, and/or "use-ability")
"Severity 3"	Little or no business impact. Issues that are an enhancement request, or are cosmetic in nature, related to documentation (e.g. A functional error for which there is an acceptable workaround). System performance issue or bug affecting a small number of Users or minor function. Short-term workaround may be available.
"Severity 4"	Inquiry regarding a routine technical issue; information requested on application capabilities, navigation, installation or configuration; bug affecting a small number of users. Reasonable workaround available. Resolution required as soon as reasonably practicable.
"Business Days"	The number of service days in a year excluding weekends and national holidays.
"Calendar Days"	The number of services days in a year, including weekends and national holidays.

SLA Metric	SLA Metric Measurement
Critical Application - Risk Methodology	<u>Availability Service Level & Issue Response/Resolution Metric</u>
Non-Critical Application - Methodology	The Available metric is defined at (99.95%) of the time or more in any calendar month ("SLA"). Availability is defined as 24/7/365. The monthly measurement period will begin on the first Calendar Day of each month and end on the last Calendar Day of each month during the term of this agreement. The final report for each month will be provided to the customer by the 5th day of the month following each monthly measurement period.



EXHIBIT “B”

The Agreement detailed herein defines the entire service provided for continuous, trouble-free operation of the Hardware and Software provided by either E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC when sold as part of, or included with its cloud hosted Software as a Service.

“End User(s)” must contact E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC directly for all Support and On-site repair requests. If “End User(s)” contacts a third-party service provider directly, “End User(s)” shall be responsible for payment directly to the third party for all parts and services performed by the third-party provider, even if that provider is a local authorized or certified E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC service and repair provider.

System support will be provided as set forth in the following sections:

E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC shall provide the End User(s)” service call support on a 24 hour / 7-days per week basis

1. “End User(s)” will use the E.J. WARD, INC. Support Number to report an issue. Service Requests are broken into one of 2 categories by the “End User(s)” caller: (1) Phone support; or (2) local On-Site support.

Phone support - Support Number: 1-800-580-WARD (9273) or email support@ejward.com (email for non- emergency support only during normal business hours: Monday-Friday 8am-5pmCST)

1. This service will be provided 24 hours by 7 days per week
2. “On-site” technician service will be approved after consultation with call center staff member.
3. On-site Emergency service after hours is available per the On-site Overtime Service Rates.

E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS LLC will return the service call within the following time requirements:

1. Within Four (4) hours to the number provided in the service request between the hours of 8 am-5 pm Monday - Friday Central Time; or
2. Eight (8) hours to the number provided in the service request report during Evenings, Weekends and Federal Holidays.

Field Technician Contact Process: The call center operator will record each service request by ticket number and record the problem in writing. The operator will contact the on-call service technician. Should the on-call technician not be reached within 4 hours, the back-up on-call technician will be contacted. In the event, the back-up technician is not available; the National Service Manager will be contacted.

Recorded issues will be addressed in the following manner:

1. Priority 1 – Requires immediate attention as performance is unreasonably degraded (i.e. the system is completely down). Every effort will be made in providing an immediate resolution.
2. Priority 2 – Requires urgent action, as failures are extremely inconvenient (i.e. a site is down). Every effort will be made to provide a resolution as soon as possible.
3. Priority 3 – Requires routine action, as failure is only somewhat inconvenient, resolution will be provided as soon as possible.

Site Support: On-site service within the following time requirements and limitations described will be provided:

1. 12 - 24 hours if service request between the hours of 8 am & 5 pm Monday – Friday; or
2. 24 - 48 hours if service request between the hours of 5:01 pm & 7:59 am Monday –Friday;
or
3. 24 - 48 hours if service request between the hours of 4:01 pm Friday & 7:59 am Monday; or
4. 24 - 48 hours if service request occurred on any Local, State or Federal Holiday.
5. Five (5) business days for locations with either:
 - a. No local authorized service technician; or
 - b. Air travel is required to support the location

Service Limitations:

E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC cannot be deemed non-compliant with Warranty or Support agreement requirements inclusive, but not limited to the following conditions:

1. **Acts of God and Man-Made Events:** Disruptions caused by heavy rains, earthquakes, flooding, tornadoes, lightning strikes, hurricanes, fires, snow, ice, sleet, or road closures and detours caused by Town, City or State construction projects where normal street or interstate traffic patterns to the customer site are disrupted or stopped.
2. **Pandemic or Similar Natural Events:** Situations where technicians or contractors are denied access because of global, national or other local government regulations.
3. **Non-access:** Situations where E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC technicians or its contractors are denied access to the fuel terminal sites due to locked fences, blocked passages, or no one answering the phone number provided to the service call operator.
4. **Malicious Acts:** Inclusive of but not limited to; vandalism, theft, gun shots, rock throwing, fire, and anywhere damage is not attributable to normal, fair wear and tear of hardware components.
5. **Negligence:** Inclusive of but not limited to; third party contractors hired by the “End User(s)” to perform fuel site maintenance that would impair the performance of E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC equipment by disrupting electrical service or making non-authorized adjustments or modifications to the installed hardware or fuel control terminals.
6. **Procedural Changes:** Inclusive of but not limited to; the “End User(s)” changing the manner in which their employees interact with the fuel automation hardware. These changes may require systemic changes which are considered outside the normal software maintenance activities (i.e., operating systems “OS”, business rules or software customization requests).

7. **Non- E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC Equipment or Systems**

Failure: Inclusive of but not limited to; “EJW” dispatching a technician and the cause of incident is found to be other than an agreement covered product. Standard current published pricing will apply for authorized repairs from that point forward.

Examples of non-covered equipment inclusive of; but not limited to:

Dispensers, Pumps and Pulsers	Vehicles or Fleet Assets
Tank Level Monitoring (TLS)	CANceiver, VIT, GPS, Cables
Electrical System	EM-Tag, Ring Antenna or Dongle
Network (TCP/IP), Switch, Wi-Fi Access	All hardware & software versions of SFT,
Point, CAT 5 Cable, Routers, Bridges	JettScan, or device Programmers
Customer Local Servers (Virtual or Physical	Cards, Datakeys, Fobs, Encoders, Embossers,
Cabinet, Base, Lock Assembly	Printers
Hose Modules	

Hardware Covered: Included in this coverage are the hardware components of the Fuel Control Terminal (FCT) that were installed as part of the Automated Fuel Management System (AFMS) either by E.J. WARD, INC. Technicians or a certified Contractor Technician.

1. Field modifications, additions or changes to the hardware without written authorization or approval by E.J. WARD, INC. may void this agreement.
2. E.J. WARD, INC. is not liable if parts are no longer available due to end of life (EOL) or not available from subcomponent suppliers for any hardware covered under this agreement.

Extent of Software Coverage: E.J. WARD, INC. will ensure the proper operation of all E.J. WARD, INC. copyrighted software programs and their interface to external programs previously installed directly by its employees.

Software Covered: Included in this coverage are the following E.J. WARD, INC., copyrighted software programs installed on the primary cloud servers and backup system.

1. Fuel View Software, communication programs, listeners and parsers
2. Database Interface Programs written by E.J. WARD, INC.
3. Business Rule Operating Systems “OS”
4. Reports, Screens, Scripts and Data Files

Items Not Covered “Customer Hosted” Systems: “End User(s)” supplied or 3rd Party supplied software, computer or network equipment not specifically contracted for under this agreement.

Non-covered software and equipment include, but are not limited to:

1. Customers local Servers, Laptop and Desktop computer software and hardware
2. Support for Customers Browser, or Printers
3. Customers Local Network Management Hardware and Software
4. Third Party Software, and or its Operating Systems and Relational Databases

It is the customer’s responsibility to update and maintain all patches and fixes for 3rd party software and databases.



Third Party Software Support “SaaS” or “Customer Hosted” Systems:

E.J. WARD INC. agrees to provide at its sole discretion the Customer with limited technical support in resolving problems associated with “Third Party” operating systems, databases, VPN, and / or other network problems. E.J. WARD INC., Technical Support will consult with representatives of other support organizations as necessary.

1. If the time required to resolve external issues is excessive, “End User(s)” will be contacted for authorization to proceed prior to billing for this additional optional service.

Vehicle Equipment: E.J. WARD, INC. will provide phone support only for issues pertaining to Vehicle Mounted Equipment, Hose Module, EM-Tag, JettScan or SimplyFuel Tool.

1. On-site service and replacement of this equipment will be billed separately at the labor rates listed in current published Price List.

Miscellaneous Additional Conditions: Additional equipment may be added to this agreement at any time; the age and condition of existing hardware will be taken into consideration. Repairs to existing hardware when required to qualify for addition to this Agreement, are based solely on the judgment of E.J. WARD, INC. and will be billed separately at the published labor rates and current published list price of parts. Future SaaS Support Agreement costs will be adjusted to reflect additional equipment as needed. **Based solely on the judgment of E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC, E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC shall retain the exclusive right to refuse adding, or may remove equipment from this agreement based on the equipment’s serviceability.**

Shipping: The standard method of shipping is by Ground for this agreement.

1. Customers may request expedited shipments such as “Next Day” or “Two Day” for an additional cost.
2. E.J. WARD, INC. shall retain the sole right to use those expedited methods to ensure system up time at its cost when the company determines such actions are warranted under this agreement and its use does not establish precedent for future shipments.

Sites greater than one hundred (100) miles from service center: Location of hardware requiring service or support on-sites greater than 100 miles from an E.J. WARD, INC. or SIMPLYFUEL SOLUTIONS, LLC office or service center shall be subject to additional technician time and travel costs based on its current published Price List. Distances for invoicing are verified using “Google Maps” routing on a roundtrip basis.

If “End User(s)” chooses to terminate the SaaS agreement or not carry a Service and Support Agreement, On-site service, or work performed at E.J. WARD. INC.’s San Antonio Texas facility will be provided at the MSRP rates published in the current Semi-Annual Price Book for labor, software and hardware services.



Redondo Beach - SaaS with A-La-Carte Hardware - Sourcewell (rekv5) - 03-22-2022

Turn-Key Fuel Management System - Hosted by SimplyFuel Solutions LLC.				
Includes - Tank Level Monitoring and Compliance Reporting Module				
Tank Level Monitoring and Compliance Reporting Module - (Requires connection to an existing compatible TLS) - TLS must have or accept TCP/IP network card (additional cost) without firmware upgrades or additional charges will apply - Customer is responsible for CAT5/6 cable networking from TLS to FCT unless quoted separately				
Part #	Description - Cloud Hosted Fuel View IOT Software Application	Qty	Price / Month	Extended
IOT-SaaS	Hosting Fuel View IOT - Includes Cellular Option (1) FCT-IOT- Cell Modem - Keypad Entry, FOB, CANciever and TAG use enabled Software Implementation / Account Activation Software User and Administrator Training - Online (2hr Session)	Year 1	\$689.00	\$8,268.00
IOT-SaaS	Hosting - 24x7x365 Call Center Support with onsite parts & Labor	Year 2	\$689.00	\$8,268.00
IOT-SaaS	Hosting - 24x7x365 Call Center Support with onsite parts & Labor	Year 3	\$689.00	\$8,268.00
Part #	Model/Description	Qty	Price	Extended
FCT-IOT-5H	5-hose IOT Terminal - Keypad Entry, FOB, CANceiver and TAG use enabled	1	\$11,209.25	\$11,209.25
KEY-ENCODE-5321	Encoder Key Fob Mifare 1434	1	\$629.30	\$629.30
KEY-FOB-1434	Key Fob Mifare Unprogrammed 1434	40	\$11.02	\$440.80
KIT-HMDA	Hose Module Kit Dual Antenna	5	\$358.95	\$1,794.75
SFT-KIT-WIFI	Kit SFT WIFI Tablet, Dongle, Case, Cables	1	\$1,351.75	\$1,351.75
KIT-CVRLD-IOT	Kit CANciever Light Duty WIFI - Enterprise	25	\$293.33	\$7,333.25
KIT-CVRHD-IOT	Kit CANciever HD J1939 9P Standard Black IoT	0	\$322.67	\$0.00
KIT-CVRIN2-IOT	Kit CANciever HD J1939-II Int Green IoT 2016 - 2017	0	\$322.67	\$0.00
KIT-CVRIN3-IOT	Kit CANciever HD J1939-II Int Green IoT 2018+	0	\$366.67	\$0.00
KIT-CVRNON-IOT	Kit CANciever Non-OBID	0	\$322.67	\$0.00
BL-CVR-IOT-IO	Cable Non OBID IoT	0	\$27.50	\$0.00
KIT-TAG-IOT	Kit Fuel Tag	4	\$70.36	\$281.44
KIT-RING-200	Ring Interface Kit w/ ANT-200,225-Flat,330,400,500	25	\$70.36	\$1,759.00
LABORPM	Project Management (per hour)	24	\$160.00	\$3,840.00
	Install - Fuel Control Terminal, Testing and local operator training * FCT Installation: (1) unit(s) - Requires use of existing mechanical and electrical wiring, piping and other related connections and they must meet existing local, state, and national codes; or a licensed electrician, permits and/or drawings are required, additional charges will apply.	1	\$2,880.00	\$2,880.00
MISC	Miscellaneous Hardware and Wiring (Site by Site) - Additional materials such as conduit, EYS seal offs, AC power and low voltage wire, solenoids, switches or pulsers needs replacement to be compliant or operational.	1	\$1,500.00	\$1,500.00
LABOR	CANciever Install Training - On Location -1 day	1	\$1,440.00	\$1,440.00
	Shipping and Handling	1	\$750.00	\$750.00
			Subtotal	\$35,209.54
Hosting and all Hardware and Labor Shown - 24x7x365 Call Center Support with onsite parts & Labor		Year 1	Total	\$43,477.54
Hosting - 24x7x365 Call Center Support with onsite parts & Labor		Year 2	Total	\$8,268.00
Hosting - 24x7x365 Call Center Support with onsite parts & Labor		Year 3	Total	\$8,268.00

Notes: 1. Quote valid for Ninety (90) days

2. Minimum 3 year agreement required on all SaaS Implementations, longer fixed fee terms available upon request.
3. Includes Guaranteed Lifetime Current Software Version Updates while on a SaaS Agreement
4. Includes Lifetime IOT Software / IOT FCT Hardware Parts and Service, support for Existing W4 FCT Hardware (see Notes #5 thru 10)
5. Includes 24x7x365 Call Center Support with onsite parts & Labor while on the SaaS platform
6. For customers with existing systems (not E.J. Ward) Implementation does not include data conversion from the existing platform.
7. Software use governed by the End User License Agreement (EULA) & Acceptable Use Policy (AUP)
8. Onsite Parts and Labor DOES NOT include technician or authorized contractor travel expenses to or from the customer site.
9. Lifetime Warranty DOES NOT include Hardware that is battery powered such as Hose Modules or Tags, or the CANciever. These items may be added into a separate support agreement for additional annual fee's.
10. Extended Warranty DOES NOT include Hardware or Software that is declared "END OF LIFE" or previously declared unsupportable

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

9/01/2022

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

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

PRODUCER USI Southwest Austin C/L 7600-C N. Capital of TX Hwy #200 Austin, TX 78731 512 451-7555		CONTACT NAME: Danelle Touchstone PHONE (A/C, No, Ext): 210-524-2094 E-MAIL ADDRESS: danelle.touchstone@usi.com FAX (A/C, No): 610-537-1904	
INSURED E.J. Ward, Inc. 8260 N. New Braunfels, Suite 200N San Antonio, TX 78217		INSURER(S) AFFORDING COVERAGE INSURER A: Atlantic Specialty Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 27154	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			7110163580004	09/01/2022	09/01/2023	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY			7110163580004	09/01/2022	09/01/2023	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$10000			7110163580004	09/01/2022	09/01/2023	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	4060454430004	09/01/2022	09/01/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.I. EACH ACCIDENT \$1,000,000 E.I. DISEASE - EA EMPLOYEE \$1,000,000 E.I. DISEASE - POLICY LIMIT \$1,000,000
A	Professional Liab			7600104500004	09/01/2022	09/01/2023	\$10,000,000 Each Claim
A	Cyber Liability			7600104500004	09/01/2022	09/01/2023	\$10,000,000 Aggregate See below*

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

***Information Risk Liability (Cyber)**

Limit: \$10,000,000 each claim

\$10,000,000 aggregate

Retention: \$50,000

Retroactive Date: 9/25/2018

(See Attached Descriptions)

CERTIFICATE HOLDER**CANCELLATION**

City of Redondo Beach
 Attn: Rob Osborne
 531 N Gertrude Ave
 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



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DESCRIPTIONS (Continued from Page 1)

The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers are named as Additional Insureds as respects to the General Liability and Automobile Liability as required by written contract.

Coverage is Primary and Non-Contributory.

30 days notice will be provided to the Certificate Holder in the event of cancellation.



SERVICE CALL CENTER AND SUPPORT AGREEMENT
BETWEEN
E.J. WARD, INC.
AND
CITY OF REDONDO BEACH
531 N. GERTRUDA AVENUE
REDONDO BEACH, CA 90277

The Agreement detailed herein defines the entire service provided for continuous, trouble-free operation of the Hardware and Software purchased from EJ Ward Inc.

This agreement may be modified in writing subject to the approval of both parties. Furthermore, either party may cancel in part or all of this agreement with sixty (60) days written notice of intent to cancel. Canceling this agreement does not revoke any rights conveyed in the use of the Hardware and Software pursuant to the terms and conditions contained in the End User License Agreement attached.

Definitions:

- **City of Redondo Beach**, for this agreement shall be known as the "Buyer".
- **E.J. Ward, Inc.** for this agreement shall be known as the "Seller" or "EJW".
- **Excessive**, is defined for the purpose of this agreement as time spent beyond what is considered acceptable, proper, usual, or necessary to solve the problem solely based on the judgment of the "seller".
- **Normal business hours**, for the purpose of this agreement are defined as Monday – Friday, 8 am - 5pm. CST, excluding Local, State, and Federal holidays.
- **Preferred Rates**, for the purpose of this agreement are defined as those rates in the current published price book defined as 10% off list for customers who maintain a Platinum Plan to include Software and Hardware supplied by "EJW".
- **Overtime Rates**, for the purpose of this agreement are defined as charges equal to 1.5 times the base rate (preferred or otherwise) for work performed after normal business hours, on weekends or holidays.
- **On-site Overtime Service Rates**, for the purpose of this agreement are defined as charges equal to 1.5 times the base rate (preferred or otherwise) for work performed after normal business hours, weekends, or holidays with a minimum of three (3) hours. Food, travel or other direct costs are not included.

System support will be provided as set forth in the following sections:

Extent of Coverage:

1. "EJW" shall provide the "Buyer" service call support on a 24 hour / 7-days per week basis
2. "Buyer" will use the "EJW" Support Number to report an issue. Service requests to "EJW" will be broken into one of 2 categories by the "Buyer" caller: (1) Phone support; or (2) Site support.

"Buyer" must contact "EJW" directly for all Support and On-site repair requests. If "Buyer" contacts a third- party service provider directly, "Buyer" is responsible for payment directly to the third party for all parts and services performed by the third-party service provider, even if that provider is a local authorized or certified "EJW" service and repair provider.





Phone support - Support Number: 1-800-580-WARD (9273) or email support@ejward.com (email for non-emergency support only during normal business hours: Monday-Friday 8am-5pm CST)

1. This service will be provided 24/7 per terms outlined in each plan option

2. "On-site" Emergency service after hours is available as required

"EJW" will return the service call within the following time requirements:

1. Four (4) hours to the number provided in the service call between the hours of 8 am-5 pm Monday - Friday Central Time; or

2. Eight (8) hours to the number provided in the service call report during Evenings, Weekends and Federal Holidays.

Process: The call center operator will record each service request by ticket # and record the problem in writing. The operator will contact the on-call service technician. Should the on-call technician not be reached within 4 hours, the back-up on-call technician will be contacted. In the event, the back-up technician is not available; the Regional Field Service Manager will be contacted.

Reported issues will be addressed in the following manner:

1. Priority 1 – Requires immediate attention as performance is unreasonably degraded (i.e. the system is completely down). Every effort will be made in providing an immediate resolution. Issue resolution is normally no more than forty-eight (48) hours.

2. Priority 2 – Requires urgent action, as failures are extremely inconvenient (i.e. a site is down). Every effort will be made to provide a resolution as soon as possible, in most cases, within five (5) Business days.

3. Priority 3 – Requires routine action, as failure is only somewhat inconvenient. Resolution will be provided as soon as possible and in most cases within fourteen (14) business days.

Site Support: On-site service within the following time requirements and limitations described will be provided:

1. 12 - 24 hours if service request between the hours of 8 am & 5 pm Monday – Friday; or

2. 24 - 48 hours if service request between the hours of 5:01 pm & 7:59 am Monday – Friday; or

3. 24 - 48 hours if service request between the hours of 4:01 pm Friday & 7:59 am Monday; or

4. 24 - 48 hours if service request occurred on any Local, State or Federal Holiday.

5. Five (5) business days for locations with either:

a. No local authorized service technician; or

b. Air travel is required to support the location

Exchange Policy: Exchange and/or repair of components is two to three (2/3) days after the receipt of the items in need of repair or exchange or after the receipt of a request for shipment (RMA) if there is no exchange or repaired board available. Customer's exchange and shipment to Ward must comply with Ward's Return Material Authorization (RMA) policy and reference a ticket number assigned by "EJW" Technical Support.



Service Limitations: “EJW” cannot be deemed non-compliant with service requirements inclusive, but not limited to the following conditions:

1. **Acts of God and Man Made Events:** Disruptions caused by heavy rains, earthquakes, flooding, tornadoes, lightning strikes, hurricanes, fires, snow, ice, sleet, or road closures and detours caused by Town, City or State construction projects where normal street or interstate traffic patterns to the customer site are disrupted or stopped.
2. **Non-access:** Situations where “EJW” technicians are denied access to the fuel terminal sites due to locked fences, blocked passages, or no one answering the phone number provided to the service call operator.
3. **Malicious Acts:** Inclusive of vandalism, theft, gunshots, rock throwing, fire, and anywhere damage is not attributable to normal, fair wear and tear of hardware components.
4. **Negligence:** Inclusive of third party contractors hired by the “Buyer” to perform fuel site maintenance that would impair the performance of “EJW” equipment by disrupting electrical service or making non-authorized adjustments or modifications to “EJW” installed hardware or terminals.
5. **Procedural Changes:** Inclusive of the “Buyer” changing the manner in which their employees interact with the “EJW” fuel automation hardware. These changes may require systemic changes which are reasonably outside the normal software maintenance activities (i.e., operating systems “OS”, business rules or software customization requests).
6. **Non-“EJW” Equipment or Systems Failure:** Inclusive of but not limited to; “EJW” dispatching a technician and the cause of incident is found to be other than an agreement covered product. Standard published pricing will apply for authorized repairs.

Service Response versus Service Repair: “EJW” will meet the service response requirements as defined in this agreement. The actual time to repair your equipment however, cannot be determined or controlled by the response time period. Each service incident will require analysis to determine the failure, actual repair, and testing to confirm the unit is working within specifications. In special cases, the repair may require unique parts which will require additional time to obtain.

Definition of Maintenance: Under the terms of this agreement with the “Buyer”, “EJW” agrees to provide contracted for maintenance activities to address normal fair wear and tear issues found with the normal use of the equipment

Examples of non-covered equipment.

- | | |
|----------------------------------|---|
| 1. Dispensers, Pumps and Pulsers | 11. Vehicles or Fleet Assets |
| 2. Tank Level Monitoring (TLS) | 12. CANceiver, VIT, Cables or GPS antenna |
| 3. Electrical System | 13. EM-Tag or Ring Antenna |
| 4. Network (TCP/IP) | 14. All hardware, and software versions of the Jettscan or vehicle device programmers |
| 5. Moxa 508A Network Switch | 15. Cards, Datakeys, Fobs, Encoders, Embossers, Printers |
| 6. Wi-Fi Access Points | 16. Equipment & Software Upgrades |
| 7. Servers (Virtual or Physical) | |
| 8. CAT 5 Cable, Routers, Bridges | |
| 9. Cabinet, Base, Lock Assembly | |
| 10. Hose Modules | |



Third Party Hardware Support: "EJW" agrees to provide "Buyer" with limited technical support in troubleshooting problems associated "Third-Party" or "Non-Covered" hardware or software. "EJW" will consult with representatives of other support organizations, if required.

If the time required to resolve third party issues is excessive, "Buyer" will be contacted for authorization to proceed before charges will be incurred by "Buyer".

Hardware Covered: Included in this coverage are the hardware components of the Fuel Control Terminal (FCT) that were installed as part of the Automated Fuel Management System (AFMS) either by "EJW" Technicians or a certified Contractor Technician.

1. Field modifications, additions or changes to the hardware without written authorization or approval by "EJW" may void this agreement.
2. EJW is not liable if parts are no longer available due to end of life (EOL) or not available from subcomponent suppliers for any hardware covered under this agreement.

Extent of Software Coverage: "EJW" will ensure the proper operation of all "EJW" copyrighted software programs and their interface to external programs previously installed by "EJW".

Software **upgrades** are not included (examples are W3.x to W4.x or Access to SQL or to Oracle or any other combination).

Software Covered: Included in this coverage are the following "EJW" copyrighted software programs installed on the server / servers and backup system, including but not limited to:

1. Fuel View Software, communication programs, listeners and parsers
2. Database Interface Programs written by "EJW"
3. Business Rule Operating Systems "OS"
4. Reports, Screens, Scripts and Data Files

Items Not Covered: "Buyer" supplied or 3rd Party supplied software, computer or network equipment not specifically contracted for under this agreement. Non-covered software and equipment include:

1. Servers, Laptop and Desktop computer hardware
2. Support for Server / PC Moves / Transfers of the application software or Databases
3. Network Hardware
4. Third Party Software, Operating Systems and Relational Databases

It is "Buyer's" responsibility to update and maintain all updates, patches and fixes for 3rd party software and databases. "Buyer" responsibility includes, but is not limited to:

1. Microsoft and Oracle Operating Systems
2. Microsoft and Oracle Database updates
3. Java updates





Third Party Software Support:

"EJW" agrees to provide the "Buyer" with limited technical support in resolving problems associated with third party operating systems, database and network problems. "EJW" will consult with representatives of other support organizations as necessary.

1. If the time required to resolve external issues is excessive, "Buyer" will be contacted for authorization to proceed.

Disaster Recovery: It is "Buyer's" responsibility to provide enterprise and / or system level disaster recovery in accordance with its own information technology standards and business risk requirements.

1. "EJW" shall provide assistance to "Buyer" in the absence of IT standards recommend best practices. Assistance will be limited to best practice recommendations only.

Vehicle Equipment: "EJW" will provide phone support only for issues pertaining to Vehicle Mounted Equipment, Hose Module, EM-Tag, and JettScan.

1. On-site service and replacement of this equipment will be billed separately at the labor rates listed in current price book.

Price Book.

Unless otherwise described herein, all rates, including labor, software, hardware, and equipment shall be published in the "EJW" price book, which is attached hereto and incorporated by this reference and released annually on January 1. In the event that any terms other than the rates in the price book are modified, EJW shall provide forty-five (45) days prior written notice to Buyer of these modifications. Buyer shall have the option to terminate this agreement within thirty days of receipt of the written notice.

Miscellaneous Additional Conditions: Additional equipment may be added to this agreement at any time; existing Warranty will be taken into consideration. Initial repairs, when required to qualify for addition to this Agreement, are based solely on the judgment of "EJW" and will be billed separately at the published labor rates, and then current list price of parts; unless a separately negotiated parts price is enforce. Future Support Agreement costs will be adjusted to reflect additional equipment as needed.

Based on the judgment of "EJW" in that the fuel site is not up to California Electrical Code, "EJW" may refuse adding, or removing equipment from this agreement based on the fuel site's serviceability; provided, however, it provides written notice to the Buyer and allows thirty (30) days for the Buyer to bring the fuel site in accordance to California Electrical Code.

Shipping: The standard method of shipping is by ground for this agreement, for additional information refer to "EJW"'s published price book for shipping information:

1. "Buyer" may request expedited shipments such as "next day" or "two day" for additional cost.
2. "EJW" shall retain the sole right to use those expedited methods to insure system up time at its cost when "EJW" determines such actions are warranted under this agreement and its use does not establish precedent for future shipments.

Sites greater than one hundred (100) miles from service center: Location of hardware or software requiring service or support on-sites greater than 100 miles from an "EJW" office or service center shall be subject to additional technician time and travel costs based on its current published price book. Distances for invoicing are verified using "Google Maps" routing on a round trip basis.



Platinum Plan Agreement Pricing

- Includes Annual Call Center Support and Hardware, Service, & Parts
- **10% off list price based on EJW current published price book** related to Labor, Software and Hardware for items not covered under this agreement (only one discount shall be applied towards purchase. Third Party contract purchases excluded)

Annual Call Center Support Fee

- Ensures the proper operation of the “EJW” Software, communication programs, listeners and parsers, Database Interface Programs written by “EJW”, Business Rule Operating Systems “OS”, Reports, Screens, Scripts and Data Files
- Includes scheduled and periodic updates, fixes, and patches as released within the customer’s current version of Fuel View Software.
- Unlimited calls per month; 24x7 Call Center support for Software and Hardware supplied by “EJW”

Total – Call Center Support Fee = \$4,500

Hardware Service, & Parts Pricing - Annual

- Only “EJW” FCTs less than ten (10) years old or under previous support agreement.
- “EJW” FCTs greater than ten (10) years old may require inspection, consult factory for pricing.
- “EJW” cannot be held liable if parts are no longer available due to end of life (EOL) or unavailable from subcomponent suppliers for its product lines.
- On-site, Labor and Parts included

a. **\$96 per Fuel Control Terminal (FCT-W4-05H) per month - (\$1,152 per year each)**

Sites over 100 miles from an “EJW” office are subject to additional technician time and travel costs.

Year	Number of Fuel Control Terminals	Annual Hardware	Annual Phone Support	Total Five Year Agreement Cost
1	1	\$1,152.00	\$4,500	\$5,652.00
2	1	\$1,209.00	\$4,725	\$5,934.00
3	1	\$1,269.00	\$4,961	\$6,230.00
4	1	\$1,332.00	\$5,209	\$6,541.00
5	1	\$1,399.00	\$5,469	\$6,868.00
	Platinum Plan	\$6,361.00	\$20,364	\$26,725.00

*Additional Hardware may be added and priced separately for parts and labor support.

Notwithstanding the foregoing, in the event additional costs are incurred, the total compensation for “EJW” shall not exceed \$30,733.75



If "Buyer" or E.J. Ward System owner and/or their third-party service provider chooses to terminate or not carry a Service and Support Agreement; telephone support, On-site service, or work performed at E.J. Ward's San Antonio Texas service facility will be provided at the rates published in the current price book for labor, software and hardware.

Limitation of Liability: Once products sold or provided under this agreement by E.J. Ward, Inc. are delivered to "Buyer", "Buyer" will be responsible for results caused by Buyer's misuse of the products. In no event shall E.J. Ward, Inc., or its directors, officers, employees, agents, or affiliates, be liable to the "Buyer" or to any third party for: (i) any lost profits, any data loss, any loss of business, or any indirect, consequential, exemplary, incidental or special losses or damages of any kind or nature whatsoever arising out of Buyer's misuse of the products; or (ii), any losses or damages of any kind or whatsoever, including personal injury or death, arising out of "Buyer's" or a third party's misuse, use, The sole and exclusive remedy of "Buyer" or any third party for any claim, loss, or damage will be limited to repair or replacement of such products sold or provided under the terms of this agreement to "Buyer" by E.J. Ward, Inc. .

Indemnification: EXCEPT AS OTHERWISE PROVIDED BY ANY PORTION OF THE AGREEMENT NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES INCURRED OR SUFFERED BY THE OTHER ARISING AS A RESULT OF OR RELATED TO THE USE OF THE HARDWARE or SOFTWARE, WHETHER IN CONTRACT, TORT OR OTHERWISE, EVEN IF THE OTHER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.

Venue: This Agreement shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of California. Any legal suit, action or proceeding arising out of or related to this Agreement or the matters contemplated hereunder shall be instituted exclusively in the courts within the State of California, county of Los Angeles, California, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding and waives any objection based on improper venue or forum non conveniens.

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.



This Call Center, and Support Agreement is effective March 12, 2019 continuing to March 11, 2024 (Term).

Annual Payment for the Service, Call Center and Support Agreement to be made within 30 days of expiration of the initial Warranty Period, Agreement start date, or prior to Service, Call Center and Support Agreement expiration date, whichever is applicable.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

City of Redondo Beach

Accepted By William C. Beaud

Signature [Signature]

Title Mayor

Date 3/28/19

E.J. Ward, Inc.

Ratified By Leslie Patterson

Signature [Signature]

Title Inside Sales + Account Manager

Date February 22, 2019

APPROVED AS TO FORM:
[Signature]
CITY ATTORNEY

INSURANCE APPROVED
BY [Signature] DATE 3/2/19

ATTEST:

[Signature]
ELEANOR MANZANO, CITY CLERK



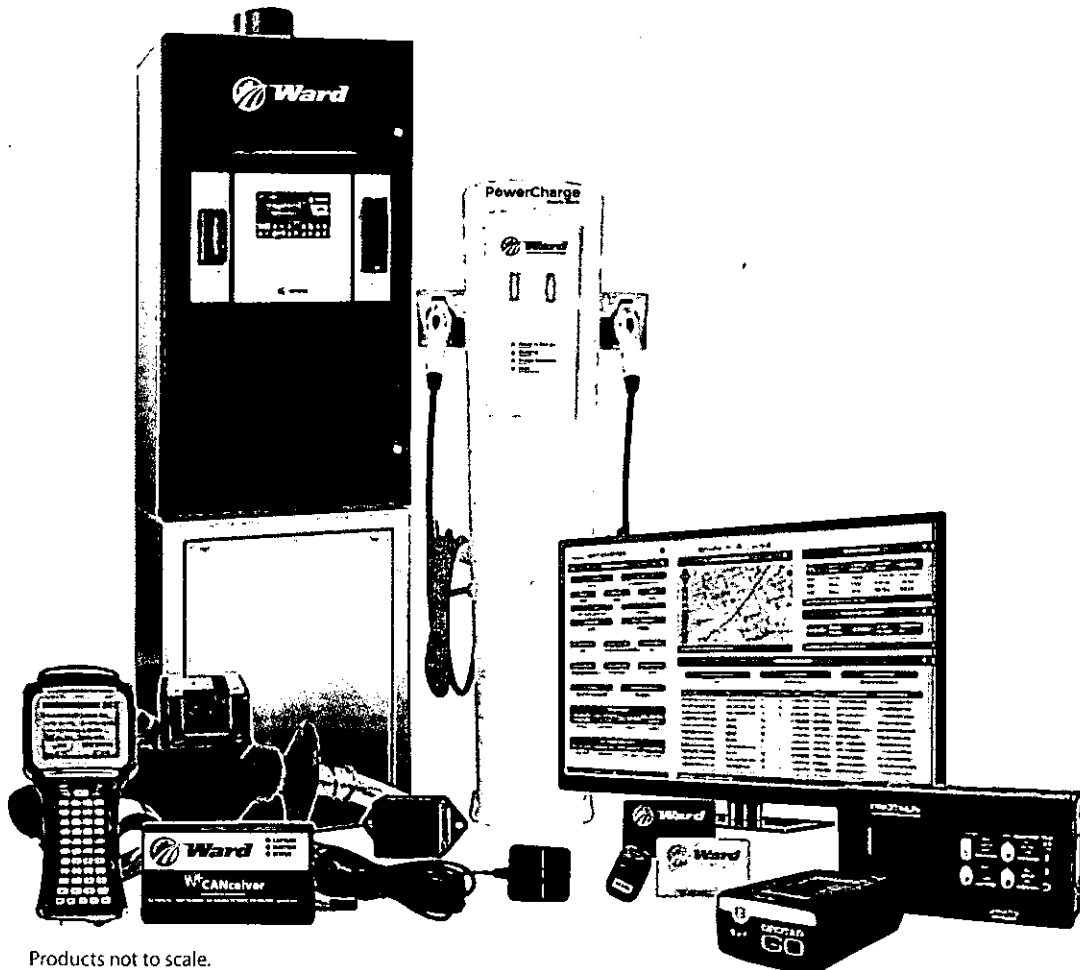


End of Document





2019 Manufacturer Suggested Retail Price List



Products not to scale.



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Trademarks CANceiver™, W4 CANceiver™, VIT™, W4 FCT™, IoT FCT™, W4 Fuel View™, and the Ward logo are registered Trademarks of E.J. Ward, Inc.

E.J. Ward, Inc.
8801 Tradeway
San Antonio, Texas 78217

www.ejward.com



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TERMS AND CONDITIONS

Shipping

E.J. Ward, Inc.'s (Ward) method of shipping is by standard ground with a designation "FOB Destination Freight Prepay & Add".

- This method ensures Ward is liable for goods during shipment until received by the customer.
- Shipping & Handling is additional and will be charged on final invoice.
- A customer may request expedited shipments such as "next day" or "two day" for an additional fee.

Return Merchandise Authorization Procedure

All materials requiring return shipment to Ward for defects, normal replacement, or any other reason must be returned through the Return Merchandise Authorization (RMA) process. The request for an RMA number can be made by emailing Ward at returns@ejward.com or by calling 210.824.7383.

- Returns made outside this process may cause an account to not be credited correctly, which may result in invoicing errors and/or delays in getting the correct materials back to our customers.
- Returns older than 30 days from the invoice date will be subject to a 20% restocking fee. Only products that are in current production will be accepted, and the customer must obtain an RMA in advance using Ward's RMA process. No refunds will be given. Ward will issue an account credit that can be used toward future purchases.
- Ward reserves the right to deny any returns that are outside of the product warranty period or past the 30 day invoice date.

Mileage and Other Surcharges

All distances are verified using "Google Maps" routing and calculated on a round trip basis.

- Mileage charge is 75¢ per mile
- Technician travel time costs are based on the current daily or hourly rates within this price book

Service and Support Plan Pricing

Single and multi-year plans are available. Contact your local sales person or Ward office for a quote.

Plans are priced and scoped to meet individual customer business requirements. These prepackaged and custom-tailored plans include some of our most popular options such as:

- On-site, labor and parts included
- 10% off list price for items not covered in relation to labor, software and hardware (for Platinum level or higher)
- On-line software training sessions
- 24x7 Call Center support line access

Registered Contracts

Ward offers the following contracts to purchase a fuel management or telematics solutions:

Sourcewell: 022217-EJW (ejward.com/about-us/sourcewell-awarded-contract-022217-ejw/)

GSA Schedule 70: GS-35F-0141Y

Customers wishing to utilize these contracts for potential savings may contact Ward via email with our convenient

Inquiry form: ejward.com/forms/general-sales-inquiry-form/ or call 210.824.7383 for more information on this process.

END USER LICENSE

THIS END USER LICENSE ("License") is between E.J. Ward, Inc. ("Licensor" or "Contractor"), a Nevada corporation with its principal place of business located at 8620 N New Braunfels Suite 200N, San Antonio, Texas, 78217, and "Licensee" or "Client", and shall be effective as of the date of initial installation or Licensee uses the Software or Hardware for its intended purpose whichever comes first. (the "Effective Date").

RECITALS

WHEREAS, Licensor owns all rights, title and interest to the Hardware, Firmware and Proprietary Software (as defined herein); and

WHEREAS, Licensor desires to convey, and Licensee desires to receive, certain limited rights in the use of the Hardware and Software pursuant to the terms and conditions contained in this License.

NOW THEREFORE, in consideration of the mutual promises set forth below in this License and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Licensor and Licensee agree as follows:

1. Definitions

- A. "Software" means Computer Applications consisting of; but not limited to, mathematical, machine or compiled codes, executable programs, routines, embedded software, firmware, updates, modifications, revisions, other functions and documentation that control, analyze, report on the functions and operation of Licensor Products, as well as any archival copies of such computer programs and documentation permitted by this End User License.
- B. "Computer Applications" means Software designed to perform a group of coordinated functions, tasks, or activities for the benefit of the user.
- C. "Products" means Commercially distributed goods that are an idea, method, information, object or service created as a result of a process and serves a need or satisfies a want. It has a combination of tangible and intangible attributes, benefits, features, functions and uses that Licensor desires to convey, and Licensee desires to receive, certain limited rights in the use of pursuant to the terms and conditions contained in this License.
- D. "Hardware" means a physically tangible electrical or electro-mechanical system or sub-system and associated documentation such as but not limited to Fuel Control Terminals, CANceiver OBDII Vehicle Telematic Devices, Passive GPS Antennas, Hose Modules, EM-Tags, EV Charger retrofit modules.
- E. "Use" means: (i) executing or loading the Software or Applications onto a computer, into RAM or other primary memory; (ii) engaging the Software or Applications for its intended purposes; or (iii) copying the Software and Applications for archival or emergency restart purposes.
- F. "Initial Installation" as described in Section 5 (A) and (B).
- G. "Integrated Firmware" refers to any software or programmable code that is embedded or integrated in the Hardware and enables the functionality of the Hardware.

2. Grant of License

Licensor grants to Licensee a revocable, non-exclusive, non-transferable, limited right to install and use the Software. Licensee may make one (1) archival copy of the Software Application per licensed instance in non-printed, machine readable form, in whole or in part, provided that such copy is for Licensee's own use only for archival, emergency restart or staging environment. Licensee will make no other copies of the Software except as authorized herein. All rights, title and interest to the Software will remain vested in Licensor, and nothing in this License will give or convey any right, title or interest therein to Licensee except as a licensee under the terms of this License.

3. Limitations on Use

- A. Licensee agrees that it will use the Software only in its own business, and not directly or indirectly for the use or benefit of anyone other than Licensee, and only pursuant to the scope of the grant of the License set forth herein.
- B. Licensee agrees that it shall not, directly or indirectly:
 - (i.) use (including make any copies of) the Software beyond the scope of this License;
 - (ii.) permit any other Person (other than its own users) to use the Software;
 - (iii.) modify, translate, adapt or otherwise create derivative works or improvements, whether or not patentable, of the Software or any part thereof;
 - (iv.) reverse engineer, disassemble, decompile, decode or otherwise attempt to derive or gain access to the source code of the Software or any part thereof;
 - (v.) remove, delete, alter or obscure any trademarks or any copyright, trademark, patent or other intellectual property rights notices from the Software, including any copy thereof;
 - a. except as contemplated by this License, copy the Software, in whole or in part;
 - b. use the Software or Documentation in the operation of a service bureau

4. Limitations on Transfer

This License may not be conveyed in any way without the prior written consent of Licensor, which Licensor's consent may be withheld for any reason. Notwithstanding the preceding sentence, Licensee shall be permitted, upon notice to Licensor, to assign this License in connection with any merger, consolidation, sale of stock, or re-organization of substantially all of the business or assets or equity securities, or otherwise of Licensee. Any purported sale, assignment, transfer, conveyance, license or sublicense without such consent will be null and void ab initio, and will automatically terminate this License.

5. Installation

Licensor hereby permits Licensee to install the following onto the appropriate environment, which Licensee shall perform at any time after the Effective Date:

- A. A single software installation for the production environment
- B. As applicable Licensee hereby permits Licensor to install the following with the assistance of Licensor after the Effective Date:
 - (i.) One (1) additional licensed instance for use in:
 - a. Staging or pre-production testing environment

Sections 5 (A) and (B) shall be collectively hereafter be referred to as the "Initial Installation".

6. Term and Termination

- A. The License commences as of the Initial Installation or Licensee uses the Software for its intended purpose whichever comes first, and will remain in force until either party terminates this License

pursuant to the terms herein. Upon proper termination of this License, Licensee will: (i) return all copies of the Software to Licenser without demand or notice; or (ii) permanently delete or destroy all copies of the Software in its possession and submit to Licenser a sworn affidavit signed by Licensee attesting to such destruction.

- B. Except as set forth in the provisions of this License that provide for automatic termination in the event of breach of confidentiality or unauthorized use or transfer, if Licensee breaches any other provision of this License, Licenser may terminate this License, provided, however, that Licenser has given Licensee at least fourteen (14) business days written notice of and the opportunity to cure the breach. Termination for breach shall not alter or affect Licenser's right to exercise any other remedies for breach.

7. Confidentiality

Except where required by applicable law and applicable federal and local public records laws, Licensee agrees to observe complete confidentiality with respect to the Software, Hardware defined herein and will not copy, reproduce, publicize or otherwise disseminate it to third parties. Licensee shall not make Software and Hardware available in any form to any person other than its employees, or whose job performance requires access and who are under obligations of confidentiality. Licensee shall take appropriate action to protect the confidentiality of licensed products and ensure that any person permitted access does not disclose or use them except as permitted by this agreement. Licensee shall give immediate written notice of any unauthorized disclosure or use of the licensed products as soon as Licensee learns or becomes aware of such unauthorized disclosure or use. Any breach of confidentiality by Licensee will automatically terminate this License. Licensee agrees that Licenser's remedies at law for breach of confidentiality are inadequate and that Licenser will be entitled to equitable relief, including without limitation, injunctive relief, specific performance and/or other remedies to the extent permissible by law.

8. Licensee's Obligation to Notify of Infringement

Licensee will immediately notify Licenser of any infringement or attempted infringement of Licenser's rights in the Software or Hardware of which it becomes aware. Licensee will affirmatively cooperate with Licenser in any legal or equitable action that Licenser may undertake to protect any of its rights in connection with the Software or Hardware defined in this License.

9. Warranty of Title

Licenser warrants that it is the lawful owner of the Software and Hardware and that it has the complete authority to grant the License specified herein.

10. Software Warranty and Disclaimer

Licenser warrants that the Software has been developed in a workman like manner, and in conformity with generally prevailing industry standards. Licensee must report any material deficiencies in the Software to Licenser in writing within thirty (30) days of initial installation of the Software. Licensee's exclusive remedy for the breach of the above warranties will be the correction of the material deficiency within a commercially reasonable time. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY ORAL OR WRITTEN REPRESENTATIONS, PROPOSALS OR STATEMENTS MADE ON OR PRIOR TO THE EFFECTIVE DATE OF THIS AGREEMENT. LICENSOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES.

11. Limitation of Liability, Indemnification

EXCEPT AS OTHERWISE PROVIDED BY ANY PORTION OF THE AGREEMENT NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES INCURRED OR SUFFERED BY THE OTHER ARISING AS A RESULT OF OR RELATED TO THE USE OF THE SOFTWARE OR HARDWARE, WHETHER IN CONTRACT, TORT OR OTHERWISE, EVEN IF THE OTHER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.

12. Maintenance

No additional software maintenance is included under the terms of this License. However, Licenser is responsible for



any patches or repairs to the current version of the Software during the initial one (1) year Warranty commencing on the initial installation date. Licensor's obligations with respect to maintenance and support after initial warranty period, including updates or upgrades, if any, will be set forth in a separate written agreement between the parties.

13. Relation of Parties

Nothing in this License will create or imply an agency relationship between Licensor and Licensee, nor will this License be deemed to constitute a joint venture or partnership between the parties.

14. Severability

If any term of this License is found to be unenforceable or contrary to law, it will be modified to the least extent necessary to make it enforceable, and the remaining portions of this License will remain in full force and effect.

15. Force Majeure

Neither party will be held responsible for any delay or failure in performance of any part of this License to the extent that such delay is caused by events or circumstances beyond the delayed party's reasonable control.

16. No Waiver

The waiver by any party of any breach of covenant will not be construed to be a waiver of any succeeding breach or any other covenant. All waivers must be in writing, and signed by the party waiving its rights. This License may be modified only by a written instrument executed by authorized representatives of the parties hereto.

17. Venue

This License shall be governed by and construed in accordance with the internal laws of the State of Texas without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Texas. Any legal suit, action or proceeding arising out of or related to this Agreement or the matters contemplated hereunder shall be instituted exclusively in the courts within the State of Texas, county of Bexar county, Texas, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding and waives any objection based on improper venue or forum non conveniens.

If any term or provision of this License is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

18. Notice

All notices and correspondence to the parties must be delivered by hand, emailed, sent by registered or certified mail (RRR), or by Federal Express, Express Mail or other reliable overnight mail service that provides a receipt to the sender. Receipt of a notice by the party to whom the notice is transmitted will be considered to have occurred upon receipt, if hand-delivered or emailed; five (5) business days from the date of mailing, if mailed; or the next business day after transmittal by Federal Express, Express Mail or other reliable overnight delivery service that provides a receipt to the sender. All notices and correspondences shall be delivered to the respective addresses below, or to any other address as a party may notify the other party in writing from time to time:

If to E.J. Ward, Inc.:

Robert E. Kettyle
Executive Vice President
E.J. Ward, Inc.
8620 N New Braunfels Suite 200N
San Antonio, Texas 78217
rkettyle@ejward.com

PRODUCT END-OF-LIFE POLICY

An E.J. Ward, Inc., product may reach the end of its Product Life Cycle due to market demands, technology innovation and development driving changes in the product; or a product may simply mature over time and is replaced by functionally richer technology. While this is an established part of the overall product life cycle, Ward recognizes that End-of-Life milestones often prompt companies to review the way in which such end-of-sale and end-of-life milestones impact their businesses. With that in mind, we have set up a Ward End-of-Life policy to help customers better manage their end-of-life transition and to understand the role that Ward can play in helping migrate to alternative products within Ward's Fuel Management and telematics platforms.

The End-of-Life Policy only applies to End-of-Life and End-of-Sale announcements made on or after January 1, 2015 for all Ward product lines. The policy does not apply to product that is already subject to previous End-of-Life and/or End-of-Sale announcements.

General Policy Guidelines

1. As a general rule, Ward will provide six month's notice of the affected product's end-of-sale date and/or the last day when the affected product can be ordered. This notice will appear on the Ward website at ejward.com/product-end-of-life-list/ and we encourage you to visit this site regularly as it contains useful information regarding Ward's products.
2. Spare or replacement parts for hardware will be available for a period of two years from the end-of-sale date or until Ward cannot reasonably procure, manufacture for sale or support customers on its support contracts because of conditions not in its direct control. If applicable we will provide spares and replacement parts in accordance with our Return Materials Authorization (RMA) process (see Terms and Conditions).
3. Software support will be as follows:
 - a. For the first year, following the end-of-sale date, we will provide bug fixes, maintenance releases, workarounds, or patches for critical bugs reported via the Ward Call Center or via e-mail at support@ejward.com.
 - b. After the first year, Ward will provide software bug fixes, maintenance releases, workarounds or patches only for customers with a Service and Support Agreement.

NOTE: It may be necessary to upgrade certain software to its current release to correct a reported problem (e.g. Sequel 2004 to 2016). Software updates are customer's expense.
4. Service and Support Agreements
 - a. Service and Support Agreements that have lapsed and have not been renewed within three months (90 days) of end-of-sale date are not renewable.

Explanation of Terms in this Notice

End-of-Life Cycle	A process that guides the final business operations associated with the product life cycle. The end-of-life process consists of a series of technical and business milestones and activities that, once completed, make a product obsolete. Once obsolete, the product is not sold, manufactured, improved, repaired, maintained, or supported.
End-of-Sale Date	The last date to order the product through Ward. The product is no longer for sale.
Hardware	The physical product and its components.
Software	The software that runs the Fuel Management or Telematics solution.

DISCLAIMER: While we strive to provide a reasonable end-of-sale date, there may be times that this is not possible due to lack of prior notice from third party suppliers.

PRODUCT WARRANTY

The terms and conditions listed below supersede all other terms, unless otherwise agreed to by E.J. Ward, Inc. (Ward), in writing.

Warranty Start Date

The Warranty start date, as indicated in this policy, is subject to one of the following:

- The date a product is shipped from Ward.
- A date mutually agreed to in writing.
- The terms defined in a customer's contract.

Limited Hardware Warranty

Ward provides a one year limited product hardware warranty to purchasers of its products. Ward warrants that the products will be free from defects in materials and workmanship that result in a material deviation from the applicable published Ward technical specifications.

- Hardware Failure - Upon a hardware failure, Ward will repair or replace such products within three working days of its receipt of the failed hardware, if in advance of its receipt, such hardware was evaluated by a Ward Technician, or Ward Technical Support person via telephone.
- Customer will receive an RMA number from Ward. The RMA number must be clearly indicated on the shipping box and paperwork (see Terms and Conditions, RMA section).

Hardware Repair Service

In the event of a hardware failure past the first 30 days, but within the first year of ownership from the Warranty start date, the unit will be either repaired, or at Ward's option, replaced with a new or reconditioned unit of equal or greater value.

- Customer will receive an RMA number from Ward. The RMA number must be clearly indicated on the shipping box and paperwork.
- A repaired or replacement unit will be shipped at Ward's expense within five business days after receipt of the failed unit.

Limited Software Warranty

Ward provides a one year limited software warranty to licensees of Ward software accompanying Ward hardware. Ward warrants that the software delivered will be free of defects in material and workmanship for a period of one year following delivery to licensee. Ward warrants that the software, when used in accordance with the terms of the Ward Software License, will operate substantially as set forth in the applicable Ward software documentation for a period of one year following delivery of the software to licensee.



Software Updates

During the warranty period, updates for software are available by contacting Ward. System software updates include applicable minor releases (e.g. Release 4.0 to 4.1) to the customer's specific family of products as well as repairs, patches and feature releases within that family of software. Customer must grant Ward server access and have access to the Internet for FTP downloads as directed by a Ward Technical Support team member. Software updates released after the initial one year warranty period not deployed as a repair, patch, or global enhancement within the same family of software are available as an upgraded product for the price available in the then current published price book.

Technical Support Access

During the warranty period, toll free support is offered 7 days per week, 24 hours per day at:

1.800.580.WARD (9273)

support@ejward.com

NOTE: Access to Technical Support after the warranty period is on a commercially reasonable basis with rates available upon request; unless a Service and Support Agreement has been purchased.

Limitation and Disclaimer of Warranties

"Buyer" acknowledges and agrees that the products, including all software components thereof, purchased or supplied under this agreement from Ward are "Goods" within the meaning of Article 2 of the Uniform Commercial Code. EXCEPT AS SET FORTH HEREIN, WARD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE PRODUCTS SOLD OR PROVIDED UNDER THE TERMS OF THIS AGREEMENT TO "BUYER", AND EXPRESSLY DISCLAIMS THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Limitation of Liability; Once products sold or provided under this agreement by Ward are delivered to "Buyer", "Buyer" shall be solely responsible for the use of such products, including any and all results caused by the use or misuse of the products, and including using such products in compliance with all applicable local, state, federal, and international laws. In no event shall Ward or its directors, officers, employees, agents, or affiliates, be liable to the "Buyer" or to any third party for

(i) any lost profits, any data loss, any loss of business, or any indirect, consequential, exemplary, incidental or special losses or damages of any kind or nature whatsoever in connection with or arising out of the use or sale of products to "Buyer" by Ward; or (ii), any losses or damages of any kind or whatsoever, including personal injury or death, arising out of "Buyer's" or a third party's installation, misuse, use, whether such use is proper or improper, or modifications of the products sold to "Buyer" by Ward, not even in the case where Ward has been advised of the possibility of such loss or damage. The sole and exclusive remedy of "Buyer" or any third party for any claim, loss, or damage not excluded under clauses (i) or (ii) of the preceding sentence and that in any way relates to, or arises out of, the products sold to "Buyer" by Ward shall be limited to repair or replacement of such products sold or provided under the terms of this agreement to "Buyer" by Ward during the initial first calendar year placed into service.

Indemnification

EXCEPT AS OTHERWISE PROVIDED BY ANY PORTION OF THE AGREEMENT NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES INCURRED OR SUFFERED BY THE OTHER ARISING AS A RESULT OF OR RELATED TO THE USE OF THE HARDWARE or SOFTWARE, WHETHER IN CONTRACT, TORT OR OTHERWISE, EVEN IF THE OTHER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.



SOLE SOURCE

January 1, 2019

Dear Customer,

As the original equipment manufacturer (OEM) of the Ward Fuel View Automated Fuel Management System™ (AFMS), and the Ward Fleet View GPS Asset Tracking System™ (ATS), E.J. Ward, Inc., owns the intellectual property and distribution rights to its AFMS, Telematics GPS/AVL solutions, along with the related Fuel View and Fleet View software programs, communication systems and documentation.

Ward is the sole supplier and support agent for its products, systems and solutions, either direct or through authorized agents. All design, manufacturing, assembly, and quality control checks are performed by Ward for all of its hardware and software products.

At this time, Ward has not certified any other fuel management company's technology, vehicle installed devices, OBDII or otherwise, or GPS other than those offered directly by Ward or its authorized agents, to be installed in conjunction with or plugged into the vehicle's engine control module (ECM) port (e.g. OBDII etc.) in series or parallel with the Ward CANceiver™. Only Ward supplied devices are certified to operate simultaneously with the Ward AFMS and CANceiver while plugged into the vehicle's ECM/OBDII port. Installing non-certified devices may affect operation of the AFMS and or the CANceiver, and have a potentially negative affect on a vehicle's functionality.

If you have any questions, please do not hesitate to give me a call.

Regards,

A handwritten signature in black ink that reads "Robert E. Kettyle". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Robert E. Kettyle
Executive Vice President
rkettyle@ejward.com

Office 210.824.7383
Cell 713.806.3711

Labor

Part Number	Description	Units	MSRP
CAINSTALL	FCT Mechanical and Electrical Installation* ‡	Each	
CAINSTALL-TT	Fuel Truck Installation* ‡	Each	
CASTART-FCT	Ward Tech. Startup & Testing w/FCT Use; Train On-Site ***	Per Day	\$1,800.00
CONTRACT-MAINT-CALLCEN	Maintenance Contract - Call Center Support ‡	Each	
CONTRACT-MAINT-SERV/CALL	Maintenance Contract w/On-Site Repair, Parts and Call Center Support ‡	Each	
CVR-INSTALL-NPTO	CANceiver Install - without PTO***	Each	\$225.00
CVR-INSTALL-PTO	CANceiver Install - with PTO***	Each	\$325.00
CVR-TRAIN	CANceiver Installation Training (with or without CANceiver) **/***	Per Day	\$1,800.00
LABORCONSULT	Consultant	Per Hour	\$250.00
LABORDATABASEANA	Database Analyst	Per Hour	\$225.00
LABORDATABASEARCHI	Database Architect	Per Hour	\$250.00
LABORDIRVP	Director/VP	Per Hour	\$350.00
LABORFIELDTECH	Field Technician (4-hour minimum) **/***	Per Hour	\$225.00
LABORHARDENG	Hardware Engineer	Per Hour	\$250.00
LABORHARDMGR	Hardware Manager	Per Hour	\$250.00
LABORPGMMGR	Program Manager	Per Hour	\$225.00
LABORPM	Project Manager	Per Hour	\$200.00
LABORQCENG	Quality Engineer	Per Hour	\$235.00
LABORSOFTIMP	Software Implementation	Per Hour	\$225.00
LABORSOFTMGR	Software Manager	Per Hour	\$250.00
LABORSOFTPGM	Software Programmer	Per Hour	\$235.00
LABORTRAIN	Trainer	Per Hour	\$180.00
LABORWEBPGM	Web Programmer	Per Hour	\$225.00
TECH-SUPPORT-REP	Call Center Tech Support Representative (AFMS/GPS) †	Per Hour	\$225.00

‡ Contact factory for pricing.

* **Pull and Replace FCT by Ward Technicians**

- For use of existing mechanical and electrical wiring, piping and other related connections they must meet existing local, state, and national codes; or if a licensed electrician and permits are required additional charges will apply.
- Customer is responsible for Network and CAT5 wiring to FCT unless noted in quote.

** After hours and overtime Labor are billed at time and a half of the normal hourly rate. Holiday Labor hours are billed at double time for the hourly rate.

*** Mileage and travel time are additional.

† One hour minimum, billed at one hour increments.

Software and Training

Part Number	Description	Units	MSRP
CASOFT - W4 IOT SQL	Fuel View 4 SQL Version	Each	\$50,000.00
CASOFT - W4- IOT ORA	Fuel View 4 Oracle Version	Each	\$55,000.00
CASOFT - W4 IOT-SaaS	Fuel View 4 Software as a Service - Cloud Hosted - SaaS ‡	Each	
CASOFT-CHANGE	OS/Fuel Script Changes ‡	Each	
CASOFTECH	Software Implementation ‡	Each	
CASOFT-FS-CHANGE	Fuel Script Change(s) ‡	Each	
CASOFT-INTERFACE	Custom Interfaces ‡	Each	
CASOFTRAIN-ON	User and Admin Training - Online	Per Day	\$1,200.00
CASOFTRAIN-SITE	User and Admin Training - On-Site ***	Per Day	\$1,800.00
CASOFT-REPORT	Custom Reports ‡	Each	
CASTARTUP-ASSIST	Additional Technical Phone Support †	Per Hour	\$225.00
CVR-TRAIN	CANceiver Installation Training (with or without CANceiver)	Per Day	\$1,800.00
EJW-TRAIN-OFFSITE	Training Class***	Each	\$11,500.00
EJW-TRAIN-SA	Training Class	Each	\$10,000.00
SERVER-COM	Communication Server ‡	Each	
SERVER-DB	Database Server ‡	Each	
SERVER-RACK	Server Rack-UPS-Network Router ‡	Each	
SERVER-WEB	Web Server ‡	Each	

‡ Contact factory for pricing.

*** Mileage and travel time are additional.

† Two hour minimum billed at one hour increments thereafter.

W4 Fuel Control Terminal

Part Number	Description	Units	MSRP
FCT-W4-05H	5-hose Terminal	Each	\$10,190.22
FCT-W4-10H	10-hose Terminal	Each	\$10,869.57
FCT-W4 IOT -05H	5-hose IOT Terminal	Each	\$10,190.22
FCT-W4 IOT -10H	10-hose IOT Terminal	Each	\$10,869.57
FCT-W4 IOT-DISPMNT	Dispenser Mount FCT	Each	\$9,782.61
FCT-W4 IOT-RETAIL	Retail Terminal ‡	Each	
FCT-W4-TRUCKTER	Truck Terminal WIFI	Each	\$10,869.57
FCT-W4-WALL	12" or 24" 5-hose Terminal	Each	\$9,782.61
FCT-W4 IOT-TRUCKTER	Truck Terminal Cellular	Each	\$10,869.57
FCT-W4 IOT-WALL	5-hose Terminal	Each	\$9,782.61
ACS-PLT-BLANK	Accessory Plate for Front Door	Each	\$74.73
ACS-PLT-CARD	Accessory Plate for Front Door	Each	\$74.73
ACS-PLT-CARD-2	Accessory Plate for Mag/Swipe	Each	\$74.73
ACS-PLT-SMARTRE	Accessory Plate for Front Door	Each	\$74.73
ANT-0894-17-TNC	PAP Antenna for Truck Terminal (single)	Each	\$237.77
ANT-0940-1X-E17	Moxa Antenna Truck Terminal (male/female)	Each	\$237.77
ANT-0940-2X-A2	FCTI/ VIT Dual Antenna (male)	Each	\$237.77
ANT-0940-2X-E17	FCTI/ VIT Dual Antenna for Truck Terminal (male)	Each	\$237.77
ANT-0940-WH-2X	MOXA Island Dual Antenna a2a2	Each	\$237.77
ANTBASE-GASKET	1/4" D/C 60-Duro Neoprene	Each	\$6.79
BATT-24V-1.3AH	Mini Battery, 24v	Each	\$271.74
BATT-24V-1.3WM	Mini Battery 24V for UPS	Each	\$271.74
BATT-PS-1228	Rechargeable Battery 12V 2.8A (for W4 Truck FCT)	Each	\$101.90
BATT-W4-SBC	Replacement battery 3v lithium	Each	\$27.98
CBL-AUDIO-10PIN	Audio I/O Cable 10-pin Ribbon	Each	\$27.17
CBL-AUDIO-10PNXT	Audio I/O Cable 10-pin Ribbon	Each	\$40.76
CBL-CAT5-1	1' Cat 5 Ethernet Cable - black	Each	\$13.59
CBL-CAT5-1BLUE	1' Cat 5 Cable-blue	Each	\$13.59
CBL-CAT5-3	3' Cat 5 Ethernet Cable - black	Each	\$20.38
CBL-CAT5-3FTBLU	3' Cat 5 Ethernet Cable - blue	Each	\$20.38
CBL-CAT5-6FT	7' Cat 6 Ethernet Cable - blue	Each	\$24.46
CBL-CAT5-6FTBRT	6' Cat 5 Right Angle - blue	Each	\$31.25
CBL-CAT5-RT1	1' Cat 5 Right Angle - black	Each	\$20.92
CBL-COM2-14PIN	Com2 14-pin Ribbon Cables	Each	\$27.17
CBL-COM2-14PNXT	Com2 14-pin Ribbon Cables	Each	\$40.76
CBL-COM3/4-20P	Com3/4 20-pin Ribbon Cable	Each	\$27.17
CBL-CPU-FPIB-W4	Back-light Cable Carrier Board	Each	\$27.17
CBL-CPU-MPB-NXT	Back-light Cable MPB to CPU	Each	\$27.17

‡ Contact factory for pricing.

W4 Fuel Control Terminal

Part Number	Description	Units	MSRP
CBL-CPU-MPB-W4	Back-light Cable MPB to CPU	Each	\$27.17
CBL-CPU-PWR-W4	Power Cable, CPU/Carrier	Each	\$27.17
CBL-INTRU-NXT	Intrusion Switch & CBL Assembly	Each	\$40.76
CBL-INTRU-W4	Intrusion Switch and Cable Assembly	Each	\$40.76
CBL-LANTRONIX 1	RS-232 DB9F-DB25M - 1' Cable	Each	\$16.30
CBL-LVDS	LVDS Video Cable	Each	\$40.76
CBL-LVDS-NXT	LVDSB Video CBL	Each	\$170.11
CBL-MPB-CARRIER	Main Board to Carrier Board Cable	Each	\$27.17
CBL-MPB-CARRIER-NXT	Main Board to Carrier Board Cable	Each	\$40.76
CBL-SERIAL/OPTO	RS232 Serial Printer Cable	Each	\$16.30
CBL-USB-MPB/KP	CBL interface between MPB & Keypad interface board (M/M)	Each	\$16.30
CON-TRAILPLUG	Trailer Plugs	Each	\$10.87
DISPLAY-FAN	24 vdc Blower	Each	\$40.76
DISPLAY-W4-RT	7" Display	Each	\$319.29
DSP-LEXAN-W4	Front Door Window .375" Lexan	Each	\$20.38
EN-ANTADPLTCT	RT Antenna Hole Plug	Each	\$20.38
EN-TOMBSTONE-24	24" Tombstone Stainless Steel w/Bead Blast	Each	\$1,630.43
EN-TOMBSTONE-W4	Tombstone Stainless Steel w/Bead Blast	Each	\$2,038.04
EN-TRK-TERM-W4	12" RT Wall Mount/Truck Terminal	Each	\$1,494.57
FAN-MNT-BOARD	Fan Mounting Board	Each	\$33.97
FP-RT-W4	Front Panel Stainless Steel Keypad	Each	\$407.61
FP-W4-QWERTY	Front Panel Keyboard QWERTY style	Each	\$407.61
HW-BKT-TRUCKT	Truck Terminal Battery Bracket	Each	\$16.30
HW-DOORHINGE	Door Hinge for Terminal	Each	\$10.20
HW-LOCK-R24107	FCT Lock & Key	Each	\$27.17
HW-TRACK-08	8" Din Rail	Each	\$6.79
HW-TRACK-12	12" Din Rail	Each	\$6.79
KIT-FCT-HEAT	W4 FCT Heater Kit/Cold Weather Package	Each	\$581.52
KIT-FCT-W4-PED	Complete Pedestal Assembly	Each	\$951.09
KIT-W4-SHOSE-UPG	5-hose Upgrade Includes 5-hose board	Each	\$2,418.48
LEXAN-CBL-COVER	Lexan Cable Cover for Light Bar	Each	\$13.59
LEXAN-LIGHTBAR	Lexan Light Bar Cover	Each	\$20.38
PCB-DATAKEYINT	W3 Data Key Interface Board	Each	\$203.80
PCB-PAP	Portable Access Point w/Wi-Fi for Truck Terminal	Each	\$883.15
PCB-PWR-DC-W4TT	Truck Term DC-DC Power w/Charge	Each	\$883.15
PC-CARRIER-W4	CPU LCD Panel Carrier Board	Each	\$679.35
PC-KEYP-INTF	FP-W4-QWERTY keypad interface	Each	\$195.60
PWR-UPS-137005	DC UPS 24V	Each	\$543.48
PWR-UPS-2866611	Power Supply and UPS, 24V	Each	\$815.22

W4 Fuel Control Terminal

Part Number	Description	Units	MSRP
RT-FPI-W4	Front Panel Interface Board	Each	\$781.25
RT-MPB-W4	RT Main Board w/2GB	Each	\$2,038.04
RT-MPB-W4NXT	W4 RT Main Processor BD-Windows IOT	Each	\$2,038.04
RT-W4-5HOSE-BRD	RT 5-hose Dispenser Interface Board	Each	\$1,413.04
RT-W4-5HOSE-CL	W4 5-hose Dispenser Serial Interface	Each	\$1,413.04
SHOCK-MOUNT	5/32 Cable ISOL for Truck Terminal	Each	\$237.77
W4-FCTI/VIT-2.4	Fuel Control Board/IT Interface	Each	\$781.25
W4-FLASH-8GB	Compact Flash 8GB Industrial Grade Temperature	Each	\$237.77
W4-FP-ASSEMBLY	Full Front Panel w/Boards	Each	\$3,396.74
W4-FP-STACK	STACK - Main Board, Carrier Board and Display	Each	\$1,426.63
W4-PWR-SUPPLY	Power Supply Pro ECO 120 W 24V 5	Each	\$271.74
W4-SPEAKER	Electro Speaker & Transducer	Each	\$13.59

Part Number	Description	Units	MSRP
CVR-W4-WIFI	CANceiver w/WiFi	Each	\$250.00
KIT-CVR-W4-WIFI	CANceiver w/Wi-Fi Kit - LD	Each	\$285.00
KIT-CVR-W4-WIFI	CANceiver w/Wi-Fi Kit - non-OBD	Each	\$325.00
KIT-CVR-W4-WIFI	CANceiver w/Wi-Fi Kit - HD (Standard & OBD II/III)	Each	\$305.38
KIT-CVR-W4-WIFI	CANceiver w/Wi-Fi Kit - International (Standard & OBD II/III)	Each	\$352.93
ANT-0940-WH-1X	2.4 GHZ Omni NYCWIN ant	Each	\$218.75
CBL-CVRW4-IO	W4 IO Cable for CVR- Enhanced	Each	\$31.25
CBL-CVR-XTS	CANceiverEnhanced Con Cbl	Each	\$31.25
CBL-J1708-16P-D	HvyDty J1708 16PinDual CAN Cbl	Each	\$75.00
CBL-J1708-16-W4	HvyDty J1708/1939 16 pin W4 CV	Each	\$75.00
CBL-J1708-6P-D	HvyDty(J1708) 6PinDual CAN Cbl	Each	\$75.00
CBL-J1708-6P-W4	6 pin 1708/1939 Heavy Duty CBL	Each	\$75.00
CBL-J1939-9P-D	J1708/J1939 9Pin Dual CAN Cbl	Each	\$75.00
CBL-J1939-9P-D2	OBD II 9-P Standard Heavy Duty	Each	\$75.00
CBL-J1939-9P-IN	Cable J1939-9P International	Each	\$125.00
CBL-J1939-9PIN2	OBD II J1939-9P INT CBL	Each	\$125.00
CBL-J1939-9PIN3	OBD II 1939 INT CBL 2018	Each	\$125.00
CBL-J1939-9P-W4	Heavy Duty CAN CBL (1939/1708)	Each	\$75.00
CBL-J1939-9PW42	OBD II Heavy Duty CAN CBL (193	Each	\$75.00
CBL-J1939-CAT	J1939 to Caterpillar Adapter	Each	\$62.50
CBL-J1939-W4-IN	9 pin heavy duty obd cable for	Each	\$125.00
CBL-J1939-W4IN2	OBDII 9 Pin Heavy Duty CBL INT	Each	\$125.00
CBL-J1939-W4IN3	OBDII HD CBL INT 2018	Each	\$125.00
CBL-J1962-D	Lt Duty (J1962) Dual CAN Cable	Each	\$75.00
CBL-J1962-W3VM	Lt Duty (J1962) Dual CVR CBL V	Each	\$62.50
CBL-J1962-W4-D	Light Duty Cable for W4 CVR	Each	\$62.50
CBL-J1962-W4-MV	J1962 LD CBL Volvo Mack	Each	\$75.00
CBL-SDL-OBDII	Z059-2 SDL w/ 12V Pwr Output	Each	\$150.00
CVR-J1708	CANceiver J1708 Heavy Duty Veh	Each	\$326.09
CVR-J1939	CANceiver J1939 Off/HvyDutyVeh	Each	\$326.09
CVR-J1939-2	CVR J1939II/J2284 LDH Promgram	Each	\$326.09
CVR-J2284LDH	J2284LDH-Light Duty/Hybrid CAN	Each	\$326.09
CVR-J2284LDH-II	J2284 LD CANceiver	Each	\$326.09
HW-BKTFORD-OBD	OBD Connector Adapter for Ford	Each	\$6.25
HW-BKT-OBDCBL	OBD Connector Adapter	Each	\$6.25
HW-TIE-NT-11"	11" Black Nylon Tie Wraps	Each	\$2.50
HW-TIE-NT-8UV	8" U.V. Tie Wraps PLT2M-MO	Each	\$1.25
KIT-CVR-J1708-16	J1708 CVR Kit w/16PinCbl	Each	\$339.60

Part Number	Description	Units	MSRP
KIT-CVR-J1708-6	J1708 CVR Kit w/6 PinCbl	Each	\$339.60
KIT-CVR-J1708-9	J1708 CVR Kit w/9 PinCbl	Each	\$339.60
KIT-CVR-J1708-92	J1708 CVR Kit w/9 PinCbl	Each	\$339.60
KIT-CVR-J1708-I	J1708 CVR Kit w/International	Each	\$386.88
KIT-CVR-J1708-I2	J1708 CVR Kit w/International	Each	\$386.88
KIT-CVR-J1708-I3	J1708 CVR Kit w/International	Each	\$386.88
KIT-CVR-J1939-2	J1850G CVR Kit	Each	\$339.60
KIT-CVR-J1939-6	J1939 CVR Kit w/6-pin cable	Each	\$339.60
KIT-CVR-J1939-9	J1939 CVR Kit w/9-pin Cable	Each	\$339.60
KIT-CVR-J1939-92	J1939 CVR Kit w/9-pin Cable	Each	\$339.60
KIT-CVR-J1939-I	J1939I CVR Kit with International Cable 2007-2015	Each	\$386.88
KIT-CVR-J1939-I2	J1939I CVR Kit with International Cable 2016/2017	Each	\$386.88
KIT-CVR-J1939-I3	J1939I CVR Kit with International Cable 2018 & above	Each	\$386.88
KIT-CVRJ2284LDH	J2284LDH CVR Kit	Each	\$356.25
KIT-CVRJ2284LDH-II	J2284LDH CVR Kit	Each	\$356.25
KIT-VIT-CBL-ASY	VIT Cable Assy w/ 6' Cable & H	Each	\$33.97
KIT-VIT-SX-ER	VIT-SX-ER Kit	Each	\$244.57
VIT-SX-ER	Extended Range VIT-SX	Each	\$190.49
KIT-IOX-FUEL-GO	IOX based GO to FCT Interface ‡	Each	

‡ Contact factory for pricing.

Reader-Card/FOB/Key

Part Number	Description	Units	MSRP
CARD-CLEANER	Card reader cleaner cards	Each	\$6.79
CARD-EJWBLUE	Blue EJ Ward Fuel Card	Each	\$2.72
CARD-EJWWHITE	White EJ Ward Fuel Card	Each	\$2.72
CARD-GREEN	Blank Green Mag Stripe Card	Each	\$2.72
CARD-PAPERHOLD	Paper Card Holder	Each	\$1.09
CARD-PLASHOLD	Plastic Card Holder	Each	\$4.08
CARD-PRINT-RIB	SD260 Black Ribbon Kit 1500 im	Each	\$81.52
CARD-PROGRAM	Encoding Fee	Each	\$8.15
CARD-RED	Blank Red Mag Stripe Card	Each	\$2.72
CARD-SMART-1430	FlexSmart Mifare card 1430NGGN	Each	\$9.51
CARD-WHITE	Blank White Mag Stripe Card	Each	\$2.72
CARD-YELLOW	Blank Yellow Mag Stripe Card	Each	\$2.72
CDR-INSERT	Track 2 Insert card reader	Each	\$475.54
CDR-MAGREADER	Track 2 swipe card reader - T1	Each	\$475.54
CDR-MIFARE-8030	Mifare Reader 8030 HID SMART	Each	\$475.54
CDR-SMART-5821	Multiclass reader 910PWNNEKE05	Each	\$475.54
CDR-SMART-GE	GE Model T-500W black w/pigtail	Each	\$475.54
DATAKEY-BLACK	Black Fuel Key Datakey611-004	Each	\$10.87
DATAKEY-BLUE	Blue Fuel Key Datakey 611-0049 ‡	Each	
DATAKEY-GRAY	Gray Fuel Key 611-0049-008A ‡	Each	
DATAKEY-GREEN	Green Fuel Key ‡	Each	
DATAKEY-RED	Red Fuel Key ‡	Each	
DATAKEY-YELLOW	Yellow Fuel Key 611-0049-004A ‡	Each	
FOB-PROGRAM	Encoding Fee Per Hour	Hour	\$225.00
KEY-ENCODE-5321	Mifare 1434 Key Fob Encoder	Each	\$679.35
KEY-FOB-1434	Mifare Key Fob-Unprogram 1434	Each	\$11.89
KEY-READER-01	Keyceptacle 606-0052-015A	Each	\$245.11
KIT-CARD-PRINT	Printer/Encoder for Mag Cards	Each	\$4,836.96
KIT-KEY-ENCODER	Key Encoder-01 Kit	Each	\$1,005.43

‡ Contact factory for pricing.

Antenna Tags

Part Number	Description	Units	MSRP
KIT-TAG-W4-EXT	EM-Tag Kit- External Antenna	Each	\$81.52
KIT-TAG-W4-INT	EM-Tag Kit- Internal Antenna	Each	\$61.14
ANT-200	2"VehEq Antenna w/20' cable	Each	\$24.46
ANT-200-30	2"Vehicle Antenna w/ 30' Cabl	Each	\$33.97
ANT-300	3"VehEq Antenna w/20' cable	Each	\$24.46
ANT-400	4.25"VehEq Antenna w/20'cable	Each	\$24.46
ANT-500	5.5"VehEq Antenna w/20'cable	Each	\$33.97
ANT-FLAT-225	Flat 2.25"VehEq Antenna	Each	\$24.46
ANT-TAG-200	Ant 2"Tag Antenna w/con	Each	\$24.46
ANT-TAG-225FLAT	Flat 2.25 Tag antenna w/con	Each	\$24.46
ANT-TAG-300	3"Tag Antenna w/con	Each	\$24.46
ANT-TAG-400	4"Tag Antenna w/con	Each	\$27.17
ANT-TAG-500	5.5"Tag Antenna w/con	Each	\$27.17
HW-ALCOHOL PADS	Alcohol Prep Pads	Each	\$1.36
HW-TAG-BKT	Tag mounting bracket	Each	\$13.59
HW-TAPE-4941-1	1"x2"Wide Double Stick Tape-	Each	\$7.48

Hose Module

Part Number	Description	Units	MSRP
KIT-HOSE-MOD-2.4S	RF Hose Module Kit 2.4ghz	Each	\$375.00
KIT-HOSE-MOD-3V	RF Hose Module Kit (3V)	Each	\$375.00
EN-BKT-HOSE-MOD	Hose Module Mounting Bracket	Each	\$18.75
HW-TIE-HOSE-MOD	Hose Module Kevlar Tie Wrap	Each	\$6.25
RF-HOSE-MOD-2.4S	2.4 RF HM with Switch	Each	\$356.25
RF-HOSE-MOD-3V	RF Hose Module (3V) Rev D w/fuse	Each	\$356.25
RF-HOSE-MOD-BATT	Replacable Battery - Hose Module ‡	Each	
KIT-HOSE-MOD-BATT	Replacable Battery - Hose Module ‡	Each	
‡ Contact factory for pricing.			

AP Wi-Fi

Part Number	Description	Units	MSRP
ANT-0940-2X-B-S	Cradlepoint Dual Antenna 700-2700 MHz	Each	\$243.26
CR-IBR-650LE-VZ	CradlePoint IBR650LE-VZ 4G/3G w/o Wi-Fi	Each	\$923.61
POE-ROUTER4131	Power Over Ethernet Injector	Each	\$70.65
ROUTER-3131	Client Router AWK-3131-US-T (N)	Each	\$1,190.95
ROUTER-4131	AP Router AWK-4131-M12-US-T (N)	Each	\$1,875.00
SWITCH-305-T	Industrial, Temperature Rated Ethernet Switch	Each	\$478.18
SWITCH-308-FIB	Industrial, Temperature Rated 8 port Switch (2 fiber SC ports)	Each	\$951.00
W4-HOTSPOT-CELL	Cellular Wi-Fi Hot Spot	Each	\$4,500.00

Pulser Relay Kits

Part Number	Description	Units	MSRP
FLOWMETER-PIUSI	K24 Pulse Meter Gas/Diesel 1" M BSP (limited quantity)	Each	\$437.50
KIT-SSR	RT FCT Solid State Relay Kit (per hose)	Each	\$315.07
NETWORK-RG1988	Network Card	Each	\$50.00
PULSER-800-F	OPW Pulser 120V	Each	\$335.00
PULSER-FR110	110V Pulser FR/MR110-SO-A	Each	\$337.40
PULSER-FR1-12	Single Pulser FR/MR1-12V SO-A 12VDC	Each	\$281.15
PULSER-GB1-12	Gas Boy 12v Pulser GB1-12V-SO-A	Each	\$281.15
PULSER-MR1-12-S	Pulser MR1 12VDC Single	Each	\$281.15
PULSER-SP1-110	110V Pulser SP1-110V-SO-A	Each	\$337.40
PULSER-SP1-12	12V Pulser SP1-12V-SO-A	Each	\$337.40
PULSER-T1-BD	T1-B Dual Pulser	Each	\$275.00
PULSER-T1-BS	T1-B Single Pulser	Each	\$275.00
PULSER-VR1-12-S	Pulser VR1-12-SO-A 12V	Each	\$337.40
RELAY-BRACKETS	Relay Brackets - Stainless Steel	Each	\$81.55
RELAY-SOLSTATE	Solid State Relay RS31D40-21R	Each	\$140.43

JettScan

Part Number	Description	Units	MSRP
KIT-JETTSCANW4	W4 JettScan Wi-Fi Kit	Each	\$2,500.00
BATT-JETTSCAN	Jettscan Battery Pack	Each	\$115.49
CBL-PGM-JETTCVR	CANceiver Cable Programmer	Each	\$81.52
FLASH-JETTSCAN	JettScan Flash Card with Current Software	Each	\$67.93
JETT-DISPCOVER	JettScan Screen Cover	Each	\$13.59
JETT-STYLUS-1	Stylus - Single	Each	\$16.30
XFMR-JETT	JettScan Transformer 12V DC 1.2Amp	Each	\$61.14
IOT-PGM-APP	IOT Can-Tag-Hose Module-program APP ‡	Each	
IOT-INT-EM	IOT Can-Tag-Hose Module-program EM dongle ‡	Each	
IOT-PGM-HARDWARE	IOT Android based Programming Hardware ‡	Each	

‡ Contact factory for pricing.

Miscellaneous Parts

Part Number	Description	Units	MSRP
EN-10X8X4	NEMa 4 Enclosure (10" x 8" x 4")	Each	\$171.20
EN-12X12X6	NEMa 4 Enclosure (12" x 12" x 6") Painted w/Back Plate	Each	\$271.74
EN-12X24X6	HAM 1418a6 Nema Box w/Back Plate	Each	\$326.09

TLS Interface

Part Number	Description	Units	MSRP
KIT-TLS-NET232	Adapter for TLS Units RS232 to RJ45	Each	\$357.10
VR-330020-425	Veeder-Root TCP/IP Modem TLS/IP	Each	\$1,895.00
VR-331500-308	Veeder-Root Software Upgrade for TLS 35	Each	\$2,900.00

Factory Repair

Part Number	Description	Units	MSRP
REP-JETTSCAN-04	W4 Jettscan Repair	Each	\$1,499.00

W3 Fuel Control Terminal

Part Number	Description	Units	MSRP
W3 Fuel Control Terminal	Retired product line - consult factory.		

XT

Part Number	Description	Units	MSRP
XT	Retired product line - consult factory.		

GPS – Passive

Part Number	Description	Units	MSRP
CGSOFT-EJW	Fleet View - Ward Hosted Software ‡	Contact Factory	
GPS-PASS-ANT-W4	Passive GPS Antenna for W4 CANceiver	Each	\$93.75

‡ Contact factory for pricing.

Part Number	Description	Units	MSRP
Live			
SVP-G-PROPLUS	ProPlus Plan	Each	\$31.67
SVP-G-PRO	Pro Plan	Each	\$26.67
SVP-G-BASE	Base Plan	Each	\$11.67
SVP-G-PGPS	Third Party Device Plan - PASSIVE GPS	Each	\$6.67
SVP-G-HOS	HOS plan - Regulatory Mode	Each	\$16.67
SVP-G-SUSPEND	Suspend Plan	Each	\$8.33
SVP-G-SAT	Satellite Plan	Each	\$58.33
SVP-G-FAT	Fixed Asset Tracker - Flex Asset Tracker (HBN) ‡	Each	
SVP-G-GARPRO	Garmin ELD - Pro Mode	Each	\$25.00
SVP-G-GARSUSP	Garmin ELD- Suspend	Each	\$11.67
GO Key / Driver Tags			
KEY-G-NFC-DID	Blue NFC Driver ID Tag. Used with IOX-NFC Driver ID Tag Reader	Each	\$5.00
KEY-G-NFC-FOB20	Bag of 20 NFC fobs. Includes CSV file of tag IDs	Each	\$67.00
KEY-G-NFC-STKR	NFC Driver ID Sticker Tag with blue inner label. Used with IOX-NFC Driver ID Tag Reader. 40mm (~1.5") in diameter.	Each	\$5.00
GO Vehicle Kits / GO Devices			
KEY-G-NFC-STKR20	Bag of 20 NFC stickers. Includes CSV file of tag IDs	Each	\$67.00
VTD-G7-3GBEL	Vehicle telematics on the Bell network. The GO7 device is suitable for Plug-&-Play installation.	Each	\$98.00
VTD-G7-3GROG	GO7 3G - Vehicle telematics on the Rogers network in Canada. The GO7 device is suitable for Plug-&-Play installation.	Each	\$98.00
VTD-G7-3GTEFA	Vehicle telematics on the Telefónica network in the Americas. The GO7 device is suitable for Plug-&-Play installation.	Each	\$98.00
VTD-G7-3GTEL	GO7 3G - Vehicle telematics on the TELUS network in Canada. The GO7 device is suitable for Plug-&-Play installation.	Each	\$98.00
VTD-G7-3GTENA	Vehicle telematics on the Telenor network in the Americas. The GO7 device is suitable for Plug-&-Play installation.	Each	\$98.00
VTD-G8-LTEATT	Multi-mode GO8 LTE device w/3G fallback for the AT&T network	Each	\$98.00
VTD-G8-LTETMO	Single-mode LTE GO8 device for the T-Mobile network	Each	\$98.00
VTD-G8-LTEVZW	Single-mode LTE GO8 device for the Verizon network	Each	\$98.00
VTD-G7-3GTEFA	Ruggedized telematics device for harsh conditions or external installation. Designed to IP67 standards. Ideal for heavy equipment, yellow iron, and powered assets and trailers. Version for the Americas only.	Each	\$198.00
Hardware Accessories			
VTD-G-ELDATT1	Garmin fleet 790 bundled with Geotab Drive for the AT&T network		\$700.00
HW-G-TIE-Z100	Serialized cable tie, also known as a zip tie (pack of 100)		\$58.00
‡ Contact factory for pricing.			

Part Number	Description	Units	MSRP
IOX / Harnesses / Adapters			
WH-G-BF11A1	Custom proprietary harness for enhanced engine data support on select Fiat/Chrysler vehicles in Latin America.	Each	\$6.00
WH-G-BS04A1	Adapter harness, needed in conjunction with HRN-DS09T2, HRN-DR09T2 or HRN-GS09K2 on 2017 Kenworth and Peterbilt trucks for enhanced engine data support.	Each	\$14.00
WH-G-BS16S4	OBDII extension cable pack for GO6 and GO7. Replaces HRN-INSTALLPACKV2.	Each	\$7.00
WH-G-BS16S5	OBDII extension harness for GO6 and GO7 - 1.5 meters in length	Each	\$8.00
WH-G-BU16Y5	OBDII harness for GO6 and GO7. Special vehicle connector to receive engine data from Mitsubishi Fuso (medium duty) vehicles.	Each	\$10.00
WH-G-CE04A4	Custom proprietary adapter for Volvo vehicles in LatAm and EU. Requires HRN-CM24Y1.	Each	\$14.00
WH-G-CE10A2	Custom proprietary adapter for Volvo/Mack FMS vehicles in North America. Requires HRN-CM24Y1.	Each	\$24.00
WH-G-CH06A2	Custom Proprietary HINO FMS adapter. Requires HRN-CM24Y1.	Each	\$14.00
WH-G-CK10A2	Custom adapter for Mack vehicles in North America. Requires HRN-CM24Y1.	Each	\$24.00
WH-G-CM24Y1	GO6 and GO7 harness for custom installs. Molex connectors for 2 OBD and one J1939 connection points.	Each	\$20.00
WH-G-CT06A1	Custom adapter for Tesla (Model S) vehicles. Requires HRN-CM24Y1.	Each	\$14.00
WH-G-CW03S3	3-wire harness for GO7 - PWR, GND, IGN. Replaces HRN-2WCP for GO6 which cannot take advantage of the IGN wire.	Each	\$14.00
WH-G-CW08A4	8-wire adapter for vehicles with connectors that are not supported on any other harness. Requires HRN-CM24Y1.	Each	\$14.00
WH-G-DC09T2	Special harness for CAT off-road vehicles. Verify vehicle does not use a standard 9-pin connector. GO4 requires an HRN-EZ harness. Replaces HRN-TCATHD.	Each	\$40.00
WH-G-DC14S2	14-pin harness for CAT vehicles 2016+	Each	\$90.00
WH-G-DR09T2	9-pin heavy duty T-harness for installations where the Deutsch connector needs to remain available for other applications and is a THREADED dash mount style. Replaces HRN-CD9TBHD.	Each	\$30.00
WH-G-DS06S4	6-pin straight harness for North American heavy duty Deutsch connector installations. Replaces HRN-D6HD.	Each	\$24.00
WH-G-DS06T2	6-pin heavy duty T-harness for installations where the Deutsch connector needs to remain available for other applications.	Each	\$40.00
WH-G-DS09S4	9-pin straight harness for North American heavy duty Deutsch connector installations. Replaces HRN-C9HD.	Each	\$24.00
WH-G-DS09T2	9-pin heavy duty T-harness for installations where the Deutsch connector needs to remain available for other applications. Replaces HRN-CD9THD.	Each	\$30.00
WH-G-EA16S1	Diagnostic connector designed for EU markets, primarily for the DAF Euro 3 (up to 2006). Replaces HRN-EU16P.	Each	\$90.00
WH-G-EE14S1	Mercedes diagnostic connector. Used on older generation medium duty trucks and buses. Replaces HRN-EU14P.	Each	\$90.00
WH-G-ES12S1	OBDII harness for GO6 and GO7. Connects to the FMS connector - primarily for EU heavy duty vehicles.	Each	\$24.00

Part Number	Description	Units	MSRP
WH-G-GS09K2	Universal Heavy-Duty T-Harness Kit — Multi-connector kit includes a 9-pin T-harness and 74 different mounting adapters for use in most Heavy-Duty international vehicles. Eliminates the need to know vehicle information in advance. Replaces: ?HRN-DR09T2 and HRN-DS09T2.	Each	\$40.00
WH-G-GS16K2	Universal OBDII T-Harness Kit – Multi-connector kit includes a T-harness and twelve different mounting adapters for use in most light-duty and medium-duty international vehicles. Eliminates the need to know vehicle information in advance. Replaced: HRN-BE16T2, HRN-BG16T2, HRN-BF16T2, HRN-BS16T2, HRN-BT16T2	Each	\$40.00
WH-G-RS12S2	Connects GO RUGGED to vehicle diagnostic port for engine data	Each	\$20.00
WH-G-RW03S4	3-wire harness for the GO RUGGED — PWR, GND, IGN.	Each	\$20.00
WH-G-RX06S4	Required to connect any IOX to the GO RUGGED	Each	\$20.00
WH-G-UP21Y2	PSM module connection for Mercedes Sprinters for global markets. Requires HRN-CM24Y1.	Each	\$16.00
ACS-G-ALERT	IOX Add-On for GO6/GO7 to support an alert message to MyGeotab.	Each	\$50.00
ACS-G-AUXM	IOX Add-On for GO6/GO7 for auxiliary support	Each	\$48.00
ACS-G-BT	Bluetooth® low energy IOX Add-On, for GO6 and later devices, supporting proximity beacons with a public MAC address. Also supports select sensor-enabled beacons.	Each	\$65.00
ACS-G-BUZZER	External buzzer/beeper for the GO6/GO7 platform	Each	\$65.00
ACS-G-CAN	IOX Add-On for GO6/GO7 for CAN integrations (i.e. Mobileye and Valor)	Each	\$65.00
ACS-G-COMS	IOX Add-On for GO6/GO7 for Rexroth Compu-Spread controllers	Each	\$180.00
ACS-G-CRS	IOX Add-On for Cirrus Controls SpreadSmart Rx spreader controller	Each	\$180.00
ACS-G-DJ	IOX Add-On for GO6/GO7 for DICKEY-john		\$120.00
ACS-G-GARM-NT	IOX Add-On for GO6/7 for Garmin PNDs requiring NO traffic services. Supports PNDs globally.	Each	\$100.00
ACS-G-GARM-WT	IOX Add-On for GO6/7 for Garmin PNDs that require traffic services. Supports North America.	Each	\$142.00
ACS-G-GARM-WTEU	IOX Add-On for GO6/7 for Garmin PNDs that require traffic services. Supports Europe, Australia, New Zealand, and South Africa.	Each	\$142.00
ACS-G-TALK	Text-to-Speech Speaker for Driver Feedback for the GO6/7 platform	Each	\$125.00
ACS-G-HID	IOX Add-On for GO6/GO7 for HID Interface (school bus)	Each	\$120.00
ACS-G-NFC-READ	NFC Tag Reader with mounting bracket ONLY - used for Driver ID. NFC Tags sold separately.	Each	\$75.00
ACS-G-OUTPUT	IOX Add-On for GO6/GO7 for controlling a relay from MyGeotab.	Each	\$42.00
ACS-G-RS232-F	IOX Add-On for GO6/GO7 for RS232 support (female connector)	Each	\$58.00
ACS-G-RS232-M	IOX Add-On for GO6/GO7 for RS232 support (male connector)	Each	\$58.00
ACS-G-SATIRDV2	IOX Add-On for GO6/GO7 for Iridium satellite support (includes Iridium modem and antenna)	Each	\$665.00
ACS-G-USB	IOX Add-On for GO6/GO7 that allows two-way data transfer and charging of external devices. Uses Female USB Type-A connector.	Each	\$58.00
HW-BRKT-BSF	Bracket required for 2015 Ford F-150, Ford Fusion and Ford Mondeo vehicles.	Each	\$2.00
HW-BRKT-INSTALL	Mounting bracket and material for GO6/GO7. Includes 2 zip ties, 2 screws, and double-sided tape for the bracket for installation purposes.	Each	\$6.00

Part Number	Description	Units	MSRP
HW-BRKT-NFC	Mounting bracket and holder for IOX-NFCREADER. Includes 2 screws and double-sided tape for the bracket for installation purposes.	Each	\$5.00
ACS-RELAY	Driver ID Relay kit for GO4v3 and GO6 and GO7. Requires professional installation by a licensed automotive electrician/mechanic.	Each	\$33.00

EV Charging Stations

Part Number	Description	Ports	MSRP
Level 2 Charger			
P10SW	PRO SERIES, 10 RPH, SINGLE, WALL, 16 amp	1	\$2,493.75
P20SW	PRO SERIES, 20 RPH, SINGLE, WALL, 30 amp	1	\$2,493.75
P30SW	PRO SERIES, 30 RPH, SINGLE, WALL, 40 amp	1	\$4,504.17
P10DW	PRO SERIES, 10 RPH, DUAL, WALL, 16 amp	2	\$3,497.92
P20DW	PRO SERIES, 20 RPH, DUAL, WALL, 30 amp	2	\$3,497.92
P30DW	PRO SERIES, 30 RPH, DUAL, WALL, 40 amp	2	\$5,510.42
P10SP	PRO SERIES, 10 RPH, SINGLE, PEDESTAL, 16 amp	1	\$2,827.08
P20SP	PRO SERIES, 20 RPH, SINGLE, PEDESTAL, 30 amp	1	\$2,827.08
P30SP	PRO SERIES, 30 RPH, SINGLE, PEDESTAL, 40 amp	1	\$4,839.58
P10DP	PRO SERIES, 10 RPH, DUAL, PEDESTAL, 16 amp	2	\$3,737.50
P20DP	PRO SERIES, 20 RPH, DUAL, PEDESTAL, 30 amp	2	\$3,737.50
P30DP	PRO SERIES, 30 RPH, DUAL, PEDESTAL, 40 amp	2	\$5,750.00
CORD- RETRACT	EV Charge Solutions Univ. Cord Retractor 79", Single	1	\$501.67
Level 3 DC Fast Charger			
L3-50-CS-480	50kW Dual - Level 3 DC Fast Charger, Standard Housing, 50kW, Dual Connector (CCS & CHAdeMO) 208v/3ph - PEDESTAL	2	\$37,583.33
L3-50-CS-480 SLIMLINE	50kW Dual - Level 3 DC Fast Charger, Slimline Housing, 50kW, Dual Connector (CCS & CHAdeMO) 208v/3ph - PEDESTAL	2	\$42,166.67
L3-50-CS-208	50kW Dual - Level 3 DC Fast Charger, Standard Housing, 50kW, Dual Connector (CCS & CHAdeMO) 208v/3ph - PEDESTAL	2	\$39,316.67
L3-50-CS-208-SLIMLINE	50kW Dual - Level 3 DC Fast Charger, SlimLine Housing, 50kW, Dual Connector (CCS & CHAdeMO) 208v/3ph	2	\$43,916.67
L3-25-CS-480	25kW - Dual - Level 3 DC Fast Charger, Standard Housing, 25kW, Dual Connector (CCS & CHAdeMO) 480v/3ph	2	\$33,250.00
L3-25-CS-480 SLIMLINE	25kW - Dual - Level 3 DC Fast Charger, Slimline Housing, 25kW, Dual Connector (CCS & CHAdeMO) 480v/3ph	2	\$38,041.67
L3-25-CS-208	25kW - Dual - Level 3 DC Fast Charger, Standard Housing, 25kW, Dual Connector (CCS & CHAdeMO) 208v/3ph	2	\$35,200.00
L3-25-CS-208 SLIMLINE	25kW - Dual - Level 3 DC Fast Charger, Slimline Housing, 25kW, Dual Connector (CCS & CHAdeMO) 208v/3ph	2	\$39,783.33
L3-50-XS-480	50kW - Single - Level 3 DC Fast Charger, Standard Housing, 50kW, Single Connector (CCS) 480v/3ph	2	\$33,916.67
L3-50-XS-480 SLIMLINE	50kW - Single - Level 3 DC Fast Charger, Slimline Housing, 50kW, Single Connector (CCS) 480v/3ph	2	\$38,500.00
L3-50-XS-208	50kW - Single - Level 3 DC Fast Charger, Standard Housing, 50kW, Single Connector (CCS) 208v/3ph	2	\$35,658.33
L3-50-XS-208 SLIMLINE	50kW - Single - Level 3 DC Fast Charger, Slimline Housing, 50kW, Single Connector (CCS) 208v/3ph	2	\$40,241.67
Options			
CHAdeMO	OPTION - Exchange CCS plug for CHAdeMO (add)	Each	\$916.67
Payment	OPTION - Payment System configuration & hardware (add)	Each	\$3,208.33
EV Interface Board	EV Charger Wired EV interface with individual metering - One (1) per Charger - Single device can handle dual charger	Each	\$750.00

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
Tank Level Gauging			
OEL8000IIIB4	PROTEUS-B controller with 7" color touch screen and (1) RS-232 port. Accepts up to 4 MTG Series magnetostrictive probes and 16 BX Series leak sensors.	Each	\$2,583.75
OEL8000IIIB8	PROTEUS-B controller with 7" color touch screen and (1) RS-232 port. Accepts up to 4 MTG Series magnetostrictive probes.	Each	\$2,513.75
OEL8000IIIK4	PROTEUS-K controller with 7" color touch screen, (1) RS-232 port, and Ethernet. Accepts up to 4 MTG Series magnetostrictive probes and 16 BX Series leak sensors.	Each	\$3,556.25
OEL8000IIIK4P	PROTEUS-K controller with 7" color touch screen, printer, (1) RS-232 port, and Ethernet. Accepts up to 4 MTG Series magnetostrictive probes and 16 BX Series leak sensors.	Each	\$4,428.75
OEL8000IIIK8	PROTEUS-K controller with 7" color touch screen, (1) RS-232 port, and Ethernet. Accepts up to 8 MTG Series magnetostrictive probes.	Each	\$3,783.75
OEL8000IIIX	PROTEUS-X controller with 7" color touch screen, (2) RS-232 ports, and Ethernet. Capable of accepting up to 16 MTG Series magnetostrictive probes and 64 BX Series leak sensors. (Comes standard with (1) XB-416 module accepting up to 4 MTG Series magnetostrictive probes and 16 BX Series leak sensors.)	Each	\$5,651.25
OEL8000IIIXP	PROTEUS-X controller with 7" color touch screen, printer, (2) RS-232 ports, and Ethernet. Capable of accepting up to 16 MTG Series magnetostrictive probes and 64 BX Series leak sensors. (Comes standard with (1) XB-416 module accepting up to 4 MTG Series magnetostrictive probes and 16 BX Series leak sensors.)	Each	\$6,526.25
PROTEUS-X Interface Boards			
XB-416	4 probe and 16 leak sensor module for PROTEUS-X controller.		\$931.25
XB-RB8	8 channel relay board for PROTEUS-X controller.	Each	\$856.25
XB-4IO	4 channel relay board for PROTEUS-X controller.	Each	\$856.25
MAGNETOSTRICTIVE PROBES			
MTG-	Magnetostrictive gauging probe with stainless steel shaft for most hydrocarbons and liquids. *Must specify tank diameter and content. Includes: MTG up to 10' (132" overall length), installation kit, product and water floats, splice kit, 4 inch NPT riser cap, and cable clamp assembly. Available in standard and custom lengths up to 24 feet, consult factory for pricing.	Each	\$2,050.00
MTG-V-	Magnetostrictive gauging probe up to 10' for inventory only. Includes same as above. Available in standard and custom lengths.	Each	\$1,723.75
MTG-F-R1-	Single temperature magnetostrictive gauging probe up to 96" overall length with flexible shaft for most hydrocarbons and chemicals. Overall lengths available up to 70'. Material of construction – Kynar*. Does NOT include floats or weight. Flex probes are also available with 5 temperature sensing points.	Each	\$2,445.00
MTG-420-	4-20 milliamp magnetostrictive gauging probe up to 96". Consult factory for lengths above 96". Does not include float.	Each	\$2,396.25
<p>* IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.</p>			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
PROTEUS PK OEL8000III Kits			
PK1	One Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (1) PS-103 Printer (1) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (1) SSF-2 Stainless Steel Float Kit (1) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$6,270.00
PK2	Two Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (1) PS-103 Printer (2) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (2) SSF-2 Stainless Steel Float Kit (2) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$7,852.50
PK3	Three Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (1) PS-103 Printer (3) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (3) SSF-2 Stainless Steel Float Kit (3) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$9,436.25
PK4	Four Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (1) PS-103 Printer (4) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (4) SSF-2 Stainless Steel Float Kit (4) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$11,020.00
PK1NP	One Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (1) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (1) SSF-2 Stainless Steel Float Kit (1) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$5,477.50
PK2NP	Two Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (2) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (2) SSF-2 Stainless Steel Float Kit (2) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$7,061.25
PK3NP	Three Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (3) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (3) SSF-2 Stainless Steel Float Kit (3) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$9,172.50
* IMPORTANT: PROTEUS PK Tank Gauging Kits do not come pre-programmed.			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
PK4NP	Four Tank Kit to include: (1) OEL8000IIIK4* PROTEUS Tank Gauging System (4) MTG-V Inventory only 316 grade ss rigid gauging probe up to 132" overall length (4) SSF-2 Stainless Steel Float Kit (4) 2IN-CAP-AST 2" Cap Assembly Kit	Each	\$10,756.25
PKPF	PROTEUS PK OEL8000III Kit preprogramming fee	Each	\$265.00
INTERSTITIAL SPACE, CONTAINMENT SUMP, & DISPENSER PAN SENSORS			
BX-PDWF-4 BX-PDWF-6 BX-PDWF-8 BX-PDWF-10	Product distinguishing sensor for monitoring the dry interstice of double-wall fiberglass tanks. Please select the appropriate part number based on the tanks diameter in feet and specify tank manufacturer.	Each	\$510.00
BX-LWF-4 BX-LWF-6 BX-LWF-8 BX-LWF-10	Non product distinguishing sensor for monitoring the dry interstice of double-wall fiberglass tanks. Please select the appropriate part number based on the tanks diameter in feet and specify tank manufacturer.	Each	\$348.75
BX-PDWS	Product distinguishing sensor for monitoring the dry interstice of double-wall steel tanks. Comes with 25' of cable.	Each	\$437.50
BX-LWS	Non product distinguishing sensor for monitoring the dry interstice of double-wall steel tanks. Comes with 25' of cable.	Each	\$380.00
BX-LWS-PVC	Non product distinguishing sensor constructed of PVC for monitoring the dry interstice of double-wall steel tanks. Comes with 25' of cable.	Each	\$537.50
BX-LWS-SS	Non product distinguishing sensor constructed of stainless steel for monitoring the dry interstice of double-wall steel tanks. Comes with 25' of cable.	Each	\$576.25
BX-LWS-.895	Non product distinguishing sensor, 0.895" in diameter, for monitoring the dry interstice of double-wall steel tanks. Comes with 25' of cable	Each	\$781.25
BX-RES	Non product distinguishing sensor for monitoring level changes in the reservoir of brine-filled, double-wall fiberglass tanks.	Each	\$510.00
BX-LS	Non product distinguishing sensor for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$338.75
BX-LS-PVC	Non product distinguishing sensor constructed of PVC for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$537.50
BX-LS-SS	Non product distinguishing sensor constructed of stainless steel for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$537.50
BX-LS-1.25	Non product distinguishing sensor, 1.25" in diameter, for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$593.75
BX-LS-.895	Non product distinguishing sensor, 0.895" in diameter, for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$617.50
<p>* IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.</p> <p>PLEASE NOTE: Sensors for nonstandard monitoring ports & chemical applications requiring different materials of construction also available.</p>			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
BX-LS-FL	Non product distinguishing sensor for floor containment area. Comes with 12' of cable.	Each	\$537.50
BX-PDS	Product distinguishing sensor for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$412.50
BX-PDS-.895	Product distinguishing sensor, 0.895" in diameter, for monitoring containment sumps, dispenser pans, interstice of steel tanks and other containment areas. Comes with 12' of cable.	Each	\$740.00
BX-PDS-FL	Product distinguishing sensor for floor containment area. Comes with 12' of cable.	Each	\$576.25
SINGLE POINT BX SERIES OPTIC SENSOR			
BX-L12	12 inch hi level optic sensor	Each	\$291.25
BX-L20	20 inch hi level optic sensor	Each	\$372.50
*BX-LV	Customer specified length hi level optic sensor up to 96"	Each	\$576.25
SINGLE POINT BX SERIES FLOAT SENSOR			
BX-LF-1-12	12" hi level float sensor with brass stem and Buna N floats. Includes (1) BX-UT.	Each	\$493.75
*BX-LF-1-D	Customer specified length hi level float sensor, with brass stem and Buna N floats up to 72". Includes (1) BX-UT.	Each	\$1,276.25
BX-LF-1-SS-12	12" hi level float sensor with stainless steel stem and floats. Includes (1) BX-UT.	Each	\$657.50
BX-LF-1-SS-20	20" hi level float sensor with stainless steel stem and floats. Includes (1) BX-UT.	Each	\$657.50
*BX-LF-1-SS-D	Customer specified length, hi level float sensor, with SS stem and floats up to 72". Includes (1) BX-UT.	Each	\$1,576.25
MISCELLANEOUS SENSORS			
BX-VS	Sensor for monitoring hydrocarbon vapors.		\$617.50
BX-TC1	Temperature Sensor ie: refrigeration, room temperature, compressors	Each	\$412.50
BX-PDWL	Monitoring Well Sensor up to 25'. If well is wet must order additional BX-UT for low water alarm.	Each	\$1,303.75
OIL WATER SEPARATOR SENSORS			
*BX-OWI-1	Single point oil/water interface sensor for high oil level used in oil/water separators. Includes (1) BX-UT. Available in standard and custom lengths.	Each	\$748.75
*BX-OWI-2	Two point oil/water interface sensor for high and caution oil level used in oil/water separators. Includes (2) BX-UT. Available in standard and custom lengths.	Each	\$923.75
Cable-PVC Jacketed, UL-listed, #22AWG with shield and drain			
EC-2	500' spool of 2 conductor cable for use with MTG-probe	Each	\$277.50
EC-4	1000' spool of 4 conductor cable for use with sensors	Each	\$642.50
EC-6	1000' spool of 6 conductor cable	Each	\$985.00
OEL8000II COMMUNICATION OPTIONS			
IB-RB-2	Interface board-relay card with (4) 5amp SPDT relays - 6 card max per system		Contact factory.
IB-RAS	Interface board required for the RAS hi level audio/visual remote annunciator. Accepts multiple remotes.		Contact factory.
* IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
IB-12V	Interface board - 12 VDC Low voltage output board for remote annunciators triggered by all alarms.		Contact factory.
IB-C420-4	4-20mA output board for up to 4 tanks		Contact factory.
IB-NET-3	Interface board - Ethernet/network communication		Contact factory.
MODBUS	MODBUS RTU upgrade		Contact factory.
MDR-2	Fax/Modem - 14,400 baud		Contact factory.
OMN-PC	Windows 2000/NT/XP/ME compatible tank monitoring communication software		Contact factory.
PROTEUS® Series COMMUNICATION OPTIONS			
MODBUS	MODBUS RTU upgrade	Each	\$985.00
X232-420-2	(2) channel external RS-232 to 4-20 ma converter with (4) SPST 1 amp relay outputs housed in steel enclosure for PROTEUS® Series controllers	Each	\$1,067.50
X232-420-6	(6) channel external rs-232 to 4-20 ma converter with (4) SPST 1 amp relay outputs housed in steel enclosure for PROTEUS® Series controllers	Each	\$1,568.75
MDR-3	Modem - 14,400 baud for OEL8000III controller	Each	\$593.75
C232-BAC	External RS-232 to BACnet/IP converter	Each	\$2,488.75
OMN-PC	Windows 2000/NT/XP/ME compatible tank monitoring communication software	Each	\$821.25
XB-RB8	8 channel relay board for PROTEUS-X controller.	Each	\$856.25
WCDM-*	Wireless cellular data modem. -* denotes type of cellular service. Cellular activation and service not included.	Each	\$1,332.50
DB-485	RS-485 board for PROTEUS-K system	Each	\$298.75
XC-R8	External relay box for use with OEL8000IIK controllers.	Each	\$955.00
AD-8-1	Voice auto dialer for up to (2) alarm conditions and (4) phone numbers per alarm.	Each	\$602.50
REMOTE OVERFILL ANNUNCIATORS			
RAS-1	Low voltage high level remote audio/visual annunciator with acknowledge switch/test switch (test feature available when used with OEL8000II firmware version 5.55 or greater). For use with OEL8000II, K-OEL8000II Kits, and OEL8000IIK & X controllers. Part # denotes the number of tanks. Note: IB-RAS is required when using RAS-series remotes.	Each	\$340.00
RAS-2	Low voltage high level remote audio/visual annunciator with acknowledge switch/test switch (test feature available when used with OEL8000II firmware version 5.55 or greater). For use with OEL8000II, K-OEL8000II Kits, and OEL8000IIK & X controllers. Part # denotes the number of tanks. Note: IB-RAS is required when using RAS-series remotes.	Each	\$381.25
RAS-3	Low voltage high level remote audio/visual annunciator with acknowledge switch/test switch (test feature available when used with OEL8000II firmware version 5.55 or greater). For use with OEL8000II, K-OEL8000II Kits, and OEL8000IIK & X controllers. Part # denotes the number of tanks. Note: IB-RAS is required when using RAS-series remotes.	Each	\$425.00
RAS-4	Low voltage high level remote audio/visual annunciator with acknowledge switch/test switch (test feature available when used with OEL8000II firmware version 5.55 or greater). For use with OEL8000II, K-OEL8000II Kits, and OEL8000IIK & X controllers. Part # denotes the number of tanks. Note: IB-RAS is required when using RAS-series remotes.	Each	\$500.00

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
RAS-1-NYS	Low voltage high level remote audio/visual annunciator with acknowledge switch/ test switch (test feature available when used with OEL8000II firmware version 5.55 or greater). For use with OEL8000II, K-OEL8000II Kits, and OEL8000IIK & X controllers. NYS model has high intensity strobe and high-decibel horn. Note: IB-RAS is required when using RAS- series remotes.	Each	\$493.75
OFAS-AL	18" x 24" Yellow aluminum fill alarm sign with black 2" print	Each	\$373.75
DDL-1	Delivery Defender Lite universal remote overflow alarm for up to four tanks with lights for hi level, system normal, delivery in progress, acknowledge/test switch, and audio/visual horn.	Each	\$1,583.75
DDL-2	Delivery Defender Lite universal remote overflow alarm for up to four tanks with lights for hi level, system normal, delivery in progress, acknowledge/test switch, and audio/visual horn.	Each	\$1,651.25
DDL-3	Delivery Defender Lite universal remote overflow alarm for up to four tanks with lights for hi level, system normal, delivery in progress, acknowledge/test switch, and audio/visual horn.	Each	\$1,716.25
DDL-4	Delivery Defender Lite universal remote overflow alarm for up to four tanks with lights for hi level, system normal, delivery in progress, acknowledge/test switch, and audio/visual horn.	Each	\$1,782.50
REMOTE DISPLAYS			
RD625-1	Remote LED display for level indication. NEMA 4X enclosure. Number of tanks is denoted in the part number.	Each	\$1,560.00
RD625-2	Remote LED display for level indication. NEMA 4X enclosure. Number of tanks is denoted in the part number.	Each	\$2,867.50
RD625-3	Remote LED display for level indication. NEMA 4X enclosure. Number of tanks is denoted in the part number.	Each	\$4,668.75
RD625-4	Remote LED display for level indication. NEMA 4X enclosure. Number of tanks is denoted in the part number.	Each	\$6,221.25
RD7CTS	PROTEUS Mini-Me universal remote ATG monitor with 7" color touch screen display for audio/visual alarms and current inventory.	Each	\$1,413.75
RD7CTS-P	PROTEUS Mini-Me universal remote ATG monitor with printer and 7" color touch screen display for audio/visual alarms and current inventory	Each	\$2,737.50
RD7CTS-485	PROTEUS Mini-Me RS-485 version remote ATG monitor with 7" color touchscreen display for audio/visual alarms and current inventory for distances up to 3000 feet (for use with PROTEUS-K or PROTEUS-X controllers only)	Each	\$2,340.00
PROTEUS Mini-Me Accessories			
RD-PCK	Power cord kit for use with PROTEUS remote displays	Each	\$125.00
RD-232C-75	75 feet RS232 cable for use with RD7CTS remote display	Each	\$121.25
C232-422-RD7CTS	RS-232-422 Booster Kit to increase distance of RS-232 output 3,000 feet for use with RD7CTS remote display (Includes 2 converters and 2 power transformers)	Each	\$1,227.50
WRS-232	Wireless RS-232 link includes both tank gauge and remote transceivers	Each	\$1,328.75
WRS-232R	Wireless RS-232 repeater for extending WRS-232 wireless reach	Each	\$1,016.25
ENC-4X-RD7	Nema 4X enclosure for RD7CTS (requires HTR-1 heater and TEM-CS thermostat if being mounted outdoors)	Each	\$843.75
PORTABLE SUMP TESTER KITS			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
CLD3*	Sump containment leak detection kit including portable suitcase, OEL8000II with printer, quick connect box, MTG probes with one 2" SS float per probe. *(ending digit on part number denotes number of probes, ie. CLD3 comes with (3) MTG probes)	Each	\$14,855.00
CLD4*	Sump containment leak detection kit including portable suitcase, OEL8000II with printer, quick connect box, MTG probes with one 2" SS float per probe. *(ending digit on part number denotes number of probes, ie. CLD3 comes with (3) MTG probes)	Each	\$16,295.00
CLD6*	Sump containment leak detection kit including portable suitcase, OEL8000II with printer, quick connect box, MTG probes with one 2" SS float per probe. *(ending digit on part number denotes number of probes, ie. CLD3 comes with (3) MTG probes)	Each	\$20,862.50
CLD8*	Sump containment leak detection kit including portable suitcase, OEL8000II with printer, quick connect box, MTG probes with one 2" SS float per probe. *(ending digit on part number denotes number of probes, ie. CLD3 comes with (3) MTG probes)	Each	\$24,566.25
ACCESSORIES			
2IN-CAP	2" Cap for MTG probes and sensors	Each	\$63.75
4IN-CAP	4" Cap for MTG probes and sensors	Each	\$78.75
BNF-1-4	Single Buna N product float, 3.85" diameter	Each	\$118.75
BNF-4	Dual Buna N product/water floats 3.85" diameter	Each	\$230.00
BX-UT	Universal translator for dry contact inputs from non-BX sensors	Each	\$248.75
C232-422	RS-232 booster kit to increase distance of RS-232 output	Each	\$821.25
CITLD CODE	Continuous In Tank Leak Detection software for OEL8000II and K-OEL8000II	Each	\$1,422.50
CITLD CODE-P	Continuous In Tank Leak Detection software for PROTEUS Series	Each	\$1,422.50
DPU-6PK	Six pack of thermal printer paper	Each	\$62.50
DPU-50	Case of thermal printer paper - 50 rolls	Each	\$250.00
ENC-4X	NEMA 4X enclosure for OEL8000II, OEL8000IIK, and OEL8000IIIX (may require HTR-1 heater and TEM-CS thermostat if mounting controller outdoors)	Each	\$821.25
FLT-H-2	2" Hastelloy float for chemical applications	Each	\$1,597.50
HTR-1	Heater for OEL8000II NEMA 4X enclosure	Each	\$493.75
MAGSHIELD	MTG magnetic shield for magnetized riser applications	Each	\$330.00
PS-102	36 character thermal printer for OEL8000II		Contact factory.
PS-102-CORE	PS-102 core charge. Credit to be issued when PS-102 in field is returned.		Contact factory.
PS-103	32 character thermal printer for PROTEUS-K	Each	\$876.25
SFS	Stainless steel float spacer (for dual float probes with overall length greater than 288")	Each	\$53.75
SK-4	Silicone splice kit for sensors and MTG probes	Each	\$37.50
SL-34	Stainless steel swage lock (probe head isolation for chemical and #6 oil applications)	Each	\$126.25
SP-2	120 VAC surge protector	Each	\$396.25
SSF-1-2	Single 316 stainless steel product float, 1.83" diameter	Each	\$171.25
SSF-1-2-VB	2" stainless steel product float for low product detection applications	Each	\$256.25
SSF-1-2W-VB	2" stainless steel water float for low water detection applications	Each	\$256.25

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
SSF-1-4	Single 316 stainless steel product float, 3.85" diameter	Each	\$312.50
SSF-2	Dual 316 stainless steel product/water float, 1.83" diameter	Each	\$340.00
SSF-4	Dual 316 stainless steel product float, 3.85" diameter	Each	\$562.50
TEM-CS	Thermostat for the OEL8000II NEMA 4X enclosure	Each	\$248.75
VC-1	4" vented cap for brine filled reservoirs	Each	\$166.25
LU SERIES CONTROLLERS (Non Product Distinguishing)			
LU1	Single channel liquid sensing audio/visual controller capable of accepting up to one single point optic sensor. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). One normally open relay. Test push button and Acknowledge push button switches are standard. Type 4X enclosure is standard.	Each	\$828.75
LU2	Two channel liquid sensing audio/visual controller capable of accepting up to two single point optic sensors. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Two normally open relays. Test push button and Acknowledge push button switches are standard. Type 4X enclosure standard.	Each	\$1,006.25
LU3	Three channel liquid sensing audio/visual controller capable of accepting up to three single point optic sensors. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Three normally open relays. Test push button and Acknowledge push button switches are standard. Type 4X enclosure standard.	Each	\$1,435.00
LU4	Four channel liquid sensing audio/visual controller capable of accepting up to four single point optic sensors. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Two normally open relays. Test push button and acknowledge push button switches are standard type. Type 4X enclosure standard.	Each	\$1,603.75
LU6	Six channel liquid sensing audio/visual controller capable of accepting up to six single point optic sensors. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). One normally open relay. Test push button and Acknowledge push button switches are standard. Type 4x enclosure standard.	Each	\$1,896.25
LU9	Nine channel liquid sensing audio/visual controller capable of accepting up to nine single point optic sensors. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Test push button and Acknowledge push button switches are standard. Type 4X enclosure standard.	Each	\$2,273.75
NON PRODUCT DISTINGUISHING SENSORS for LU Series Controllers			
LS-ASC	Sensor for monitoring containment sumps, dispenser pans, the interstice of double wall steel tanks, and other containment areas.	Each	\$315.00
LWF-*	Sensor for monitoring the interstice of double wall fiberglass tanks. *Please select the appropriate part number based on the tanks diameter in feet and specify tank manufacturer.	Each	\$340.00
LWS	Sensor for monitoring the interstice of double wall steel tanks. Comes with 25' of cable.	Each	\$390.00
LPD SERIES CONTROLLERS (Product Distinguishing)			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
L1PD2	Three channel product distinguishing audio/visual controller capable of accepting any combination of up to three L-Series or three PD-Series sensors. Low voltage outputs standard for RA-Series remote audio/visual annunciation. Comes standard with three normally open relays. Test push button and Acknowledge push button switches, type 4X enclosure standard.	Each	\$2,527.50
L2PD4	Six channel product distinguishing audio/visual controller capable of accepting any combination of up to six L-Series or six PD-series sensors. Low voltage outputs standard for RA-Series remote audio/visual annunciation. Comes standard with two normally open relays. Test push button and Acknowledge push button switches, type 4X enclosure standard.	Each	\$2,781.25
L3PD6	Nine channel product distinguishing audio/visual controller capable of accepting any combination of up to nine L-Series sensors or nine PD series sensors. Low voltage outputs standard for RA-Series remote audio/visual annunciation. Comes standard with three normally open relays. Test push button and Acknowledge push button switches, type 4X enclosure standard.	Each	\$3,075.00
PRODUCT DISTINGUISHING SENSORS for LPD Series Controllers			
PDWF-*	Product distinguishing sensor for monitoring the interstice of double wall fiberglass tanks. *Please select the appropriate part number based on the tanks diameter in feet and specify tank manufacturer.	Each	\$448.75
PDWS	Product distinguishing sensor for monitoring the interstice of double wall steel tanks. Comes with 25' of cable.	Each	\$448.75
PDS	Product distinguishing sensor for monitoring containment sumps, dispenser pans, the interstice of double wall steel tanks, and other containment areas.	Each	\$381.25
L-R-1	Sensor for brine filled reservoir of double wall fiberglass tank.	Each	\$548.75
LEVEL SENSORS for LPD and LU Series Controllers			
L-1-S	L-1-S (12 inch sensor)	Each	\$298.75
L-1-L	L-1-L (20 inch sensor)	Each	\$381.25
**L-1-D	L-1-D (Variable length sensor, "D" must be specified by user, up to 72")	Each	\$592.50
**L-2-S up to & incl. 36"	Two point liquid level sensor. Mounts via 2" NPT at top of tank. For use in High/ Caution level applications when used with LU-series controller. "A" denotes high level dimension and "B" denotes caution level dimension. Also for use in High/ Low level applications when used with LU-SP controllers. Dimensions must be specified by user.	Each	\$636.25
**L-2-L above 36" up to 72"	Two point liquid level sensor. Mounts via 2" NPT at top of tank. For use in High/ Caution level applications when used with LU-series controller. "A" denotes high level dimension and "B" denotes caution level dimension. Also for use in High/ Low level applications when used with LU-SP controllers. Dimensions must be specified by user.	Each	\$676.25
**L-3-L	L-3-L Three point optic sensor up to 72"	Each	\$843.75
**L-4-L	L-4-L Four point optic level sensor.	Each	\$1,147.50
BATTERY BACKUP CONTROLLERS			
LU1-SP7	Single channel controller to accept up to (1) non distinguishing optic sensor.	Each	\$1,141.25
LU2-SP7	Two channel controller to accept up to (2) non distinguishing optic sensors.	Each	\$1,392.50
LU3-SP7	Three channel controller to accept up to (3) non distinguishing optic sensors.	Each	\$1,828.75
** IMPORTANT: Hi level optic sensors. Mounts via 2" NPT at top of tank. Consult factory for custom length sensors greater than 72".			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
LU4-SP7	Four channel controller to accept up to (4) non distinguishing optic sensors.	Each	\$2,215.00
BB12.OAH	Battery back-up enclosure used with SP7 controllers.	Each	\$498.75
SLR-PS (solar panel)	Solar powered battery backed controllers are also available for applications where supply voltage is not present.	Each	\$797.50
SLR-BCC	Battery charge controller for solar panel to prevent overcharging of battery	Each	\$676.25
LU-OW CONTROLLERS			
LU1-OW	Single channel high oil level audio/visual controller capable of accepting one single point OWI-1 sensor. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). One normally open relay, test push button, acknowledge push button and type 4X enclosure standard.	Each	\$837.50
LU2-OW	Two channel high level audio/visual controller capable of accepting up to two single point OWI-1 sensors or one OWI-2 sensor. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Two normally open relays, test push button, acknowledge push button and type 4X enclosure standard.	Each	\$1,012.50
LU2-OWP	Two channel (high oil level with pump out capability) audio/visual controller capable of accepting one OWP-2 sensor. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Two normally open relays, test push button, acknowledge push button and type 4X enclosure standard.	Each	\$1,181.25
LU2-OWIR	Two channel (combination leak sensing/high oil level) audio/visual controller capable of accepting one OWI-1 sensor and one leak sensor. Low voltage outputs standard for RA-Series remote audio/visual annunciator(s). Three normally open relays, test push button, acknowledge push button and type 4X enclosure standard.	Each	\$1,476.25
LU3-OWIR	Three channel (combination leak sensing/high oil level) audio/visual controller capable of accepting one OWI-2 sensor and one leak sensor. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Three normally open relays, test push button, acknowledge push button and type 4X enclosure standard.	Each	\$1,645.00
LU3-OWPR	Three channel (combination leak sensing/high oil level) audio/visual controller capable of accepting one OWP-2 sensor and one leak sensor. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Three normally open relays, test push button, acknowledge push button and type 4X enclosure standard.	Each	\$1,686.25
LU-OW SENSORS			
**OWI-1	Single point oil/water interface sensor for hi oil level used in oil/water separators. Available in standard and custom lengths.	Each	\$500.00
**OWI-2	Two point oil/water interface sensor for hi and caution oil level used in oil/water separators. Available in standard and custom lengths.	Each	\$636.25
**OWP-2	Two point sensor with one oil/water interface float and one liquid level float for hi oil and low liquid level used in oil/water separators. Can be used in pump out applications. Available in standard and custom lengths.	Each	\$636.25
REMOTE ANNUNCIATORS			
***LU-SP7 series controllers utilize same sensors as standard LU series controllers			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
RA-1	Low voltage remote high level audio/visual annunciator in NEMA 4X enclosure. Dash number denotes number of tanks. (RA-1 means one tank, one light, etc.)	Each	\$240.00
RA-2	Low voltage remote high level audio/visual annunciator in NEMA 4X enclosure. Dash number denotes number of tanks. (RA-1 means one tank, one light, etc.)	Each	\$263.75
RA-3	Low voltage remote high level audio/visual annunciator in NEMA 4X enclosure. Dash number denotes number of tanks. (RA-1 means one tank, one light, etc.)	Each	\$290.00
RA-4	Low voltage remote high level audio/visual annunciator in NEMA 4X enclosure. Dash number denotes number of tanks. (RA-1 means one tank, one light, etc.)	Each	\$315.00
RA-1-NYS	Low voltage remote high level audio/visual annunciator. NYS model has high-intensity strobe and high decibel horn.	Each	\$466.25
OFAS-AL	18" x 24" yellow aluminum fill alarm sign with black 2" print	Each	\$373.75
UNIVERSAL REMOTE ANNUNCIATORS			
RA-LU1	Single channel audio visual remote annunciator in NEMA 4X enclosure with one red LED light, acknowledgement switch, test switch, and system detect light. Powered by 120VAC and triggered via normally open dry contact. (can be used with non-OMNTEC controllers)	Each	\$828.75
RA-LU2	Two channel audio visual remote annunciator in NEMA 4X enclosure with (2) red LED lights, acknowledgement switch, test switch, and system detect light. Powered by 120VAC and triggered via normally open dry contact. (can be used with non-OMNTEC controllers)	Each	\$1,006.25
RA-LU3	Three channel audio visual remote annunciator in NEMA 4X enclosure with (3) red LED lights, acknowledgement switch, test switch, and system detect light. Powered by 120VAC and triggered via normally open dry contact. (can be used with non-OMNTEC controllers)	Each	\$1,435.00
RA-LU4	Four channel audio visual remote annunciator in NEMA 4X enclosure with (4) red LED lights, acknowledgement switch, test switch, and system detect light. Powered by 120VAC and triggered via normally open dry contact. (can be used with non-OMNTEC controllers)	Each	\$1,603.75
LU-LF CONTROLLERS			
LU1-LF	Controller in NEMA 4X enclosure with system detect light, horn and acknowledge switch compatible with LF series normally closed high level float sensors. Number denotes amount of lights (ie. LU1-LF comes with one light, LU2-LF comes with two lights, etc.)	Each	\$837.50
LU2-LF	Controller in NEMA 4X enclosure with system detect light, horn and acknowledge switch compatible with LF series normally closed high level float sensors. Number denotes amount of lights (ie. LU1-LF comes with one light, LU2-LF comes with two lights, etc.)	Each	\$1,012.50
<p>** IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.</p> <p>PLEASE NOTE: Pump/Valve controls: Available for duplex, alternating and lead lag pumps. Panels may include relay contacts for pump control and remote annunciation, disconnect switches, pump failure and running indicators, tank selector switches, hands off auto switches, motor starters, local alarm horn and lights. Please consult factory for pricing information.</p>			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
LU3-LF	Controller in NEMA 4X enclosure with system detect light, horn and acknowledge switch compatible with LF series normally closed high level float sensors. Number denotes amount of lights (ie. LU1-LF comes with one light, LU2-LF comes with two lights, etc.)	Each	\$1,476.25
LU4-LF	Controller in NEMA 4X enclosure with system detect light, horn and acknowledge switch compatible with LF series normally closed high level float sensors. Number denotes amount of lights (ie. LU1-LF comes with one light, LU2-LF comes with two lights, etc.)	Each	\$1,645.00
61LU1 CONTROLLERS			
61LU1	Single channel audio/visual conductivity controller capable of accepting one conductivity sensor input. Type 4X enclosure standard.	Each	\$837.50
61LU2	Two channel audio/visual conductivity controller capable of accepting two conductivity sensor inputs. Type 4X enclosure standard.	Each	\$1,012.50
61LU3	Three channel audio/visual conductivity controller capable of accepting three conductivity sensor inputs. Type 4X enclosure standard.	Each	\$1,476.25
61LU4	Four channel audio/visual conductivity controller capable of accepting four conductivity sensor inputs. Type 4X enclosure standard.	Each	\$1,645.00
61 SERIES CONDUCTIVITY SENSORS (for conductive liquids such as leachate and caustic soda)			
**61O-SS	Single point stainless steel conductivity high level sensor. 12" and 20" standard lengths. Custom lengths also available.	Each	\$567.50
**61OL	Two point stainless steel conductivity high/caution level sensor. Alarm points to be specified by user.	Each	\$851.25
61S-SS	Stainless steel conductivity sump sensor.	Each	\$500.00
61WS-SS	Stainless steel conductivity sensor for the dry interstice of a double wall steel tank. Comes with 25' of cable.	Each	\$548.75
61WF-SS	Conductivity sensor for the dry interstice of a double wall fiberglass tank. Tank diameter must be specified.	Each	\$636.25
LU-SP CONTROLLERS			
LU1-SP1	Single channel audio/visual controller capable of accepting (1) L-1-D low level optic sensor. Low voltage output for optional RA series remote annunciator, one 1.25 amp normally open dry contact, test push button, acknowledgement switch, and system defect light.	Each	\$837.50
LU2-SP1	Two channel liquid sensing audio/visual controller capable of accepting one L-R-1 or L-2 series sensor for high /low operation. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Two normally open relays. Test push button and acknowledge push button switches, type 4X enclosure standard.	Each	\$1,012.50
LU3-SP1	Three channel liquid sensing audio/visual controller capable of accepting one L-R-1 or one L-2 -series sensor for high / low operation and one non-distinguishing optic sensor. Low voltage outputs standard for optional RA-series remote audio/visual annunciator(s). Three normally open relays. Test push button switches, type 4x enclosure standard.	Each	\$1,476.25
** IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
LU4-SP1	Four channel liquid sensing audio/visual controller capable of accepting one L-R-1 or one L-2 series sensor for high / low operation and two non distinguishing optic sensors. Low voltage outputs standard for optional RA-Series remote audio/visual annunciator(s). Two normally open relays. Test push button and acknowledge push button switches, type 4x enclosure standard.	Each	\$1,645.00
LU6-SP1	Six channel liquid sensing audio/visual controller capable of accepting one L-R-1 or one L-2 series sensor for high/low operation and four L-series sensors. Low voltage outputs standard for optional RA-series remote audio/visual annunciator(s). One normally open relay. Test push button and acknowledge push button switches, type 4X enclosure standard.	Each	\$2,023.75
REMOTE RELAYS			
RLY-RA-1	Relay(s)-SPDT dry contact(s), rated at 120vac, 5 amps resistive. Relay(s) housed in a NEMA 4X enclosure. Last number denotes number of relays. Interfaces with LU and LPD low voltage remote outputs.	Each	\$256.25
RLY-RA-2	Relay(s)-SPDT dry contact(s), rated at 120vac, 5 amps resistive. Relay(s) housed in a NEMA 4X enclosure. Last number denotes number of relays. Interfaces with LU and LPD low voltage remote outputs.	Each	\$297.50
RLY-RA-3	Relay(s)-SPDT dry contact(s), rated at 120vac, 5 amps resistive. Relay(s) housed in a NEMA 4X enclosure. Last number denotes number of relays. Interfaces with LU and LPD low voltage remote outputs.	Each	\$425.00
RLY-RA-4	Relay(s)-SPDT dry contact(s), rated at 120vac, 5 amps resistive. Relay(s) housed in a NEMA 4X enclosure. Last number denotes number of relays. Interfaces with LU and LPD low voltage remote outputs.	Each	\$507.50
RLY-RA-6	Relay(s)-SPDT dry contact(s), rated at 120vac, 5 amps resistive. Relay(s) housed in a NEMA 4X enclosure. Last number denotes number of relays. Interfaces with LU and LPD low voltage remote outputs.	Each	\$676.25
ACCESSORIES			
VC-1	Vented 4" riser cap for use with brine filled interstice.	Each	\$166.25
SK-4	Silicone splice kit for sensors and MTG probes.	Each	\$37.50
4IN-CAP	4" Cap for Sensors	Each	\$78.75
2IN-CAP	2" Cap for Sensors	Each	\$63.75
U-JBK-1	Universal junction box kit for probes and sensors	Each	\$128.75
AD-8-1	Voice auto dialer for up to (2) alarm conditions and (4) phone numbers per alarm.	Each	\$602.50
EC-4	Cable: (Minimum order 1000') Four conductor # 22 AWG with shield and drain. PVC jacketed UL- E11717.	Each	\$642.50
EC-12	Twelve conductor # 22 AWG with shield and drain. UL-E11717.PVC jacketed	Each	\$1,248.75
OTHER SENSORS			
BOA	Battery operated high level. Includes (1) L-1-S or (1) L-1-L sensor.	Each	\$745.00
L-1-PVC	PVC hi level optic sensor. Used in chemical applications.	Each	\$548.75
**LF-1	Single point float sensor up to 12" with brass stem, BUNA N float, and 1/2" NPT. Comes standard in 12" lengths. Custom lengths are available, Contact factory.	Each	\$383.75
**LF-1-D (up to 72")	Single point float sensor up to 72" with brass stem, BUNA N float, and 2" NPT.	Each	\$985.00
LF-1-SS-12	12" hi level float sensor with stainless steel stem and floats.	Each	\$535.00
LF-1-SS-20	20" hi level float sensor with stainless steel stem and floats.	Each	\$548.75

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
**LF-1-SS-D	Customer specified length hi level float sensor with stainless steel stem and floats up to 72".	Each	\$1,342.50
LF-DWF	Float sensor for double wall fiberglass tanks	Each	\$365.00
LS-ASC-1.25	1.25" non distinguishing leak sensor. Designed to detect liquid in sumps or containment areas, & interstitial space for steel double wall tanks. Additional materials of construction & compounds available.	Each	\$507.50
LS-ASC-.895	.895" non distinguishing sensor for leak detection in small areas.	Each	\$548.75
LS-ASC-PVC	PVC sensor for leak detection. Used in chemical applications. Designed to detect liquid in sumps or containment areas, and interstitial space for steel double wall tanks. Additional materials of construction and compounds available.	Each	\$548.75
LS-ASC-SS	Stainless steel sensor for leak detection. Used in chemical applications. Designed to detect liquid in sumps or containment areas, and interstitial space for steel double wall tanks. Additional materials of construction and compounds available.	Each	\$548.75
LS-ASC-FL	Non distinguishing floor containment sensor	Each	\$550.00
LSF	Universal sump float sensor. Designed to detect liquids in piping and dispenser sumps. Interfaces with most control panels. (consult factory for compatible controllers)	Each	\$466.25
OWI-BF-1	Single point ball float sensor with weight for liquid/sediment containment areas and tanks	Each	\$230.00
PDS-1.25	1.25" product distinguishing leak sensor. Designed to detect liquid in sumps or containment areas, & interstitial space for steel double wall tanks. Additional materials of construction & compounds available.	Each	\$592.50
PDS-.895	.895" product distinguishing sensor for leak detection in small areas.	Each	\$636.25
PDS-PVC	PVC product distinguishing sensor for leak detection. Used in chemical applications. Designed to detect liquid in sumps or containment areas, and interstitial space for double wall steel tanks. Additional materials of construction and compounds available.	Each	\$592.50
PDS-SS	Product distinguishing stainless steel sensor for leak detection. Used in chemical applications. Designed to detect liquid in sumps or containment areas, and interstitial space for steel double wall tanks. Additional materials of construction and compounds available.	Each	\$593.75
PDS-FL	Product distinguishing floor containment sensor	Each	\$592.50
PDWL	Monitoring well sensor. (consult factory for compatible controllers)	Each	\$1,240.00
US-1-PLU	PVDF, 4-20 mA ultrasonic level probe up to 20' with 2" NPT, manual and hand programmer tool.	Each	\$3,861.25
VS-1	Sensor for monitoring hydrocarbon vapors. (consult factory for compatible controllers)	Each	\$548.75
XBR	Battery operated brine sensor. Includes (1) L-R-1 sensor.	Each	Contact factory.
XBR-D	Battery operated dry interstitial sensor. Includes (1) LS-ASC or LWF-* senso.	Each	Contact factory.
LU & LPD Spare Parts			
RD-LED	Red Light and assembly	Each	\$26.25
** IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
AM-LED	Amber Light and assembly	Each	\$26.25
ACK Switch	Acknowledgement switch only	Each	\$23.75
ACK boot	Boot only for acknowledgement switch	Each	\$17.50
Power Supply	Power Supply (Must Specify for which controller in description when ordering)	Each	\$157.50
Option Board	Option board (Must Specify for which controller in description when ordering)	Each	\$211.25
HRN-2	Horn Board (Must Specify for which controller in description when ordering)	Each	\$240.00
HRN-95-2PK	Two pack of 95 decibel horns	Each	\$53.75
SP-2	Surge Protector	Each	\$396.25
LP-1D	Surge Protector for LU series sensors in Diesel applications	Each	\$676.25
LP-1G	Surge Protector for LU series sensors in Gasoline applications	Each	\$803.75
LPD-1D	Surge Protector for PD series sensors in Diesel applications	Each	\$676.25
LPD-1G	Surge Protector for PD series sensors in Gasoline applications	Each	\$803.75
Labels	Labels for LU and LPD	Each	\$16.25
CG-75X25	.75" X .25" cord grip for sensors	Each	\$26.25
TEST SWITCH	Test switch for LU and LPD controllers (includes boot)	Each	\$35.00
BACKPLATE-L1PD2	Back plate for L1PD2. All boards and power supply included on panel.	Each	\$1,261.25
BACKPLATE-L2PD4	Back plate for L2PD4. All boards and power supply included on panel.	Each	\$1,495.00
BACKPLATE-L3PD6	Back plate for L3PD6. All boards and power supply included on panel.	Each	\$1,931.25
BACKPLATE-LU1	Back plate for LU1. All boards and power supply included on panel.	Each	\$451.25
BACKPLATE-LU2	Back plate for LU2. All boards and power supply included on panel.	Each	\$566.25
BACKPLATE-LU3	Back plate for LU3. All boards and power supply included on panel.	Each	\$750.00
BACKPLATE-LU4	Back plate for LU4. All boards and power supply included on panel.	Each	\$905.00
BACKPLATE-LU6	Back plate for LU6. All boards and power supply included on panel.	Each	\$1,016.25
BACKPLATE-LU9	Back plate for LU9. All boards and power supply included on panel.	Each	\$1,291.25
RLY-RA-SPARE	Relay module	Each	\$128.75
FUSE	Fuse - 3/4A	Each	\$12.50
LU1-LU3 ZENER	Zener barrier for LU1, LU2, and LU3 controllers	Each	\$162.50
LU4-LU6 ZENER	Zener barrier for LU4 and LU6 controllers	Each	\$181.25
PD ZENER	Zener barrier for L1PD2, L2PD4, and L2PD6 controllers	Each	\$260.00
HOF-A-L48	Quick release latch kit, includes (2) latches	Each	\$63.75
MOUNTING TABS	Mounting tabs for LU and LPD controllers, set of (4)	Each	\$63.75
OEL8000II Spare Parts List (PROTEUS upgrade recommended)			
MB-8T44LS	Main motherboard for OEL8000II	Each	Contact factory.
440-DSP	4X40 character LCD display for OEL8000II	Each	\$146.25
PS-102	New front door with thermal printer for OEL8000II (with cables & LCD display)	Each	Contact factory.
PS-102-CORE	PS-102 core charge. Credit to be issued when PS-102 in field is returned.	Each	Contact factory.
DPU-6PK	Six pack of thermal paper for PS-101, PS-102, or PS-103	Each	\$62.50
DPU-50	Case of thermal paper for PS-101, PS-102, or PS-103 (includes 50 rolls of paper)	Each	\$250.00

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
8P-MTGC-OEL8000II	8 Pin Connector for MTG probes	Each	\$16.25
4P-SC-OEL8000II	4 Pin connector for sensors	Each	\$13.75
PS-5060HZ-OELII	Power supply for OEL8000II	Each	\$441.25
Keys-OELII	Keys for OEL8000II (Set of two)	Each	\$27.50
PS-102-NP	New front door assembly with keypad and no printer (with cables & LCD display)	Each	\$871.25
OELSP1	85 Decibel horn for OEL8000II	Each	\$28.75
OELSP3	White Ribbon Cable from motherboard to front panel (pair)	Each	\$28.75
OELSP4	Cable from power supply to motherboard	Each	\$28.75
OELSP5	Red, Black orange, and Green cable assembly from motherboard to front panel	Each	\$37.50
OELSP6	Front Panel board (No Printer)	Each	\$75.00
OELSP7	Cable for RS-232 Com3 port (Female)	Each	\$33.75
OELSP8	Cable for RS-232 Com2 port (Male)	Each	\$33.75
OELSP9	2 pack of batteries for OEL8000II motherboard	Each	\$26.25
OELSP10	Power connector bracket/on off switch	Each	\$57.50
OELSP11	AC Power connector	Each	\$11.25
OELSP12	Gray 12 pin connector for IB-RB-2	Each	\$16.25
OELSP13	Green 12 pin connector for IB-RAS	Each	\$16.25
OELSP16	Gray ribbon cable from front panel to LCD	Each	\$28.75
OELSP19	Half duplex RS-485 cable for Modbus	Each	\$116.25
OELSP22	OEL test probe. Includes float kit with 2" SS floats, 6' yellow cable, spacer brackets, cathodic boot, white clips, and 8 position connector.	Each	\$686.25
OVERLAY-OELII	Keypad overlay for OEL8000II (No printer)	Each	\$211.25
OVERLAY-C-OELII	Keypad overlay for OEL8000II with cutout for printer	Each	\$211.25
SP-2	Surge Protector for OEL8000II controller	Each	\$396.25
UPS-OELII	Uninterruptible Power supply with 2.4 minute run time at full load, 13.9 minutes at half load, 120V 50/60 HZ	Each	\$930.00
Keylock-OELII	Keylock Assembly	Each	\$78.75
OEL8000IIENCBASE	OEL8000II enclosure base	Each	\$323.75
AP18	Printer dowel for PS-102	Each	\$17.50
OEL8000II Repairs			
F1F2REPLACE	Replacing F1 and/or F2 fuses		Contact factory.
L3REPLACE	Replacing L3 inductor		Contact factory.
FIRMWARE UPGRADE	Latest 7.0 firmware upgrade for OEL8000II		Contact factory.
U1	3.15 download chip (may be required for firmware upgrade)		Contact factory.
CHIP EXTRACTOR	Chip extractor used for removing I.C. components		Contact factory.
PMB	Programming fee for replacement mother board (must supply serial number from existing controller)		Contact factory.
PMB-MOD	Programming fee for replacement motherboard with Modbus (must supply serial number from existing controller)		Contact factory.

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
MTG Probe Spare Parts List			
YCBL6-MTG	6'Yellow Communication cable for MTG probes	Each	\$103.75
YCBL25-MTG	25'Yellow Communication cable for MTG probes	Each	\$363.75
YCBL690-MTG	90 degree angle 6'yellow cable for MTG probes	Each	\$195.00
CG-75X45	.75" X .45" cord grip with .45" inner diameter for MTG probes	Each	\$26.25
White Clips	White clip and adaptor for MTG probes	Each	\$21.25
Cathodic boot	Cathodic boot for MTG probes	Each	\$27.50
BFK-85	Gas float kit for probes. Includes 4" BUNA floats, 6' yellow cable, spacers, 4" cap, SK-4 (sealing kit), white clips, and cathodic boot.	Each	\$525.00
BFK-95	Diesel float kit for probes. Includes 4" BUNA floats, 6' yellow cable, spacers, 4" cap, SK-4 (sealing kit), white clips, and cathodic boot.	Each	\$525.00
OELSP18	4" Spacer kit for MTG probes	Each	\$45.00
MTG-LP-1D	Line surge protector for MTG probes	Each	\$803.75
BX Series Sensor Spare Parts List			
CG-75X25	.75" X .25" cord grip for BX series sensors	Each	\$26.25
BX-LP-1D	Surge Protector for BX series sensors in Diesel applications	Each	\$676.25
BX-LP-1G	Surge Protector for BX series sensors in Gasoline applications	Each	\$803.75
PROTEUS OEL8000III Spare Parts List			
AD00001	MCU board PROTEUS-K/X	Each	\$678.75
AD00002	MTG board 4 probes 16 sensors	Each	\$971.25
AD00008	MTG board 8 probes only	Each	\$961.25
AD00005	Power supply for PROTEUS-B/K/X	Each	\$522.50
AD00007	7" display and bezel for PROTEUS-B, PROTEUS-K and PROTEUS-X	Each	\$820.00
AD00019	PROTEUS-B enclosure cover with display	Each	\$835.00
AD00006P	PROTEUS-K/X enclosure cover with display and printer	Each	\$2,972.50
AD0006NP	PROTEUS-K/X enclosure cover with display	Each	\$1,983.75
I00338	Printer for PROTEUS-K/X (PS-103)	Each	\$1,016.25
DP00035	Printer shield for PS-103. Required if adding printer to existing K/X.	Each	\$27.50
DPU-6PK	Six pack of thermal paper for PS-101, PS-102, or PS-103	Each	\$62.50
DPU-50	Case of thermal paper for PS-101, PS-102, or PS-103 (includes 50 rolls of paper)	Each	\$250.00
I00002	2 pack batteries for PROTEUS-K/X MCU board (OELSP9)	Each	\$26.25
AD00027	PROTEUS-B RS-232 cable	Each	\$40.00
AD00062	PROTEUS-B 12 volt power cable	Each	\$25.00
AD00012	PROTEUS-K MCU to MTG board cable. PROTEUS-B display to MTG board cable.	Each	\$25.00
AD00009	PROTEUS-K printer to MCU cable.	Each	\$40.00
AD00010	PROTEUS-K printer power cable	Each	\$40.00
AD00011	PROTEUS-K MCU power cable	Each	\$25.00
AD00013	PROTEUS-K MCU to display cable	Each	\$25.00
AD00016	XC-R8 external relay box replacement board	Each	\$908.75
I00355	12 pin J4 and J5 female connector	Each	\$16.25

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
AD00071	RS-485 board for Mini-Me, Delivery Defender, and Delivery Defender Lite	Each	\$322.50
PROTEUS OEL8000III Upgrades/Repairs			
PMB	Programming fee for replacement mother board (must supply serial number from existing controller)	Each	\$265.00
PMB-MOD	Programming fee for replacement motherboard with Modbus (must supply serial number from existing controller)	Each	\$363.75
DC-TX-D1-S3	FillCheck® Transmitter, S3 Style, CSA Intrinsically Safe (Class I Div.1 Groups C D), includes mast and battery	Each	\$2,588.00
DC-TX-D1	FillCheck® Transmitter, S2 Style, CSA Intrinsically Safe (Class I Div.1 Groups C D), includes mast and battery	Each	\$2,588.00
*FI-TX-PF	PfCheck™ Portable Overfill Transmitter (with Integrated Dual Level Switch with 6" spacing enclosed in SS Protective Housing with cam-lock fitting)	Each	\$4,194.67
RA-LU1	Single channel audio visual remote annunciator with acknowledgement switch, test switch and system detect light powered by 120V and triggered via dry contacts	Each	\$884.00
RA-LU2	Two channel audio visual remote annunciator with acknowledgement switch, test switch and system detect light powered by 120V and triggered via dry contacts	Each	\$1,073.33
RA-LU3	Three channel audio visual remote annunciator with acknowledgement switch, test switch and system detect light powered by 120V and triggered via dry contacts	Each	\$1,530.67
RA-LU4	Four channel audio visual remote annunciator with acknowledgement switch, test switch and system detect light powered by 120V and triggered via dry contacts	Each	\$1,710.67
DC-TX-D1-M-S3	FillCheck® Transmitter, S3 Style, CSA Intrinsically Safe (Class I Div.1 Groups C D) (MODULE), no mast or battery included	Each	\$1,405.33
DC-TX-D1-M	FillCheck® Transmitter, S2 Style, CSA Intrinsically Safe (Class I Div.1 Groups C D) (MODULE), no mast or battery included	Each	\$1,405.33
MAST-FC	FillCheck® Mast Housing for Fillcheck	Each	\$944.00
LEVEL SENSORS			
Single Level Float Switches for Fixed Roof Tanks Only			
*FI-NM-MONO-D	MonoCheck™ Single Level 2" Float Switch w/MagLift™ Checking Mechanism, up to 96" Long, NO, All SS, Delrin J-Box, with mounting bracket	Each	\$2,158.67
Dual Level Float switches for Fixed Roof Tanks Only			
*FI-NM-DC-D	DuoCheck™ Dual Level (Hi & Hi-Hi) 2" Float Switch w/MagLift™ Checking Mechanism, up to 6' Long, All SS, Delrin J-Box with mounting bracket	Each	\$2,660.00
Dual Level Float Switches for Internal Floating Roof Tanks Only (Can Also be used in certain fixed Roof Tanks)			
FI-NM-V2-M-160"	VersaLevel-02-Adjustable™ Dual Level (Hi & HiHi), 2" Float, w/MagLift™ Checking Mechanism, 160" Long, All SS, Metal J-Box, with mounting bracket	Each	\$3,414.67
Level Switches for External Floating Roof Tanks Only (Can also be used in other applications)			
8160102FP	VersaLevel-X1™ Single Level 3.5" Switch, 70" Long, All SS	Each	\$2,309.33
Controllers, Receivers, and Repeaters for FuelCheck® or DataCheck™			
OEL8000IIP-W	Tank gauging controller with 4-line by 40 character display and printer, connects to DataCheck Serial Receiver with volumetric tank data & alarm capability	Each	\$6,081.33

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
OEL8000II-W	Tank gauging controller with 4-line by 40 character display, connects to DataCheck Serial Receiver with volumetric tank data & alarm capability. (WITHOUT PRINTER)	Each	\$5,052.00
DC-RX-SR-O-S3	Serial Receiver, S3 Style, Outdoor in NEMA-4X Enclosure, 5' fiberglass mounting mast and Serial Cable included (50' maximum cable length)	Each	\$2,578.67
DC-RX-SR-O	Serial Receiver, S2 Style, Outdoor in NEMA-4X Enclosure, 5' fiberglass mounting mast and Serial Cable included (50' maximum cable length)	Each	\$2,578.67
DC-RX-CGB-S3	DataCheck™ wireless connector/consolidator	Each	\$1,092.00
DC-RP-12-S3	Repeater, S3 Style, with 12 Hr. Backup Battery, NEMA-4X Non-Metallic Enclosure, 5' fiberglass mounting mast	Each	\$3,061.33
DC-RP-12	Repeater, S2 Style, with 12 Hr. Backup Battery, NEMA-4X Non-Metallic Enclosure, 5' fiberglass mounting mast	Each	\$3,061.33
WRRAS-1	Wireless remote unit for RAS Series remote up to four tanks (node)	Each	\$1,790.67
WBRAS-1	Wireless base unit for RAS Series remote up to four tanks (gateway)	Each	\$1,790.67
IB-12V	Interface board 12VDC low voltage output board	Each	\$317.33
RAS-1	Single channel audio visual remote annunciator for overfill housed in NEMA 4X enclosure with acknowledgement switch	Each	\$362.67
RAS-2	Two channel audio visual remote annunciator for overfill housed in NEMA 4X enclosure with acknowledgement switch	Each	\$406.67
RAS-3	Three channel audio visual remote annunciator for overfill housed in NEMA 4X enclosure with acknowledgement switch	Each	\$453.33
RAS-4	Four channel audio visual remote annunciator for overfill housed in NEMA 4X enclosure with acknowledgement switch	Each	\$533.33
RAS-5	Five channel audio visual remote annunciator for overfill housed in NEMA 4X enclosure with acknowledgement switch	Each	\$678.67
RAS-6	Six channel audio visual remote annunciator for overfill housed in NEMA 4X enclosure with acknowledgement switch	Each	\$794.67
FuelCheck® Fiberoptic Process Refractometer for Product Pipeline Interface Detection Fiberoptic Cable, Connectors, and Mating Sleeves *			
FU-CT-11	FuelCheck® Controller, 1 Channel, 24 VDC Power, 4-20 mA Output	Each	\$12,994.67
FU-CT-21	FuelCheck® Controller, 2 Channel, 24 VDC Power, 4-20 mA Output	Each	\$18,400.00
FU-CT-31	FuelCheck® Controller, 3 Channel, 24 VDC Power, 4-20 mA Output	Each	\$23,421.33
FU-PR-24	FuelCheck® Probe, 24", Process Insertion Fitting, Low Pressure Insertion Tool, Junction Box, Connectors (300 PSI or less)	Each	\$4,636.00
FU-PR-HP	FuelCheck® High Pressure Probe Insertion Tool for FU-PR-24 (300PSI - 1200PSI)	Each	\$6,286.67
FU-C2-DB	Fiberoptic Interconnect 2 Fiber Direct Burial Cable-Armored		Contact factory.
FU-FO-CN	Fiberoptic Connectors	Each	\$29.33
FU-FO-MS	Fiberoptic Mating Sleeves	Each	\$8.00
DataStik™ Series 7255/7255V/7255VB SS Continuous, Wireless, Battery Powered Level Gauging			
DS-1S-108	DataStik™ Series 7255 SS construction, 108" Overall length, includes transmitter, mast, batteries, yellow cable, cathodic boot, foot and adaptor and SK-4 splice kit ***must order float separately***	Each	\$5,012.00
DS-1S-132	DataStik™ Series 7255 SS construction, 132" Overall length, includes transmitter, mast, batteries, yellow cable, cathodic boot, foot and adaptor and SK-4 splice kit ***must order float separately***	Each	\$5,056.00

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
DS-1S-144	DataStik™ Series 725S SS construction, 156" Overall length, includes transmitter, mast, batteries, yellow cable, cathodic boot, foot and adaptor and SK-4 splice kit ***must order float separately***	Each	\$5,113.33
DS-1S-168	DataStik™ Series 725S SS construction, 168" overall length, includes transmitter, mast, batteries, yellow cable, cathodic boot, foot and adaptor and SK-4 splice kit ***must order float separately***	Each	\$5,928.00
*DS-1S-XXX	Other lengths available. Consult factory for pricing	Each	Contact factory.
DS-1K-192V	DataStik™ Series 725SV PVDF construction, 192" overall length, includes transmitter, mast, and batteries ***must order floats and weight separately***	Each	\$5,730.67
DS-1K-240V	DataStik™ Series 725SV PVDF construction, 240" overall length, includes transmitter, mast, and batteries ***must order floats and weight separately***	Each	\$5,948.00
DS-1K-360V	DataStik™ Series 725SV PVDF construction, 360" overall length, includes transmitter, mast, and batteries ***must order floats and weight separately***	Each	\$6,968.00
DS-1K-480V	DataStik™ Series 725SV PVDF construction, 480" overall length, includes transmitter, mast, and batteries ***must order floats and weight separately***	Each	\$8,712.00
DS-1K-600V	DataStik™ Series 725SV PVDF construction, 600" overall length, includes transmitter, mast, and batteries ***must order floats and weight separately***	Each	\$10,652.00
*DS-1K-XXXV	Other Lengths Available	Each	Contact factory.
*DS-2K-XXXVB	DataStik™ Series 725SVB flexible PVDF construction, includes transmitter, mast, and batteries, bottom up probe for low water detection available upon request. Please consult factory for pricing. (Must order floats and weight separately)	Each	Contact factory.
Float Options for DataStik™ Series 725S (All models)			
SSF-1-2	Single 316 Stainless Steel Product Float, 1.83" diameter	Each	\$182.67
SSF-2	Dual 316 Stainless Steel product/water float, 1.83" diameter	Each	\$362.67
SSF-1-4	Single 316 Stainless Steel Product Float, 3.85" diameter	Each	\$260.00
SSF-4	Dual 316 Stainless Steel Product Float, 3.85" diameter	Each	\$516.00
SSF-1-2-VB	2" Stainless Steel Product Float for low product detection applications	Each	\$273.33
SSF-1-2W-VB	2" Stainless Steel Water Float for low water detection applications (specify product)	Each	\$273.33
BNF-1-4	Single Buna N Product Float, 3.85" diameter	Each	\$126.67
BNF-4	Dual Buna N product/water floats 3.85" diameter	Each	\$245.33
SFS	Stainless steel float spacer required on probe lengths 288" or greater	Each	\$57.33
Weights for DS-1K and DS-2K series flexible probes			
W2-144	2" diameter X 5" long stainless steel weight for probes up to 144" overall length	Each	\$317.33
W2-288	2" diameter X 7" long stainless steel weight for probes up to 288" overall length	Each	\$362.67
W2-432	2" diameter X 11" long stainless steel weight for probes up to 432" overall length	Each	\$541.33
W2-600	2" diameter X 14" long stainless steel weight for probes up to 600" overall length	Each	\$585.33
W2-720	2" diameter X 16" long stainless steel weight for probes up to 720" overall length	Each	\$857.33
W2-840	2" diameter X 18" long stainless steel weight for probes up to 840" overall length	Each	\$1,122.67
* IMPORTANT: Signed dimension approval sheet is required to start production on any custom length items. Once signed dimension approval sheet is received by factory, order cannot be canceled on this item. Final pricing will be determined upon receipt of dimension approval sheet.			

Tank Level Gauging – Omntec

Part Number	Description	Units	MSRP
W6-VBH	5.75" (dia.) X 7" (H) hollowed out weight for fixed bottom probes for low water detection	Each	\$1,565.33
Accessories			
FI-BA-IS-B1	FillCheck® Battery for DC-TX-D1 Transmitter (single red)	Each	\$133.33
FI-BA-IS-B2	FillCheck® Battery for DC-TX-D1 Transmitter (single black)	Each	\$133.33
DC-TX-S3-S5-M	DataCheck™ serial transmitter, S3 Style, for series DataStik™ probes (batteries not included)	Each	\$2,462.67
MAST-FC	Mast housing for FillCheck®	Each	\$944.00
MAST-DC	Mast housing for DataCheck™	Each	\$944.00
YCBL6-MTG-420	6' yellow lead cable for MTG-420 probe or wireless rigid	Each	\$197.33
DSTP7255	DataStik™ test probe	Each	\$812.00
USB7255	DataStik™ USB interface module for probe diagnosis	Each	\$721.33
DSTPK	DataStik™ transmitter programming kit includes CD with software, DB9 female to 10 pin female, and USB to serial converter.	Each	\$541.33
DSPDK	DataStik™ programming and diagnostic kit. Includes DSTPK, DSTP7255 and USB7255.	Each	\$1,610.67
DC-TX-D1-M	FillCheck® transmitter module	Each	\$1,405.33
OMN-PC-W	OMNTEC remote monitoring PC software for wireless systems (up to 8 tanks)	Each	\$900.00
U-JBK-1	Universal junction box kit for probes and sensors	Each	\$137.33

CONDITIONS OF SALE

ATG products are to be installed according to current installation instructions of Manufacturer. Local and National codes may also apply and must be consulted by buyer. The proper handling, installation and care of these products are the sole responsibility of the purchaser and any loss or damage resulting from improper installation, handling or care shall not be the responsibility of E.J. Ward Inc.



CONTACT WARD

Ward's mission is to provide industry leading technical support by ensuring all issues are promptly and wholly resolved. You can speak with a highly skilled Technical Support Specialist between 8am-5pm Central Time, Monday through Friday. If you contact Ward during non business hours, a Specialist will return your call the following business day.

Contact Ward for questions related to:

- Installation of new hardware or software
- Troubleshooting malfunctions
- Ordering new or replacement hardware

Phone.....210.824.7383
800.580.WARD (9273)

Fax.....210.824.2031

Email.....support@ejward.com
orders@ejward.com
returns@ejward.com

Web www.ejward.com

CANceiver™ DISCLAIMER

By definition, the E.J. Ward, Inc.(Ward), CANceiver is an automotive telematics product used in commercial fleets to control fueling and collect vehicle and driver behavior data. CANceiver models are designed for specific OEM vehicle OBDII networks to include light, medium, and heavy duty applications.

CANceiver selection assistance is provided as a service to our customers to aid in the proper selection and ordering of OBDII and other Ward telematics devices. Ward endeavors to maintain an accurate and current listing of the most common fleet vehicles and its compatible devices; this list DOES NOT take into consideration customization, modification by customer, or 3rd party hardware that is plugged into, or co-habituates on the OBDII or vehicle ECM network.

The products compatibility IS NOT inclusive of every vehicle manufacturer, make or model or year.

The design of the CANceiver was based upon automotive electronic industry practices set forth by the Society of Automotive Engineers (SAE) and International Organization for Standardization (ISO). Specific standards used in compliance with these practices were: SAE J1587; SAE J1708; SAE J1850; SAE J1939; SAE J1962; SAE J1978; SAE J2284; ISO 7498; ISO 11898; and ISO 15765. Ward adheres to the Open Systems Interconnection Basic Reference Model (OSI). The devices functions are confined within the OSI reference model which is the design basis for hardware and software components at all the major OEM automotive manufacturers.

CANceiver operations are restricted and do not interfere or modify any OEM vehicle functions.

As industry standards, technology advancements are made, vehicle OEMs and 3rd-party up-fitters frequently and without notice modify or change parameters within the embedded code on the on-board computers and Electronic Control Modules (ECM). They may also modify the vehicle filler neck configuration, therefore affecting the recommended antenna or EM-Tag placement. Ward has no control over these changes, if a vehicle device fails to perform or collect data as expected, we will work with our customers to resolve the issue. Ward cannot guarantee time to resolution when OEM changes occur.

Ward products must be installed and maintained in accordance with our specified installation procedures and by a trained, certified technician or installer. Failure to follow Ward's installation procedures shall void the Warranty. Should a recommended Ward product not work as intended, Ward will replace the product only. Ward is not responsible for re-installation or labor charges associated with improper device installation or selection.

At this time, Ward has not certified any other fuel management company's technology, vehicle installed devices OBDII or otherwise, global positioning systems (GPS) other than those offered directly by Ward or its authorized agents to be installed in conjunction with or plugged into the vehicle Engine Control Module (ECM) port (e.g. OBD II etc.) in series or parallel with the CANceiver. Only Ward supplied devices are certified to operate simultaneously with the Ward fuel management system or CANceiver while plugged into the vehicle ECM/OBDII port.

Installing non-certified devices may affect operation of the Ward AFMS, the CANceiver, as well as have a potential negative effect on vehicle functionality.

Ward offers a toll free phone number 1.800.580.Ward (9273) for product selection, technical support or installation questions.

ENVIRONMENTAL POLICY

Introduction

Ward is committed to the implementation of progressive environmental practices as a matter of corporate and design philosophy. Environmental efforts focus on two fundamental areas: business practices and product design.

Our efforts as a "good corporate citizen" align with ISO 14001, the internationally recognized environmental management standard which ensures that every environmental impact stemming from business practices has been identified and that initiatives have been put in place to reduce those impacts.

Environmental Policy

Our Environmental Policy demonstrates Ward's commitment to:

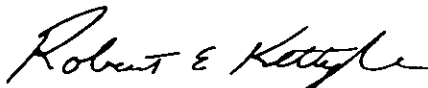
- Compliance with relevant environmental laws and regulations
- Prevention of pollution
- Continual Improvement of our environmental performance

Management directs the effective implementation of this policy through:

- Communication to all employees, visitors and contractors
- Employee participation
- Goals and targets

We make every reasonable effort to put these practices in place because we believe it's the right thing to do.

Regards,



Robert E. Kettyle
Executive Vice President
rkettyle@ejward.com

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/29/2018

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

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

PRODUCER USI Insurance Services LLC -CL 7550 IH-10 West, Suite 700 San Antonio, TX 78229 210 366-0671	CONTACT NAME: Lori Lynd	
	PHONE (A/C, No, Ext): 210-524-2055	FAX (A/C, No): 484-652-5441
	E-MAIL ADDRESS: lori.lynd@usi.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Atlantic Specialty Insurance Company	27154
INSURED E.J. Ward, Inc. 8801 Tradeway San Antonio, TX 78217	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X	X	7110163580000	09/01/2018	09/01/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	X	X	7110163580000	09/01/2018	09/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10000			7110163580000	09/01/2018	09/01/2019	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y/N <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		X	4060454430000	09/01/2018	09/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	Professional Liab		X	760010450000	09/01/2018	09/01/2019	3,000,000 Aggregate 3,000,000 Each Claim

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

The City of Redondo Beach, its officers, elected and appointed officials, employees, and volunteers are named as Additional Insureds as respects to the General Liability and Automobile Liability as required by written contract.

Coverage is Primary and Non-Contributory.

30 days notice will be provided to the Certificate Holder in the event of cancellation.

CERTIFICATE HOLDER	CANCELLATION
City of Redondo Beach Attn: Rob Osborne 531 N Gertrude Ave 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 <i>James Pauls</i>

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS @VANTAGE FOR GENERAL LIABILITY TECHNOLOGY COMPANIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following schedule lists the coverage extensions provided by this endorsement. Refer to the individual provisions to determine the extent of your coverage.

SCHEDULE OF COVERAGE EXTENSIONS	
1. Additional Insured – Broad Form Vendors	8. Coverage Territory – Worldwide
2. Additional Insured – by Contract, Agreement or Permit relating to: <ul style="list-style-type: none">◦ Work performed by you◦ Premises you own, rent, lease or occupy◦ Equipment you lease	9. Duties in Event of Occurrence, Claim or Suit
3. Aggregate Limit Per Location	10. Expected or Intended Injury (PD)
4. Blanket Waiver of Subrogation	11. Medical Payments
5. Bodily Injury Redefined – Mental Anguish	12. Newly Acquired or Formed Organizations
6. Broadened Named Insured	13. Non-Owned Watercraft
7. Broadened Property Damage <ul style="list-style-type: none">◦ Borrowed Equipment◦ Customers' Goods◦ Use of Elevators	14. Personal and Advertising Injury
	15. Product Recall Expense
	16. Supplementary Payments Increased Limits

1. ADDITIONAL INSURED – BROAD FORM VENDORS

Section II – Who Is An Insured is amended to include as an additional insured any person(s) or organization(s) (referred to below as vendor) with whom you agreed in a written contract or agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

a. This provision 1. does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (2) Any express warranty unauthorized by you;
- (3) Any physical or chemical change in the product made intentionally by the vendor;
- (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (a) The exceptions contained in Subparagraphs 4. or 6.; or

(b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(9) Any person or organization if the "products-completed operations hazard" is excluded either by the provisions of the Coverage Form or by endorsement.

b. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

2. ADDITIONAL INSURED – CONTRACT, AGREEMENT OR PERMIT

a. **Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) with whom you agreed in a written contract, written agreement or permit to provide insurance such as is afforded under this Coverage Part, 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 work" for the additional insured(s) at the location designated in the contract, agreement or permit; or
2. In the maintenance, operation or use of equipment leased to you by such person(s) or organization(s), or
3. In connection with premises you own, rent, lease or occupy.

This insurance applies on a primary or primary and non-contributory basis if that is required in writing by the contract, agreement or permit.

b. The insurance provided to the additional insured herein is limited. This insurance does not apply:

1. Unless
 - (a) the written contract, agreement or permit is currently in effect or becomes effective during the term of this policy; and
 - (b) the contract or agreement was executed or permit issued prior to the "bodily injury", "property damage", or "personal and advertising injury";
2. To any person or organization included as an insured under the Additional Insured - Broad Form Vendors provision of this endorsement;
3. To any person or organization included as an insured by an endorsement issued by us and made part of this Coverage Part;
4. To any person or organization if the "bodily injury", "property damage", or "personal and advertising injury" arises out of the rendering of or failure to render any professional architectural, engineering or surveying services by or for you including:
 - (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Supervisory, inspection, architectural or engineering activities.
5. To any:
 - (a) Lessor of equipment after the equipment lease expires; or
 - (b) Owners or other interests from whom land has been leased; or
 - (c) Managers or lessors of premises if:
 - (1) The "occurrence" takes place after you cease to be a tenant in that premises; or
 - (2) The "bodily injury", "property damage", "personal and advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.
6. To "bodily injury, or "property damage" occurring after:
 - (a) All work on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured at the site of the covered operations has been completed; or
 - (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

- c. **Limits of Insurance** applicable to the additional insured are those specified in the contract, agreement or permit or in the Declarations of this policy, whichever is less, and fix the most we will pay regardless of the number of:

1. Insureds;
2. Claims made or "suits" brought; or
3. Persons or organizations making claims or bringing "suits".

These Limits of Insurance are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

3. AGGREGATE LIMIT PER LOCATION

- a. Under **Section III – Limits of Insurance**, the General Aggregate Limit applies separately to each of your "locations" owned by or rented or leased to you.
- b. Under **Section V – Definitions**, the following definition is added:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

4. BLANKET WAIVER OF SUBROGATION

Section IV – Transfer of Rights of Recovery Against Others to Us Condition is amended to add the following:

We will waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations done under a written contract or agreement with that person or organization and included in "your work" or the "products-completed operations hazard". This waiver applies only to persons or organizations with whom you have a written contract, executed prior to the "bodily injury" or "property damage", that requires you to waive your rights of recovery.

5. BODILY INJURY REDEFINED – MENTAL ANGUISH

Under **Section V** the definition of "bodily injury" is replaced by the following:

"Bodily injury" means bodily injury, sickness, or disease sustained by a person, including mental anguish or death resulting from any of these at any time.

6. BROADENED NAMED INSURED

Section II – Who Is An Insured is amended to include as an insured the following:

Any organization which is a legally incorporated entity in which you own a financial interest of more than 50 percent of the voting stock on the effective date of this endorsement will be a Named Insured until the 180th day or the end of the policy period, whichever comes first, provided there is no other similar insurance available to that organization.

The insurance afforded herein does not apply to any entity which is also an insured under another policy or would be an insured under such policy but for its termination or the exhaustion of its limits of insurance.

7. BROADENED PROPERTY DAMAGE – BORROWED EQUIPMENT, CUSTOMERS' GOODS AND USE OF ELEVATORS

The insurance for "property damage" liability is subject to the following:

- a. The **Damage To Property** exclusion under **Section I Coverage A** is amended as follows:

1. The exclusion for personal property in the care, custody or control of the insured does not apply to "property damage" to equipment you borrow while at a job site and provided it is not being used by anyone to perform operations at the time of loss.
2. The exclusions for
 - (a) Property loaned to you;
 - (b) Personal property in the care, custody or control of the insured; and
 - (c) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it

do not apply to "property damage" to "customers' goods" while on your premises nor do they apply to "property damage" arising from the use of elevators at premises you own, rent, lease or occupy.

Subject to the Each Occurrence Limit, the most we will pay for "property damage" to "Customers' Goods" is \$25,000 per "occurrence".

- b. Under **Section V – Definitions**, the following definition is added:

"Customers' Goods" means goods of your customer on your premises for the purpose of being:

1. Repaired; or
2. Used in your manufacturing process.

- c. The insurance afforded by this provision is excess over any other valid and collectible property insurance (including any deductible) available to the insured whether such insurance is primary, excess, contingent or on any other basis. Any payments by us will follow the Other Insurance – Excess provisions in the **COMMERCIAL GENERAL LIABILITY CONDITIONS**.

8. COVERAGE TERRITORY – WORLDWIDE

The definition of "coverage territory" is replaced by the following:

"Coverage territory" means anywhere. However, the insured's responsibility to pay damages must be determined in a settlement we agree to or in a "suit" on the merits brought within the United States of America (including its territories and possessions), Puerto Rico or Canada.

9. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

Section IV – Duties In The Event Of Occurrence, Claim or Suit is amended by adding the following paragraphs:

- a. The requirements that you must

1. notify us of an "occurrence" offense, claim or "suit" and
2. send us documents concerning a claim or "suit"

apply only when such "accident" claim, "suit" or "loss" is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. An executive officer of the corporation or insurance manager, if you are a corporation; or
4. A manager, if you are a limited liability company.

- b. The requirement that you must notify us as soon as practicable of an "occurrence" or an offense that may result in a claim does not apply if you report an "occurrence" to your workers compensation insurer which later develops into a liability claim for which coverage is provided by this policy. However, as soon as you have definite knowledge that the particular "occurrence" is a liability claim rather than a workers compensation claim, you must comply with the **Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition**.

10. EXPECTED OR INTENDED INJURY (PROPERTY DAMAGE)

The **Expected Or Intended Injury** exclusion under **Coverage A Bodily Injury and Property Damage** is replaced by:

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

11. MEDICAL PAYMENTS - INCREASED LIMITS AND TIME PERIOD

- a. In the Insuring Agreement under **Coverage C Medical Payments**, the requirement that expenses are incurred and reported to us within one year of the date of the accident is changed to three years.
- b. The Medical Expense Limit is \$10,000 per person or the amount shown in the Declarations as the Medical Expense Limit, whichever is greater.
- c. This provision 11. does not apply if **Coverage C – Medical Payments** is otherwise excluded either by the provisions of the Coverage Form or by endorsement.

12. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

Under **Section II – Who Is An Insured**, the time period limitation for newly acquired or formed organizations is replaced by:

Coverage under this provision is afforded only until the end of the current policy period.

13. NON-OWNED WATERCRAFT

- a. **Section II – Who Is An Insured** is amended to include as an insured for any watercraft that is covered by this policy, any person who, with your expressed or implied consent, either uses or is responsible for the use of a watercraft. However, no person or organization is an insured with respect to:

1. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
 2. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
- b. In the exception to the **Aircraft, Auto Or Watercraft** exclusion under **Coverage A Bodily Injury And Property Damage Liability**, the limitation on the length of a watercraft is increased to 51 feet.
- c. The insurance afforded by this provision 13. is excess over any other valid and collectible insurance (including any deductible or Self Insured Retention) available to the insured, whether such insurance is primary, excess, contingent or on any other basis. Any payments by us will follow the Other Insurance – Excess Insurance provisions in the COMMERCIAL GENERAL LIABILITY CONDITIONS.
- 14. PERSONAL AND ADVERTISING INJURY**

The following exclusions under the definition of "personal and advertising injury" are amended as follows:

a. Insureds In Media Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting; or
- (2) Designing or developing content of websites for others.

However, this exclusion does not apply to paragraphs 14 a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

b. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or maintains for others.

15. PRODUCT RECALL EXPENSE

- a. With respect to this Provision 15., the **Recall Of Products, Work Or Impaired Property** exclusion under **Coverage A Bodily Injury And Property Damage Liability** is deleted.
- b. The following is added to **Section III - Limits Of Insurance** section:
 1. The Limits of Insurance shown in the Product Recall Schedule and rules below fix the most we will pay regardless of the number of
 - (a) Insureds;
 - (b) "Covered recalls" initiated; or
 - (c) Number of "your products" recalled.
 2. The Product Recall Aggregate Limit is the most we will reimburse you for the sum of all "product recall expenses" incurred for all "covered recalls" initiated during the policy period.
 3. Subject to 2. above, the Each Product Recall Limit is the most we will reimburse you for the sum of all "product recall expenses" arising out of any one "covered recall" for the same defect or deficiency.

Products Recall Schedule	
	Limits of Insurance
Product Recall Aggregate Limit	\$50,000
Each Product Recall Limit	\$25,000

The Limits of Insurance for this coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

- c. The following is added to the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** provision under **Section IV – Conditions**:

You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

1. Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;
2. Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance;
3. As often as may be reasonably required, permit us to inspect "your product" that demonstrates the need for the "covered recall" and permit us to examine your books and records. Also permit us to take damaged and undamaged samples of "your products" for inspection, testing and analysis; and permit us to make copies from your books and records;
4. Send us a signed, sworn, proof of loss containing the information we requested to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms; and
5. Permit us to examine any insured under oath, while not in the presence of any other insured and at such times as may reasonably be required, about any matter relating to this insurance or your claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

- d. The following definitions are added to the Definitions Section:

1. "Covered recall" means a recall made necessary because the insured or a government body has determined that a known or suspected defect, deficiency, inadequacy or dangerous condition in "your product" has resulted in or will result in "bodily injury" or "property damage".

2. "Product Recall Expense" means:

(a) The following necessary and reasonable expenses you incur exclusively for the purpose of recalling "your product":

- (1) For communications, including radio or television announcements or printed advertisements including stationery, envelopes and postage;
- (2) For shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;
- (3) For remuneration paid to your regular "employees" for necessary overtime;
- (4) For hiring additional persons, other than your regular "employees";
- (5) Incurred by "employees", including transportation and accommodations;
- (6) To rent additional warehouse or storage space; or
- (7) For disposal of "your products", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal, but

"product recall expenses" does not include costs of regaining your market share, goodwill, revenue or profit.

(b) "Product Recall Expense" does not include any expenses resulting from:

- (1) Failure of any product to accomplish its intended purpose;
- (2) Breach of warranties of fitness, quality, durability or performance;
- (3) Loss of customer approval, or any cost incurred to regain customer approval;
- (4) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
- (5) Caprice or whim of the insured;
- (6) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance; and
- (7) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found

16. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

In the SUPPLEMENTARY PAYMENTS – Coverages A and B provision:

- a. The limit for the cost of bail bonds is amended to \$2,500; and
- b. The limit for reasonable expenses incurred by the "insured" is amended to \$500 a day.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

@VANTAGE FOR AUTOMOBILE – TEXAS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

The following schedule lists the coverage extensions provided by this endorsement. Refer to the individual provisions to determine the extent of your coverage.

SCHEDULE OF COVERAGE EXTENSIONS	
1. Additional Insured By Contract	12. Employee Hired Autos
2. Airbag Discharge	13. Fellow Employee Exclusion
3. Auto Theft Reward	14. Glass Repair – Waiver of Deductible
4. Blanket Waiver of Subrogation	15. Hired Auto Physical Damage Coverage
5. Bodily Injury Redefined – Mental Anguish	16. Lease Gap Coverage
6. Broad Form Named Insured	17. Liability Coverage – Supplementary Payments
7. Communications Equipment	18. Newly Formed or Acquired Organizations
8. Diminution in Value	19. Physical Damage – Transportation Expenses
9. Drive Other Car – Executive Officers	20. Rental Reimbursement – Private Passenger Vehicles
10. Duties In The Event of Accident, Claim, Suit or Loss	21. Towing – Any Covered Auto
11. Employees As Insureds	

1. ADDITIONAL INSURED BY CONTRACT

The **Who Is An Insured** provision under **SECTION II – LIABILITY COVERAGE** is amended to include as an additional insured any person or organization with whom you agreed in a written contract, written agreement or permit, to provide insurance such as is afforded under this Coverage Form. Such person or organization is an insured only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part by your maintenance, operation or use of your covered "autos".

With respect to the insurance afforded to these additional insureds, this insurance does not apply:

- Unless the written contract or agreement has been executed or the permit has been issued prior to the "bodily injury" or "property damage";
- To any person or organization included as an insured by endorsement or in the Declarations, or
- To any lessor of "autos" when their contract or agreement with you for such leased "auto" ends.

2. AIRBAG DISCHARGE

If you purchased physical damage coverage for a covered "auto" under this policy, we will pay to reset or replace an airbag that accidentally discharges without the vehicle being involved in an accident. No deductible applies to this additional coverage. However, this coverage only applies if the airbag is not covered under a manufacturer's warranty and you did not intentionally cause the airbag to discharge.

3. AUTO THEFT REWARD

We will pay up to a \$2,000 reward in the event of a covered loss, for information leading to the arrest and conviction of anyone stealing a covered "auto". A reward will not be paid to you, a family member, employee or any public official while performing their duty.

4. BLANKET WAIVER OF SUBROGATION

The **Transfer Of Rights of Recovery Against Others To Us** condition under **SECTION IV – BUSINESS AUTO CONDITIONS, paragraph A. LOSS CONDITIONS** is replaced by the following:

We will waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract", provided the contract is in writing and executed prior to the "bodily injury" or "property damage".

5. BODILY INJURY REDEFINED – MENTAL ANGUISH

The definition of "bodily injury" under **SECTION V – DEFINITIONS** is replaced by the following:

"Bodily injury" means bodily injury, sickness, or disease sustained by a person, including mental anguish or death resulting from any of these at any time.

6. BROAD FORM NAMED INSURED

- a. The **Who Is An Insured** provision under **SECTION II – LIABILITY COVERAGE** is amended to include the following:

Any organization which is a legally incorporated entity in which you own a financial interest of more than 50% of the voting stock on the effective date of this Coverage Form will be a Named Insured until the 180th day or the end of the policy period whichever come first, provided there is no other similar insurance available to that organization.

- b. Paragraph a. of this provision 6. does not apply to "bodily injury" or "property damage" for which an "insured" is also an insured under any other automobile policy or would be an insured under such a policy, but for its termination or the exhaustion of its limit of insurance.

7. COMMUNICATIONS EQUIPMENT

- a. The exclusion for electronic equipment under **Exclusions** of **SECTION III – PHYSICAL DAMAGE COVERAGE** does not apply to loss of any permanently installed, non-removable communications equipment designed for use as a:

1. Citizen's band radio;
 2. Two-way mobile radio or telephone;
 3. Scanning monitor receiver, or
 4. GPS Navigation System
- including its antenna and other accessories.

- b. No Deductible applies to this additional coverage.

- c. The most we will pay for this coverage is \$5,000 per occurrence.

8. DIMINUTION IN VALUE

The "diminution in value" exclusion under **SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions** does not apply if the covered "auto" is a private passenger "auto" and is leased, rented, hired or borrowed without a driver for a period of 30 days or less and is used in the conduct of the insured's business. The most we will pay for "loss" arising out of an "accident" is the lesser of \$7,500 or 20% of the actual cash value of the "auto" as determined by Kelley Blue Book or other independent valuation sources.

9. DRIVE OTHER CAR – EXECUTIVE OFFICERS

- a. The **Who Is An Insured** provision under **SECTION II – LIABILITY COVERAGE** is amended to include:

If you are designated in the Declarations as:

1. An individual; you and your spouse.
2. A partnership; your partners and their spouses.
3. An organization other than an individual or a partnership; your "executive officers" and their spouses.

- b. **SECTION II – LIABILITY COVERAGE** and **SECTION III – PHYSICAL DAMAGE COVERAGE** are extended to include "autos" you don't own, hire, lease or borrow while in the care, custody or control of an insured listed in 9.a. This does not include any "auto":

1. Owned by any insured listed in 9.a., or any member of their household, including any such "auto" that is owned but not insured;
2. Used by an insured listed in 9.a. while working in the business of selling servicing, repairing or parking autos; or,
3. Insured under another policy of insurance.

If Medical Payments, Uninsured/Underinsured Motorist, Personal Injury Protection or other compulsory coverages required by the governing jurisdiction are covered on this policy, then insureds listed in 9.a. above and family members residing in the same households are "insureds" while:

1. Occupying as a passenger, or
2. A pedestrian when struck by

- c. The limits and deductibles applicable to this provision will be the largest applicable to any owned "auto" for the specific insurance.
- d. The following definition is added to the **DEFINITIONS** section of the policy:
"Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
- e. The **Other Insurance Condition**, under **Section IV – BUSINESS AUTO CONDITIONS**, does not apply to the provisions of this Drive Other Car endorsement. There is no "other insurance" applicable to this endorsement.

- a. You, if you are an individual;
- b. A partner, if you are a partnership;
- c. An executive officer of the corporation or insurance manager, if you are a corporation; or
- d. A manager, if you are a limited liability company.

The most we will pay for "loss" to any hired "auto" is the lesser of:

- a. \$75,000 for "autos" of the private passenger type and \$50,000 for all other "autos",
- b. The actual cash value, or
- c. The cost of repairing or replacing it with other property of like kind or quality.

The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning.

Subject to the above limit and deductible, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if the following conditions are met:

- a. it results from an accident,
- b. you are legally liable, and
- c. the lessor incurs an actual financial loss.

The most we will pay for this loss of use coverage is \$1,000 per "accident".

16. LEASE GAP COVERAGE

Under Paragraph C. Limit of Insurance – of SECTION III – PHYSICAL DAMAGE COVERAGE, the following is added:

If a covered "auto" is leased, we will also pay the difference between the actual cash value of a covered "auto" at the time of "loss" and the remaining balance on your lease if the following conditions are met:

- a. The "auto" has a long term lease and is covered on this policy.
- b. The lessor is added as an Additional Insured in a written lease agreement.
- c. You are legally obligated for the remaining balance.

We will not pay for any amounts representing excess wear and tear charges; additional mileage charges; taxes; overdue payments; penalties, interest or charges resulting from overdue payments; or lease termination fees.

17. LIABILITY COVERAGE EXTENSIONS – SUPPLEMENTARY PAYMENTS

Under SECTION II – LIABILITY COVERAGE, the Coverage Extension for Supplementary Payments is revised as follows:

- a. The limit for the cost of bail bonds is amended to \$3,500.
- b. The limit for reasonable expenses incurred by the "insured" is amended to \$500 a day.

18. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

- a. The Who Is An Insured provision under SECTION II – LIABILITY COVERAGE is amended to include as an "insured" any organization that is formed or acquired by you and over which you maintain majority ownership.
- b. Paragraph a. of this provision 18. does not apply to any organization:
 1. That is a joint venture or partnership,
 2. That is an "insured" under any other policy,
 3. That has exhausted its Limit of Insurance under any other policy, or
 4. 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.
- c. Paragraph a. of this provision 18. does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

19. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES COVERAGE

Under SECTION III – PHYSICAL DAMAGE Coverage Extensions, the limit for Transportation Expenses is amended to \$75 per day and the maximum is amended to \$2,250.

20. RENTAL REIMBURSEMENT

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" of the private passenger type because of "loss" to a "covered auto" of the private passenger type. Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered auto. No deductibles apply to this coverage.

We will pay those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, six (6) days after the "loss".

Payment is limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred.
2. The maximum daily payment of \$25 for any one day.

This coverage does not apply while there are spare or reserve "autos" available to you.

If "loss" results from the total theft of the private passenger "auto", we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the PHYSICAL DAMAGE COVERAGE Extension.

21. TOWING – COVERED AUTOS

Under **SECTION III – PHYSICAL DAMAGE COVERAGE**, Coverage for Towing is amended as follows:

- a. This coverage applies to any covered "auto" for which a premium charge for towing and labor is shown in the Schedule or in the Declarations.
- b. The limit is \$100.



Administrative Report

H.16., File # 22-4869

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE AN AGREEMENT WITH SLATER WATERPROOFING, INC. TO RECOAT THE TOP LEVEL OF THE PIER PARKING STRUCTURE, FOR A COST TO THE HARBOR UPLANDS FUND NOT TO EXCEED \$41,724

EXECUTIVE SUMMARY

Approval of this recommendation would award an agreement for re-coating the top level of the Pier Parking Structure. The parking surface was damaged significantly by a reckless driver. The City received reimbursement from the driver's insurance for the damage. The funding for the repair, which will be provided by Slater Waterproofing, Inc. (Slater Waterproofing) at a cost not to exceed \$41,724, was deposited in the Harbor Uplands Fund.

BACKGROUND

In 2020 a reckless driver turning "doughnuts" caused significant damage to the top level of the Pier Parking Structure, which had been recently resurfaced. Repairs needed to restore the surface include:

- Water blasting and grinding paint striping and tire marks
- Applying Sika Re-Coast Primer
- Applying a Sikalastic textured topcoat
- Restriping the surface

The offending driver was arrested and prosecuted and the City has been reimbursed for the cost to repair the parking deck.

Slater Waterproofing of Montclair, CA, has proposed to perform the necessary repair work for a cost not to exceed \$41,724. The company has extensive experience providing the desired work and has provided the City with quality, reliable services several times in recent years.

COORDINATION

The Public Works Department prepared this item and the City Attorney's Office prepared the Agreement.

FISCAL IMPACT

The cost to recoat the top level of the Pier Parking Structure is \$41,724. Funding is available in the

Harbor Uplands Fund which received reimbursement for the cost from the offending driver.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Slater Waterproofing, Inc.
- Insurance - Slater Waterproofing, Inc.

**AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND SLATER WATERPROOFING INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Slater Waterproofing Inc., a California corporation ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

- 1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials

shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may

authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all

authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.
13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its

failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

- a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
 - a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall

be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

- b. Prevailing Wages. City and Contractor acknowledge that this project is a public work to which prevailing wages apply. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.
18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.
21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.


SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

SLATER WATERPROOFING INC.
a California corporation

William C. Brand, Mayor

DocuSigned by:

C0889172305B41F...
By: _____
Name: Chad Gamett
Title: vice President

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

CONTRACTOR'S DUTIES

Contractor shall perform the following duties.

SPECIFICATIONS FOR RECOATING THE SURFACE OF THE NORTH PIER PARKING STRUCTURE

1. Supply all labor, materials and equipment to provide recoating service.
2. Prep and topcoat existing traffic coating (up to 14,400 square feet).
3. Mobilize and set up equipment and protection.
4. Prep deck by water blasting and grinding paint striping and tire marks.
5. Prime deck with Sika Re-Coat Primer at a rate of 300 square feet per gallon.
6. Once cured, apply Sikalastic 745 textured topcoat.
7. Re-stripe deck
8. Clean work area
9. Re-coat area located between light poles and outside of drive lanes.

TERMS AND EXCLUSIONS:

1. Slater Waterproofing shall have full, clear access to work area.
2. Price is based one move-in unless noted.
3. Engineering is not expressed or implied.
4. Price is based on prevailing wage rates.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence October 5, 2022 and expire October 4, 2023 ("Term"), unless otherwise terminated as herein provided.

EXHIBIT "C"
COMPENSATION

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

1. **AMOUNT.** The total cost to provide the described service will not exceed \$41,724.00.
2. **METHOD OF PAYMENT.** Contractor shall provide invoices indicating the services and tasks performed during the prior month to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.
3. **SCHEDULE FOR PAYMENT.** Monthly in arrears.
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor
Slater Waterproofing, Inc.
Chad Gamell, Vice President
951-531-3115
5577 Arrow Highway
Montclair, CA 91763

City
City of Redondo Beach
Rob Osborne
Department of Public Works
531 N. Gertruda
Redondo Beach, CA 90277

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT “D”

INSURANCE REQUIREMENTS FOR CONTRACTORS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer’s Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

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

Other Insurance Provisions

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

Additional Insured Endorsement:

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

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

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

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

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

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

Acceptability of Insurers

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

Verification of Coverage

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

Subcontractors

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

Risk Management

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

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this

Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/22/2022

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

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

PRODUCER Bolton Insurance Services LLC 3475 E. Foothill Blvd., Suite 100 Pasadena, CA 91107 www.boltonco.com 6004772	CONTACT NAME: PHONE (A/C, No. Ext): (626) 799-7000 FAX (A/C, No): (626) 583-2117 E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: Associated Industries Insurance Co, Inc INSURER B: American Zurich Insurance Company INSURER C: Zurich American Insurance Company INSURER D: INSURER E: INSURER F:
INSURED Slater Waterproofing, Inc. 5577 Arrow Highway Montclair CA 91763	NAIC # 23140 40142 16535

COVERAGES**CERTIFICATE NUMBER:** 70350171**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> \$5,000 BI/PD Deductible GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>		AES102929204	3/9/2022	3/9/2023	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> Comp 1,000 Ded Coll 2,500 Ded			BAP106298903	10/1/2021	10/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$0			EXA118808003	3/9/2022	3/9/2023	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	WC106298803	10/1/2021	10/1/2022	<input checked="" 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

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

GL Additional Insured applies per CG20330704 & CG20370413 attached, only if required by written contract/agreement. Re: SWP Job #8105, Pier Parking Garage North Redondo Beach, CA. Additional Insured(s): City of Redondo Beach.

CERTIFICATE HOLDER

SWP Job #8105

City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

David Kuo

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ACORD 25 (2016/03)

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured.
- A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.
- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:
- This insurance does not apply to:
1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - b. Supervisory, inspection, architectural or engineering activities.
 2. "Bodily injury" or "property damage" occurring after:
 - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
All persons or organizations where required by written contract with the Named Insured	All persons or organizations where required by written contract with the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/22/2022

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

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

PRODUCER Bolton Insurance Services LLC 3475 E. Foothill Blvd., Suite 100 Pasadena, CA 91107 www.boltonco.com 6004772		CONTACT NAME: PHONE (A/C, No. Ext): (626) 799-7000 FAX (A/C, No): (626) 583-2117 E-MAIL ADDRESS:	
INSURED Slater Waterproofing, Inc. 5577 Arrow Highway Montclair CA 91763		INSURER(S) AFFORDING COVERAGE INSURER A: Associated Industries Insurance Co, Inc 23140 INSURER B: American Zurich Insurance Company 40142 INSURER C: Zurich American Insurance Company 16535 INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 70350171

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> \$5,000 BI/PD Deductible GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	<input checked="" type="checkbox"/>		AES102929204	3/9/2022	3/9/2023	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> Comp 1,000 Ded Coll 2,500 Ded			BAP106298903	10/1/2021	10/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$0			EXA118808003	3/9/2022	3/9/2023	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	N/A	WC106298803	10/1/2021	10/1/2022	<input checked="" 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

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

GL Additional Insured applies per CG20330704 & CG20370413 attached, only if required by written contract/agreement. Re: SWP Job #8105, Pier Parking Garage North Redondo Beach, CA. Additional Insured(s): City of Redondo Beach.

CERTIFICATE HOLDER

SWP Job #8105

 City of Redondo Beach
 415 Diamond Street
 Redondo Beach, CA 90277

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

David Kuo

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ACORD 25 (2016/03)

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured.
- A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.
- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:
- This insurance does not apply to:
1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - b. Supervisory, inspection, architectural or engineering activities.
 2. "Bodily injury" or "property damage" occurring after:
 - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
All persons or organizations where required by written contract with the Named Insured	All persons or organizations where required by written contract with the Named Insured
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



Administrative Report

H.17., File # 22-4915

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE PURCHASE AND INSTALLATION OF ONE CUMMINS ENGINE FOR FIRE ENGINE/PUMPER E-62 FOR A TOTAL COST NOT TO EXCEED \$65,000 FROM CUMMINS SALES AND SERVICES

EXECUTIVE SUMMARY

Staff is seeking authorization to purchase and install one new Cummins engine for Fire Department Pumper E-62 (Unit #116) to get the vehicle back in service. Funding for the repair is available in the Fleet-Maintenance and Operations budget. E-62 houses a Cummins chassis and drive-train and it is necessary that the replacement engine be a Cummins product. E-62 is a 2015 vehicle and is the primary Pumper unit that operates out of Fire Station 2.

BACKGROUND

At the end of August 2022, the Fire Department Pumper E-62 (Unit #116) experienced multiple fault codes and was taken to a Cummins authorized sales and service center in Downey. Following extensive troubleshooting, it was determined that the cylinder block was damaged beyond repair. A new or reconditioned engine or long-block is required to repair the vehicle and get it back in service.

The Public Works Department, working closely with the Fire Department, liaised with Cummins Sales and Service in Downey to acquire quotes and timelines for the replacement of the engine and the cylinder block. The E-62 pumper houses a Cummins chassis and drive-train and therefore, a Cummins engine/long-block needs to be installed. The unit is at the Cummins Sales and Service Center in Downey and is ready for repair once Council authorizes the purchase and installation.

A number of quotes were requested and received from Cummins Sales and Services on the different repair options available, and are summarized as follows:

Recommended Option New Engine Quote: \$59,574.70

Estimated Timeline: 45-60 days lead time

Warranty: 2 years / 250,000 miles

Reconditioned Engine Quote: \$61,020.31

Estimated Timeline: 90 days lead time

Warranty: 2 years / 100,000 miles

Reconditioned Long Block Quote: \$41,208.69

Some of the components like the turbo, EGR cooler, air compressor and fuel pump will need to be reused and transferred from the old engine

Estimated Timeline: 15 days lead time

Warranty: 1 year / 50,000 miles

The Public Works and Fire Departments reviewed the costs, timelines and other factors including newer components and the extended warranty of products. Staff determined that the recommended option provides longer-term viability and is comparable in price. It is recommended that the Council approve the purchase and installation of a new Cummins engine at the estimated cost of \$59,574.70, and provide contingency not to exceed \$65,000.

COORDINATION

The Public Works Department coordinated this report with the Fire Department.

FISCAL IMPACT

Funding for the purchase and installation of the engine at an estimated \$59,574 (not to exceed \$65,000) is available in the Fleet Maintenance and Operations budget. However, as this was not a planned repair/replacement this Fiscal Year adjustments to the Vehicle Fund will be recommended at Mid-Year to cover the cost.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Quote from Cummins Sales and Services



Sales and Service

BAR ARD Number: ARD00293080 EPA: CAL000326402
Remit to:
Cummins Sales and Service
PO Box 772639
Detroit, MI 48277-2639

DOWNEY CA BRANCH
9520 STEWART & GRAY ROAD
DOWNEY, CA 90241-
(562)415-2800

INVOICE NO

ESTIMATE

TO PAY ONLINE LOGON TO
customerpayment.cummins.com

BILL TO

CITY OF REDONDO BEACH
415 DIAMOND ST
REDONDO BEACH, CA 90277-2836

JUAN CARILLO - 310 3180656

PAGE 1 OF 2

*** CHARGE ***

DATE	CUSTOMER ORDER NO.	DATE IN SERVICE	ENGINE MODEL	PUMP NO.	EQUIPMENT MAKE
19-SEP-2022		19-DEC-2015	ISL9 CM2350 L101		PIERCE
CUSTOMER NO.	SHIP VIA	FAIL DATE	ENGINE SERIAL NO.	CPL NO.	EQUIPMENT MODEL
248860		19-SEP-2022	73785373		PUMPER
REF. NO.	SALESPERSON	PARTS DISP.	MILEAGE/HOURS	PUMP CODE	UNIT NO.
125679			62007		116

QUANTITY ORDERED	BACK ORDERED	QUANTITY SHIPPED	PART NUMBER	DESCRIPTION	PRODUCT CODE	UNIT PRICE	AMOUNT
------------------	--------------	------------------	-------------	-------------	--------------	------------	--------

OSN/MSN/VIN fa015389

COMPLAINT ESTIMATE FOR NEW ENGINE REPLACEMENT.
CAUSE NEW ENGINE REPLACEMENT.

CORRECTION NEW ENGINE REPLACEMENT FOR ESN 73785373.

CYLINDER BLOCK FAILURE HAS BEEN FOUND AND ENGINE REPLACEMENT IS NEEDED.

INCLUDES LABOR UP TO THIS POINT.

ADDITIONAL PARTS AND LABOR MAY BE NEEDED.

THIS A LIKE FOR LIKE REPLACEMENT ENGINE. ALTERNATOR AND STARTER WOULD NEED TO BE TRANSFERRED OVER TO THE NEW ENGINE.

COVERAGE CUSTOMER BILLABLE.

NEW ENGINE BASE WARRANTY:
2 YEARS/250,000 MILES.

ENGINE IS AVAILABLE 45-60 DAYS AFTER ORDER IS PLACED. ETA IS SUBJECT TO CHANGE BASED ON PARTS AVAILABILITY.

1	0	ISL9 ENGINE	NEW ENGINE REPLACEMENT	NSREPAIR1	39,097.00	39,097.00
1	0	FREIGHT	FREIGHT FOR NEW ENGINE	NSREPAIR1	400.00	400.00
PARTS:						39,497.00
PARTS COVERAGE CREDIT:						0.00CR
TOTAL PARTS:					39,497.00	
SURCHARGE TOTAL:						0.00

Completion date : 20-Sep-2022 02:36PM. Estimate expires : 19-Oct-2022 02:36PM.

Billing Inquiries? Call (877)480-6970

APPENDIX A IS ATTACHED AND INCORPORATED HEREIN. IN APPENDIX A THERE ARE ADDITIONAL CONTRACT TERMS AND CONDITIONS, INCLUDING LIMITATION ON WARRANTIES AND LIABILITIES WHICH ARE EXPRESSIVELY INCORPORATED HEREIN AND WHICH PURCHASER ACKNOWLEDGES HAVE BEEN READ, FULLY UNDERSTOOD AND ACCEPTED.

AUTHORIZED BY (print name) _____ SIGNATURE _____ DATE _____

These Terms and Conditions, together with the estimate/quote (the "Quote") and/or invoice ("Invoice") attached to these Terms and Conditions, are hereinafter collectively referred to as this "Agreement" and shall constitute the entire agreement between the customer ("Customer") identified on the Quote and/or Invoice and Cummins Inc. ("Cummins") and supersede any previous agreement or understanding (oral or written) between the parties with respect to the subject matter of this Agreement. Customer shall be deemed to have made an unqualified acceptance of these Terms and Conditions and it shall become a binding agreement between the parties on the earliest of the following to occur: (i) Cummins' receipt of Customer's purchase order or purchase order number; (ii) Customer's signing or acknowledgment of this Agreement; (iii) Cummins' release of Products to production pursuant to Customer's oral or written instruction or direction; (iv) Customer's payment of any amounts due to Cummins; or (v) any other event constituting acceptance under applicable law. No prior inconsistent course of dealing, course of performance, or usage of trade, if any, constitutes a waiver of, or serves to explain or interpret, the Terms and Conditions set forth in this Agreement. Electronic transactions between Customer and Cummins will be solely governed by the Terms and Conditions of this Agreement, and any terms and conditions on Customer's website or other internet site will be null and void and of no legal effect on Cummins. In the event Customer delivers, references, incorporates by reference, or produces any purchase order or document, any terms and conditions related thereto: (i) shall be null and void and of no legal effect on Cummins, and (ii) this Agreement shall remain the governing terms of the transaction.

SCOPE OF SERVICES; PERFORMANCE OF SERVICES Cummins shall supply part(s) and/or component(s) and/or engine(s) and/or generator set(s) ("Goods") and/or perform the maintenance and/or repair ("Services") on the equipment identified in the Quote and/or Invoice ("Equipment"), if applicable, in accordance with the specifications in the Quote and/or Invoice. No additional services or goods are included in this Agreement unless agreed upon by the parties in writing, or otherwise, as applicable.

CUSTOMER OBLIGATIONS If necessary, Customer shall provide Cummins safe and free access to Customer's site and arrange for all related services and utilities necessary for Cummins to safely and freely perform the Services. During the performance of the Services, Customer shall fully and completely secure all or any part of any facility where the Equipment is located to remove and mitigate any and all safety issues and risks, including but not limited to injury to facility occupants, customers, invitees, or any third party and/or property damage or work interruption arising out of the Services. If applicable, Customer shall make all necessary arrangements to address and mitigate the consequences of any electrical service interruption which might occur during the Services. Customer is responsible for operating and maintaining the Equipment in accordance with the owner's manual for the Equipment.

INVOICING AND PAYMENT Unless otherwise agreed to by the parties in writing and subject to credit approval by Cummins, payments are due thirty (30) days from the date of Invoice. If Customer does not have approved credit with Cummins, as solely determined by Cummins, payments are due in advance or at the time of supply of the Goods and/or Services. If payment is not received when due, in addition to any rights Cummins may have at law, Cummins may charge Customer eighteen percent (18%) interest annually on late payments, or the maximum amount allowed by law. Customer agrees to pay all Cummins' costs and expenses (including all reasonable attorneys' fees) related to Cummins' enforcement and collection of unpaid invoices, or any other enforcement of this Agreement by Cummins.

TAXES; EXEMPTIONS The Invoice includes all applicable local, state, or federal sales and/or use or similar taxes which Cummins is required by applicable laws to collect from Customer under this Agreement. Customer must provide a valid tax exemption certificate or direct payment certificate prior to shipment of the Goods or performance of the Services, or such taxes will be included in the Invoice.

DELIVERY; TITLE AND RISK OF LOSS Unless otherwise agreed in writing by the parties, any Goods supplied under this Agreement shall be delivered FOB Origin, freight prepaid to the first destination. If agreed, any charges for third party freight are subject to adjustment to reflect any change in price at time of shipment. Unless otherwise agreed to, packaging method, shipping documents and manner, route and carrier and delivery shall be as Cummins deems appropriate. All shipments are made within normal business hours, Monday through Friday. Unless otherwise agreed in writing by the parties, title and risk of loss for any Goods sold under this Agreement shall pass to Customer upon delivery of Goods by Cummins to freight carrier or to Customer at pickup at Cummins' facility.

DELAYS Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order. Cummins shall not be liable to Customer or any third party for any loss, damage, or expense suffered by Customer or third party due to any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or causes beyond Cummins' control, including but not limited to acts of God, accidents, fire, explosions, flood, unusual weather conditions, acts of government authority, or labor disputes. AS A RESULT OF THE OUTBREAK OF THE DISEASE COVID-19 ARISING FROM THE NOVEL CORONAVIRUS, TEMPORARY DELAYS IN DELIVERY, LABOUR OR SERVICES FROM CUMMINS AND ITS SUB-SUPPLIERS OR SUBCONTRACTORS MAY OCCUR. AMONG OTHER FACTORS, CUMMINS' DELIVERY OBLIGATIONS ARE SUBJECT TO CORRECT AND PUNCTUAL SUPPLY FROM OUR SUB-SUPPLIERS OR SUBCONTRACTORS, AND CUMMINS RESERVES THE RIGHT TO MAKE PARTIAL DELIVERIES OR MODIFY ITS LABOUR OR SERVICE. WHILE CUMMINS SHALL MAKE EVERY COMMERCIALY REASONABLE EFFORT TO MEET THE DELIVERY, SERVICE OR COMPLETION OBLIGATIONS SET FORTH HEREIN, SUCH DATES ARE SUBJECT TO CHANGE.

LIMITED WARRANTIES

New Goods: New Goods purchased or supplied under this Agreement are governed by the express written manufacturers' warranty. No other warranty for Goods supplied under this Agreement is provided under this Agreement.

Cummins Exchange Components, Other Exchange Components, and Recon: Cummins will administer the Cummins exchange component warranty and the warranties of other manufacturers' exchange components or Recon Components which are sold by Cummins. In the event of defects in such items, only manufacturers' warranties will apply.

HHP Exchange Engine: HHP Exchange Engines remanufactured by Cummins under this Agreement are governed by the express Cummins' written warranty. No other warranty for HHP exchange Engines supplied under this Agreement is provided under this Agreement.

General Service Work: All Services shall be free from defects in workmanship (i) for power generation equipment (including engines in such equipment), for a period of ninety (90) days after completion of Services or 500 hours of operation, whichever occurs first; or (ii) for engines, for a period of ninety (90) days after completion of Services, 25,000 miles or 900 hours of operation, whichever occurs first. In the event of a warrantable defect in workmanship of Services supplied under this Agreement ("Warrantable Defect"), Cummins' obligation shall be solely limited to correcting the Warrantable Defect. Cummins shall correct the Warrantable Defect where (i) such Warrantable Defect becomes apparent to Customer during the warranty period; (ii) Cummins receives written notice of the Warrantable Defect within thirty (30) days following discovery by Customer; and (iii) Cummins has determined that there is a Warrantable Defect. Warrantable Defects remedied under this provision shall be subject to the remaining warranty period of the original warranty of the Services. New Goods supplied during the remedy of Warrantable Defects are warranted for the balance of the warranty period still available from the original warranty of such Goods.

Used Goods: Used Goods are sold "as is, where is" unless exception is made in writing between Cummins and Customer. Customer agrees to inspect all used Goods before completing the purchase.

THE REMEDIES PROVIDED IN THE LIMITED WARRANTIES AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY.

INDEMNIFICATION Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Services and/or Goods supplied under this Agreement (collectively, the "Claims"), where such Claims were caused or contributed, in whole or in part, by the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered by this indemnity, including any tenders for defense and indemnity by Cummins to its insurance carrier unless Cummins directs that the defense will be handled by Cummins' legal counsel at Customer's expense.

LIMITATION OF LIABILITY NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY) IN ANY WAY RELATED TO OR ARISING FROM CUMMINS' SUPPLY OF GOODS OR SERVICES UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS' LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER'S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF GOODS AND SERVICES SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER'S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN EVEN IF THE EXCLUSIVE REMEDY IN SECTION 7 IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

GOVERNING LAW AND JURISDICTION This Agreement and all matters arising hereunder shall be governed by and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the court of the State of Indiana shall have exclusive jurisdiction to settle any dispute or claim arising in connection with this Agreement.

ASSIGNMENT This Agreement is binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.

CANCELLATION. Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. Cummins may charge Customer a cancellation charge in accordance with current Cummins policy which is available upon request, in addition to the actual, non-recoverable costs incurred by Cummins.

REFUNDS/CREDITS Goods ordered and delivered by Cummins under this Agreement are not returnable unless agreed to by Cummins. Cummins may, at its sole discretion, agree to accept Goods for return and provide credit where Goods are in new and saleable condition and presented with a copy of the original invoice. Credits for returns will be subject to up to a 15% handling/restocking charge and are limited to eligible items purchased from Cummins.

INTELLECTUAL PROPERTY Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a licence or any other rights to use any of the intellectual property rights of Cummins.

COMPLIANCE WITH LAWS Customer shall comply with all laws applicable to its activities under this Agreement, including without limitation, all applicable national, provincial, and local export, anti-bribery, environmental, health, and safety laws and regulations in effect. Customer acknowledges that the Goods, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Goods or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.

CONFIDENTIALITY Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.

PRICING To the extent allowed by law, actual prices may vary from the price at the time of order placement, as the same will be based on prices prevailing on the date of shipment. Subject to local laws, Cummins reserves the right to adjust pricing on goods and services due to input and labor cost changes and other unforeseen circumstances beyond Cummins' control.

MISCELLANEOUS All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in the Quote and/or Invoice. No amendment of this Agreement shall be valid unless it is writing and signed by the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter or the enforceability of the Agreement generally, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for and Customer has agreed to purchase of the Goods and/or Services pursuant to these terms and conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such terms and conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement.

To the extent applicable, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, are hereby incorporated by reference into this contract.



Sales and Service

BAR ARD Number: ARD00293080 EPA: CAL000326402
Remit to:
Cummins Sales and Service
PO Box 772639
Detroit, MI 48277-2639

DOWNEY CA BRANCH
9520 STEWART & GRAY ROAD
DOWNEY, CA 90241-
(562)415-2800

INVOICE NO

ESTIMATE

TO PAY ONLINE LOGON TO
customerpayment.cummins.com

BILL TO

CITY OF REDONDO BEACH
415 DIAMOND ST
REDONDO BEACH, CA 90277-2836

JUAN CARILLO - 310 3180656

PAGE 2 OF 2

*** CHARGE ***

DATE	CUSTOMER ORDER NO.	DATE IN SERVICE	ENGINE MODEL	PUMP NO.	EQUIPMENT MAKE
19-SEP-2022		19-DEC-2015	ISL9 CM2350 L101		PIERCE
CUSTOMER NO.	SHIP VIA	FAIL DATE	ENGINE SERIAL NO.	CPL NO.	EQUIPMENT MODEL
248860		19-SEP-2022	73785373		PUMPER
REF. NO.	SALESPERSON	PARTS DISP.	MILEAGE/HOURS	PUMP CODE	UNIT NO.
125679			62007		116

QUANTITY ORDERED	BACK ORDERED	QUANTITY SHIPPED	PART NUMBER	DESCRIPTION	PRODUCT CODE	UNIT PRICE	AMOUNT
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OSN/MSN/VIN fa015389

LABOR:	15,688.00
LABOR COVERAGE CREDIT:	0.00CR
TOTAL LABOR:	15,688.00
MISC.:	400.00
MISC. COVERAGE CREDIT:	0.00CR
TOTAL MISC.:	400.00
MISCELLANEOUS	400.00
LOCAL	1,595.88
STATE	2,393.82

SIGN UP FOR AUTO EMAIL OF INVOICES AND CREDITS AT
[HTTP://CUSTOMERPAYMENT.CUMMINS.COM](http://customerpayment.cummins.com)

Completion date : 20-Sep-2022 02:36PM. Estimate expires : 19-Oct-2022 02:36PM.

Billing Inquiries? Call (877)480-6970

APPENDIX A IS ATTACHED AND INCORPORATED HEREIN. IN APPENDIX A THERE ARE
ADDITIONAL CONTRACT TERMS AND CONDITIONS, INCLUDING LIMITATION ON
WARRANTIES AND LIABILITIES WHICH ARE EXPRESSIVELY INCORPORATED HEREIN AND
WHICH PURCHASER ACKNOWLEDGES HAVE BEEN READ, FULLY UNDERSTOOD AND
ACCEPTED.

SUB TOTAL:	55,585.00
TOTAL TAX:	3,989.70
TOTAL AMOUNT: US \$	59,574.70

AUTHORIZED BY (print name) _____ SIGNATURE _____ DATE _____

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DELAYS Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order. Cummins shall not be liable to Customer or any third party for any loss, damage, or expense suffered by Customer or third party due to any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or causes beyond Cummins' control, including but not limited to acts of God, accidents, fire, explosions, flood, unusual weather conditions, acts of government authority, or labor disputes. AS A RESULT OF THE OUTBREAK OF THE DISEASE COVID-19 ARISING FROM THE NOVEL CORONAVIRUS, TEMPORARY DELAYS IN DELIVERY, LABOUR OR SERVICES FROM CUMMINS AND ITS SUB-SUPPLIERS OR SUBCONTRACTORS MAY OCCUR. AMONG OTHER FACTORS, CUMMINS' DELIVERY OBLIGATIONS ARE SUBJECT TO CORRECT AND PUNCTUAL SUPPLY FROM OUR SUB-SUPPLIERS OR SUBCONTRACTORS, AND CUMMINS RESERVES THE RIGHT TO MAKE PARTIAL DELIVERIES OR MODIFY ITS LABOUR OR SERVICE. WHILE CUMMINS SHALL MAKE EVERY COMMERCIALY REASONABLE EFFORT TO MEET THE DELIVERY, SERVICE OR COMPLETION OBLIGATIONS SET FORTH HEREIN, SUCH DATES ARE SUBJECT TO CHANGE.

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Cummins Exchange Components, Other Exchange Components, and Recon: Cummins will administer the Cummins exchange component warranty and the warranties of other manufacturers' exchange components or Recon Components which are sold by Cummins. In the event of defects in such items, only manufacturers' warranties will apply.

HHP Exchange Engine: HHP Exchange Engines remanufactured by Cummins under this Agreement are governed by the express Cummins' written warranty. No other warranty for HHP exchange Engines supplied under this Agreement is provided under this Agreement.

General Service Work: All Services shall be free from defects in workmanship (i) for power generation equipment (including engines in such equipment), for a period of ninety (90) days after completion of Services or 500 hours of operation, whichever occurs first; or (ii) for engines, for a period of ninety (90) days after completion of Services, 25,000 miles or 900 hours of operation, whichever occurs first. In the event of a warrantable defect in workmanship of Services supplied under this Agreement ("Warrantable Defect"), Cummins' obligation shall be solely limited to correcting the Warrantable Defect. Cummins shall correct the Warrantable Defect where (i) such Warrantable Defect becomes apparent to Customer during the warranty period; (ii) Cummins receives written notice of the Warrantable Defect within thirty (30) days following discovery by Customer; and (iii) Cummins has determined that there is a Warrantable Defect. Warrantable Defects remedied under this provision shall be subject to the remaining warranty period of the original warranty of the Services. New Goods supplied during the remedy of Warrantable Defects are warranted for the balance of the warranty period still available from the original warranty of such Goods.

Used Goods: Used Goods are sold "as is, where is" unless exception is made in writing between Cummins and Customer. Customer agrees to inspect all used Goods before completing the purchase.

THE REMEDIES PROVIDED IN THE LIMITED WARRANTIES AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY.

INDEMNIFICATION Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Services and/or Goods supplied under this Agreement (collectively, the "Claims"), where such Claims were caused or contributed, in whole or in part, by the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered by this indemnity, including any tenders for defense and indemnity by Cummins to its insurance carrier unless Cummins directs that the defense will be handled by Cummins' legal counsel at Customer's expense.

LIMITATION OF LIABILITY NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY) IN ANY WAY RELATED TO OR ARISING FROM CUMMINS' SUPPLY OF GOODS OR SERVICES UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS' LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER'S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF GOODS AND SERVICES SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER'S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN EVEN IF THE EXCLUSIVE REMEDY IN SECTION 7 IS DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

GOVERNING LAW AND JURISDICTION This Agreement and all matters arising hereunder shall be governed by and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the court of the State of Indiana shall have exclusive jurisdiction to settle any dispute or claim arising in connection with this Agreement.

ASSIGNMENT This Agreement is binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.

CANCELLATION. Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. Cummins may charge Customer a cancellation charge in accordance with current Cummins policy which is available upon request, in addition to the actual, non-recoverable costs incurred by Cummins.

REFUNDS/CREDITS Goods ordered and delivered by Cummins under this Agreement are not returnable unless agreed to by Cummins. Cummins may, at its sole discretion, agree to accept Goods for return and provide credit where Goods are in new and saleable condition and presented with a copy of the original invoice. Credits for returns will be subject to up to a 15% handling/restocking charge and are limited to eligible items purchased from Cummins.

INTELLECTUAL PROPERTY Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a licence or any other rights to use any of the intellectual property rights of Cummins.

COMPLIANCE WITH LAWS Customer shall comply with all laws applicable to its activities under this Agreement, including without limitation, all applicable national, provincial, and local export, anti-bribery, environmental, health, and safety laws and regulations in effect. Customer acknowledges that the Goods, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Goods or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.

CONFIDENTIALITY Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.

PRICING To the extent allowed by law, actual prices may vary from the price at the time of order placement, as the same will be based on prices prevailing on the date of shipment. Subject to local laws, Cummins reserves the right to adjust pricing on goods and services due to input and labor cost changes and other unforeseen circumstances beyond Cummins' control.

MISCELLANEOUS All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in the Quote and/or Invoice. No amendment of this Agreement shall be valid unless it is writing and signed by the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter or the enforceability of the Agreement generally, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for and Customer has agreed to purchase of the Goods and/or Services pursuant to these terms and conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such terms and conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement.

To the extent applicable, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, are hereby incorporated by reference into this contract.



Administrative Report

H.18., File # 22-4877

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE A TWO-YEAR AGREEMENT WITH CJ CONCRETE CONSTRUCTION, INC. TO PROVIDE SIDEWALK REPLACEMENT SERVICES FOR A TOTAL COST NOT TO EXCEED \$375,000

EXECUTIVE SUMMARY

Approval of this recommendation would award a two-year agreement to CJ Concrete Construction, Inc. (CJ Concrete Construction) to provide replacement services for damaged sidewalks and other concrete infrastructure such as curb & gutter, driveway approaches and curb ramps. The total cost for services would not exceed \$375,000.

BACKGROUND

The Public Works Department periodically inspects the 6.7 million square feet of sidewalks throughout Redondo Beach to identify faults that could present trip hazards for pedestrians and expose the City to a liability. A majority of faults can be eliminated by grinding away raised sections or installing small concrete ramps to smooth out transition areas. In the effort to address sidewalk defects, the City has ground 17,366 sidewalk locations with faults within one- and one-half inches.

However, when faults in sections of sidewalk, curb & gutter, driveway approaches and curb ramps exceed one- and one-half inches, they can't be mitigated by basic grinding and ramping and instead require removal and replacement. While the Public Works Department has performed this service in-house, staffing resources are limited to accomplish extensive concrete removal and replacement efforts. To compliment the work of regular maintenance crews and allow them to focus on other essential tasks, staff would like to contract sidewalk replacement services to an outside vendor on an on-call basis.

CJ Concrete Construction of Santa Fe Springs, CA, has proposed to provide the desired services for a total cost not to exceed \$375,000. The company specializes in sidewalk replacement work and has extensive experience providing similar services for cities throughout the Los Angeles area. All repair work will be directed by the City.

Sidewalk replacement is defined as maintenance rather than Public Works construction. As such, competitive bidding is not required by the Municipal Code. However, the pricing proposed by CJ Concrete Construction matches the pricing contained in a contract awarded to the company by the City of San Marino on May 11, 2022. As the San Marino contract was awarded through a competitive

bidding process, it satisfies the City's purchasing requirements. In addition, the proposed pricing is comparable to the pricing contained in the City's 2021 agreement with CJ Concrete Construction for the Citywide Curb Ramp Improvements Project.

COORDINATION

The Public Works Department prepared this item and the City Attorney's Office prepared the proposed agreement.

FISCAL IMPACT

The cost for the agreement to provide on-call sidewalk replacement services will not exceed \$375,000 for the two-year term. Funding for the agreement is available in the Sidewalk Improvements and Repairs Project account.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - CJ Concrete Construction, Inc.
- Insurance - CJ Concrete Construction, Inc.

**AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND CJ CONCRETE CONSTRUCTION, INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and CJ Concrete Construction, Inc., a California corporation ("Consultant" or "Contractor"). parties hereby agree as follows:

1. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City, or services required to be performed by City are set forth in Exhibit "A."
2. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
3. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials,

shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may

authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all

authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement, prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages if any, sustained by the City by virtue of Contractor's breach of this Agreement.
13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity Design Professional Services. 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.

- a. Other Indemnities. In connection with any and all claims, demands, causes of action, damages, injuries, liabilities, losses, costs or expenses, including attorneys' fees and costs of defense (collectively, "Damages" hereinafter) not covered by the foregoing paragraph, and to the maximum extent permitted by law, 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 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.
 - b. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - c. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
- a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement

by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

- b. Prevailing Wages. City and Contractor acknowledge that this project is a public work to which prevailing wages apply. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.
18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or

net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.
21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of

law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed, and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

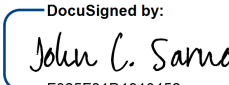
SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

CJ CONCRETE CONSTRUCTION, Inc.,
a California corporation

William C. Brand, Mayor

DocuSigned by:

F025F31D1910452...
By: _____
Name: John C. Sarno
Title: President

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

I. CONTRACTOR'S DUTIES

Contractor shall perform the following services.

- A. Contractor shall provide all labor, supervision, equipment, materials and supplies needed to provide on-call sidewalk, driveway and curb and gutter replacement services. Concrete Maintenance. All work shall be performed in accordance with the Standard Specifications for Public Works Construction (current edition).
- B. Upon City's written request as described in Section II.A, Contractor shall prepare a written scope of work for the City's requested tasks, including all components and subtasks, the cost to perform the task, including costs and markup from subcontractors, an explanation of how the cost was determined, and a schedule for completion of the task (collectively "Task Proposal"). The costs specified in the Task Proposal shall be in accordance with Exhibit "C".
- C. Upon the City's written approval of the Task Proposal, the Contractor shall commence services for the task. Any language that does not pertain to the scope of work, compensation, or duration of agreement shall be deemed extraneous and not incorporated within this Agreement.
- D. Contractor shall identify all personnel used to accomplish the services in the Task Proposal. Contractor shall obtain City's approval of any substitutions of leading personnel for the task as soon as the need for a substitution is known.
- E. Contractor shall identify any subcontractor(s) and include the work of subcontractors in the proposed scope of work. Contractor shall not replace the subcontractor for the task without the prior written approval of the City.
- F. Contractor shall provide a task number for the City approved task.
- G. Contractor shall complete the task and present all deliverables to the City by the completion date provided to City.

- H. During performance of the services, Contractor shall provide a monthly written summary of progress on all on-call services to keep the City updated as to the status of performance. Contractor shall either draft a report or deliver an email to the City's designated project manager.
- I. Contractor shall provide all work product for review and acceptance by the City. Upon City's request, Contractor shall revise the work product without additional charge to the City until the City accepts it.

II. CITY'S DUTIES

City will perform the following services.

- A. City will provide a written task request with a description of the work to be performed for the task, and the time desired for completion.
- B. City, in its sole discretion, may approve, modify or reject the Contractor's Task Proposal.
- C. Notwithstanding anything described herein, in the event Article XIX of the City Charter and Chapters 6 and 6.1 of Title 2 of the Redondo Beach Municipal Code apply to the work described herein, the Contractor shall not be authorized to perform the subject work under this Agreement.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall commence on October 4, 2022 and continue through October 3, 2024 ("Term"), unless otherwise terminated as herein provided. The Agreement may be extended for an additional 12 months upon a written amendment approved by both parties. Contractor shall perform the services in accordance with the schedule in each Task Proposal. City may approve extensions for performance of the services in each task; provided, however, that the Contractor shall not work beyond the expiration date of this Agreement.

EXHIBIT "C"

COMPENSATION

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

- I. **AMOUNT.** Contractor shall perform the work for all City approved Task Proposal(s) in accordance with the following hourly rate schedule.

Description	Unit	Unit Price
Mobilization	LS	\$2,500.00
Concrete Sidewalk – 4-inch thick (remove and replace)	SF	\$ 12.50
Concrete Sidewalk – 6-inch thick (remove and replace)	SF	\$ 15.00
Concrete Curb Ramp (remove and replace)	Ea	\$6,800.00
Curb Type A2/8 (remove and replace)	LF	\$ 60.00
Concrete Driveway Approach (remove and replace)	SF	\$ 15.00
Type "A" Curb and Gutter (remove and replace)	LF	\$ 70.00
Type "A-2" Curb and Gutter (remove and replace)	LF	\$ 60.00
Type "B-6" Curb and Gutter (remove and replace)	LF	\$ 60.00
Type "B-8" Curb and Gutter (remove and replace)	LF	\$ 60.00

Type "D" Curb and Gutter (remove and replace)	LF	\$ 60.00
Curb Access Ramp (remove and replace)	SF	\$ 18.00
4" Exposed Aggregate Finish (remove and replace)	SF	\$ 18.75
6" Residential Driveway (remove and replace)	SF	\$ 12.00
8" Commercial Driveway (remove and replace)	SF	\$ 13.00
8" Cross-Gutter (remove and replace)	SF	\$ 17.00
8" Spandrel (remove and replace)	SF	\$ 19.00
9" Thick Bus Pad (remove and replace)	SF	\$ 19.00
Reconstruct Catch Basin Top (remove and replace)	SF	\$ 25.00

The hourly rates set forth herein shall be apply for the term of the Agreement.

- II. **EXPENSES.** Expenses incurred by Contractor in performance of this work shall be considered included in the hourly rates in Section I and no additional compensation shall be provided. Contractor may be reimbursed for management of any subcontractor authorized by a Task Order at a rate not exceeding 10% of the subcontractor's authorized fee. Contractor may be reimbursed for extraordinary expenses only with a previously approved written amendment to this Agreement, which shall be at the sole discretion of the City.
- III. **NOT TO EXCEED AMOUNT.** In no event shall the total amount paid to Contractor, including reimbursable expenses, exceed \$375,000 during the term of this Agreement.

- IV. **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. Task number.
 - B. All personnel who performed work on the Task Proposal.
 - C. Description of the work performed.
 - D. Number of hours worked
 - E. Hourly rate.
 - F. All City approved and documented subcontractor invoices.
 - G. If applicable, expenses incurred

Within the approved amount for each approved Task Proposal, and with the written approval of the City, a portion of the amount from one line item of the Task may be allocated to another line item of the Task so long as the total amount approved for the Task Proposal as described in Exhibit "A" is not exceeded.

Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City, and include the prior written authorization of the City and copies of receipts to substantiate expense requests. Contractor may be required to provide back-up material upon request. If no work is performed in a given month, no invoice is required.

- V. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty days of City's receipt of Contractor's monthly invoice; provided that services are completed to the City's reasonable satisfaction and there is no dispute over the amount.
- VI. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor: CJ Concrete Construction, Inc.
10142 Shoemaker Ave
Santa Fe Springs, CA 90670
Attn: John C. Sarno
Telephone: 562-777-2222
Email: rachelj@cjinc.biz

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

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer's Liability Insurance.

Errors and Omissions liability insurance appropriate to the Contractor's profession. Architects' and Engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project/location.

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

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

Errors and Omissions liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the 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 are to be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

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

Errors and Omissions policy, if written on a claims made basis, shall be maintained by the Contractor for a period of one year after the completion of the project.

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

Acceptability of Insurers

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

Verification of Coverage

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 are to be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

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

Risk Management

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

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/22/2021

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

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

PRODUCER Behr Insurance Services Inc. 1420 E Los Angeles Ave #203 Simi Valley CA 93065		CONTACT NAME: PHONE (A/C, No, Ext): 888-988-2347 FAX (A/C, No): E-MAIL ADDRESS: service@behrins.com	
INSURED CJ Concrete Construction Inc 10142 SHOEMAKER AVE SANTA FE SPRINGS CA 90670-3404		INSURER(S) AFFORDING COVERAGE INSURER A: VALLEY FORGE INS CO INSURER B: CONTINENTAL CAS CO INSURER C: CONTINENTAL INS CO INSURER D: INSURER E: INSURER F:	
		NAIC # 20508 20443 35289	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	7017691303	11/12/2021	11/12/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	7017691317	11/12/2021	11/12/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			7017691320	11/12/2021	11/12/2022	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A				PER STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

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

See ACORD 101

CERTIFICATE HOLDER**CANCELLATION**

City of Redondo Beach 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 Jonathan Behr
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AGENCY CUSTOMER ID: _____

LOC #: _____

**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Behr Insurance Services Inc.		NAMED INSURED CJ Concrete Construction Inc	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,****FORM NUMBER:** 25 **FORM TITLE:** Certificate Of Liability Insurance

Citywide Curb Ramp Improvements 2021 Project, Job No. 40399 (Federal HUD B-20-MC-06-0528)
City of Redondo Beach and it's officers, employees, elected officials, attorneys, members of boards and commissions, agents and volunteers are additional insured when required by contract for General Liability per attached CNA74705XX (1-15) endorsement and Auto Liability per attached CNA71527XX (10/12) endorsement. Coverage is primary and non-contributory for General Liability per attached CNA75079XX (10-16) endorsement and Auto Liability per attached CNA71527XX (10/12) endorsement. Waiver of subrogation applies to general liability per attached CNA75008XX (10-16) endorsement and auto liability per CA 04 44 10 13 endorsement.



Contractors' General Liability Extension Endorsement

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows. If any other endorsement attached to this policy amends any provision also amended by this endorsement, then that other endorsement controls with respect to such provision, and the changes made by this endorsement with respect to such provision do not apply.

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Contractors' General Liability Extension Endorsement

1. ADDITIONAL INSURED

- a. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization described in paragraphs **A.** through **H.** below whom a **Named Insured** is required to add as an additional insured on this **Coverage Part** under a written contract or written agreement, provided such contract or agreement:

(1) is currently in effect or becomes effective during the term of this **Coverage Part**; and

(2) was executed prior to:

(a) the **bodily injury** or **property damage**; or

(b) the offense that caused the **personal and advertising injury**,

for which such additional insured seeks coverage.

- b. However, subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:

(1) a higher limit of insurance than required by such contract or agreement; or

(2) coverage broader than required by such contract or agreement, and in no event broader than that described by the applicable paragraph **A.** through **H.** below.

Any coverage granted by this endorsement shall apply only to the extent permissible by law.

A. Controlling Interest

Any person or organization with a controlling interest in a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of:

1. such person or organization's financial control of a **Named Insured**; or

2. premises such person or organization owns, maintains or controls while a **Named Insured** leases or occupies such premises;

provided that the coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

B. Co-owner of Insured Premises

A co-owner of a premises co-owned by a **Named Insured** and covered under this insurance but only with respect to such co-owner's liability for **bodily injury**, **property damage** or **personal and advertising injury** as co-owner of such premises.

C. Lessor of Equipment

Any person or organization from whom a **Named Insured** leases equipment, but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** caused, in whole or in part, by the **Named Insured's** maintenance, operation or use of such equipment, provided that the **occurrence** giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease.

D. Lessor of Land

Any person or organization from whom a **Named Insured** leases land but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of the ownership, maintenance or use of such land, provided that the **occurrence** giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

E. Lessor of Premises



Contractors' General Liability Extension Endorsement

An owner or lessor of premises leased to the **Named Insured**, or such owner or lessor's real estate manager, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such part of the premises leased to the **Named Insured**, and provided that the **occurrence** giving rise to such **bodily injury or property damage**, or the offense giving rise to such **personal and advertising injury**, takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

F. Mortgagee, Assignee or Receiver

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee or receiver's liability for **bodily injury, property damage or personal and advertising injury** arising out of the **Named Insured's** ownership, maintenance, or use of a premises by a **Named Insured**.

The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

G. State or Governmental Agency or Subdivision or Political Subdivisions – Permits

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for **bodily injury, property damage or personal and advertising injury** arising out of:

1. the following hazards in connection with premises a **Named Insured** owns, rents, or controls and to which this insurance applies:
 - a. the existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - b. the construction, erection, or removal of elevators; or
 - c. the ownership, maintenance or use of any elevators covered by this insurance; or
2. the permitted or authorized operations performed by a **Named Insured** or on a **Named Insured's** behalf.

The coverage granted by this paragraph does not apply to:

- a. **Bodily injury, property damage or personal and advertising injury** arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or
- b. **Bodily injury or property damage** included within the **products-completed operations hazard**.

With respect to this provision's requirement that additional insured status must be requested under a written contract or agreement, the Insurer will treat as a written contract any governmental permit that requires the **Named Insured** to add the governmental entity as an additional insured.

H. Trade Show Event Lessor

1. With respect to a **Named Insured's** participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom the **Named Insured** is required to include as an additional insured, but only with respect to such person or organization's liability for **bodily injury, property damage or personal and advertising injury** caused by:
 - a. the **Named Insured's** acts or omissions; or
 - b. the acts or omissions of those acting on the **Named Insured's** behalf,in the performance of the **Named Insured's** ongoing operations at the trade show event premises during the trade show event.



Contractors' General Liability Extension Endorsement

2. The coverage granted by this paragraph does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.

2. ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE

The **Other Insurance** Condition in the **COMMERCIAL GENERAL LIABILITY CONDITIONS** Section is amended to add the following paragraph:

If the **Named Insured** has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. For the purpose of this Provision 2., the additional insured's own insurance means insurance on which the additional insured is a named insured. Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization.

3. BODILY INJURY – EXPANDED DEFINITION

Under **DEFINITIONS**, the definition of **bodily injury** is deleted and replaced by the following:

Bodily injury means physical injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury sustained by that person at any time which results as a consequence of the physical injury, sickness or disease.

4. BROAD KNOWLEDGE OF OCCURRENCE/ NOTICE OF OCCURRENCE

Under **CONDITIONS**, the condition entitled **Duties in The Event of Occurrence, Offense, Claim or Suit** is amended to add the following provisions:

A. BROAD KNOWLEDGE OF OCCURRENCE

The **Named Insured** must give the Insurer or the Insurer's authorized representative notice of an **occurrence**, offense or **claim** only when the **occurrence**, offense or **claim** is known to a natural person **Named Insured**, to a partner, executive officer, manager or member of a **Named Insured**, or an **employee** designated by any of the above to give such notice.

B. NOTICE OF OCCURRENCE

The **Named Insured's** rights under this **Coverage Part** will not be prejudiced if the **Named Insured** fails to give the Insurer notice of an **occurrence**, offense or **claim** and that failure is solely due to the **Named Insured's** reasonable belief that the **bodily injury** or **property damage** is not covered under this **Coverage Part**. However, the **Named Insured** shall give written notice of such **occurrence**, offense or **claim** to the Insurer as soon as the **Named Insured** is aware that this insurance may apply to such **occurrence**, offense or **claim**.

5. BROAD NAMED INSURED

WHO IS AN INSURED is amended to delete its Paragraph 3. in its entirety and replace it with the following:

3. Pursuant to the limitations described in Paragraph 4. below, any organization in which a **Named Insured** has management control:

- a. on the effective date of this **Coverage Part**; or
- b. by reason of a **Named Insured** creating or acquiring the organization during the **policy period**,

qualifies as a **Named Insured**, provided that there is no other similar liability insurance, whether primary, contributory, excess, contingent or otherwise, which provides coverage to such organization, or which would have provided coverage but for the exhaustion of its limit, and without regard to whether its coverage is broader or narrower than that provided by this insurance.

But this **BROAD NAMED INSURED** provision does not apply to:

- (a) any partnership, limited liability company or joint venture; or



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(b) any organization for which coverage is excluded by another endorsement attached to this **Coverage Part**.

For the purpose of this provision, management control means:

- A. owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation; or
 - B. having the right, pursuant to a written trust agreement, to protect, control the use of, encumber or transfer or sell property held by a trust.
4. With respect to organizations which qualify as **Named Insureds** by virtue of Paragraph 3. above, this insurance does not apply to:
- a. **bodily injury** or **property damage** that first occurred prior to the date of management control, or that first occurs after management control ceases; nor
 - b. **personal or advertising injury** caused by an offense that first occurred prior to the date of management control or that first occurs after management control ceases.
5. The insurance provided by this **Coverage Part** applies to **Named Insureds** when trading under their own names or under such other trading names or doing-business-as names (dba) as any **Named Insured** should choose to employ.

6. BROADENED LIABILITY COVERAGE FOR DAMAGE TO YOUR PRODUCT AND YOUR WORK

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusions k. and l. and replace them with the following:

This insurance does not apply to:

k. Damage to Your Product

Property damage to your product arising out of it, or any part of it except when caused by or resulting from:

- (1) fire;
- (2) smoke;
- (3) collapse; or
- (4) explosion.

l. Damage to Your Work

Property damage to your work arising out of it, or any part of it and included in the **products-completed operations hazard**.

This exclusion does not apply:

- (1) If the damaged work, or the work out of which the damage arises, was performed on the **Named Insured's** behalf by a subcontractor; or
- (2) If the cause of loss to the damaged work arises as a result of:
 - (a) fire;
 - (b) smoke;
 - (c) collapse; or
 - (d) explosion.

- B. The following paragraph is added to **LIMITS OF INSURANCE**:



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Subject to 5. above, \$100,000 is the most the Insurer will pay under **Coverage A** for the sum of **damages** arising out of any one **occurrence** because of **property damage to your product** and **your work** that is caused by fire, smoke, collapse or explosion and is included within the **product-completed operations hazard**. This sublimit does not apply to **property damage to your work** if the damaged work, or the work out of which the damage arises, was performed on the **Named Insured's** behalf by a subcontractor.

- C. This **Broadened Liability Coverage For Damage To Your Product And Your Work** Provision does not apply if an endorsement of the same name is attached to this policy.

7. CONTRACTUAL LIABILITY – RAILROADS

With respect to operations performed within 50 feet of railroad property, the definition of **insured contract** is replaced by the following:

Insured Contract means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** 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 the **Named Insured's** business (including an indemnification of a municipality in connection with work performed for a municipality) under which the **Named Insured** assumes 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 (1) above and supervisory, inspection, architectural or engineering activities.

8. ELECTRONIC DATA LIABILITY

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusion p. **Electronic Data** and replace it with the following:

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or



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(2) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data** that does not result from physical injury to tangible property.

However, unless Paragraph (1) above applies, this exclusion does not apply to **damages** because of **bodily injury**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relation expenses or any other loss, cost or expense incurred by the **Named Insured** or others arising out of that which is described in Paragraph (1) or (2) above.

B. The following paragraph is added to LIMITS OF INSURANCE:

Subject to 5. above, \$100,000 is the most the Insurer will pay under **Coverage A** for all **damages** arising out of any one **occurrence** because of **property damage** that results from physical injury to tangible property and arises out of **electronic data**.

C. The following definition is added to DEFINITIONS:

Electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

D. For the purpose of the coverage provided by this ELECTRONIC DATA LIABILITY Provision, the definition of property damage in DEFINITIONS is replaced by the following:

Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it; or
- c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate **electronic data**, resulting from physical injury to tangible property. All such loss of **electronic data** shall be deemed to occur at the time of the **occurrence** that caused it.

For the purposes of this insurance, **electronic data** is not tangible property.

E. If Electronic Data Liability is provided at a higher limit by another endorsement attached to this policy, then the \$100,000 limit provided by this ELECTRONIC DATA LIABILITY Provision is part of, and not in addition to, that higher limit.

9. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

The estates, heirs, legal representatives and **spouses** of any natural person **Insured** shall also be insured under this policy; provided, however, coverage is afforded to such estates, heirs, legal representatives, and **spouses** only for **claims** arising solely out of their capacity or status as such and, in the case of a **spouse**, where such **claim** seeks **damages** from marital community property, jointly held property or property transferred from such natural person **Insured** to such **spouse**. No coverage is provided for any act, error or omission of an estate, heir, legal representative, or **spouse** outside the scope of such person's capacity or status as such, provided however that the **spouse** of a natural person **Named Insured** and the **spouses** of members or partners of joint venture or partnership **Named Insureds** are **Insureds** with respect to such **spouses'** acts, errors or omissions in the conduct of the **Named Insured's** business.

10. EXPECTED OR INTENDED INJURY – EXCEPTION FOR REASONABLE FORCE

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Expected or Intended Injury** and replace it with the following:



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This insurance does not apply to:

Expected or Intended Injury

Bodily injury or property damage expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **bodily injury or property damage** resulting from the use of reasonable force to protect persons or property.

11. GENERAL AGGREGATE LIMITS OF INSURANCE - PER PROJECT

A. For each construction project away from premises the **Named Insured** owns or rents, a separate Construction Project General Aggregate Limit, equal to the amount of the General Aggregate Limit shown in the Declarations, is the most the Insurer will pay for the sum of:

1. All **damages** under **Coverage A**, except **damages** because of **bodily injury or property damage** included in the **products-completed operations hazard**; and
2. All medical expenses under **Coverage C**,

that arise from **occurrences** or accidents which can be attributed solely to ongoing operations at that construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations, nor the Construction Project General Aggregate Limit of any other construction project.

B. All:

1. **Damages** under **Coverage B**, regardless of the number of locations or construction projects involved;
2. **Damages** under **Coverage A**, caused by **occurrences** which cannot be attributed solely to ongoing operations at a single construction project, except **damages** because of **bodily injury or property damage** included in the **products-completed operations hazard**; and
3. Medical expenses under **Coverage C** caused by accidents which cannot be attributed solely to ongoing operations at a single construction project,

will reduce the General Aggregate Limit shown in the Declarations.

- C. The limits shown in the Declarations for Each Occurrence, for Damage To Premises Rented To You and for Medical Expense continue to apply, but will be subject to either the Construction Project General Aggregate Limit or the General Aggregate Limit shown in the Declarations, depending on whether the **occurrence** can be attributed solely to ongoing operations at a particular construction project.
- D. 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 shown in the Declarations, regardless of the number of projects involved.
- E. If a single construction project away from premises owned by or rented to the **Insured** has been abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- F. The provisions of **LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

12. IN REM ACTIONS

A quasi in rem action against any vessel owned or operated by or for the **Named Insured**, or chartered by or for the **Named Insured**, will be treated in the same manner as though the action were in personam against the **Named Insured**.

13. INCIDENTAL HEALTH CARE MALPRACTICE COVERAGE

Solely with respect to **bodily injury** that arises out of a **health care incident**:

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Insured Name:

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- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Insuring Agreement** is amended to replace Paragraphs 1.b.(1) and 1.b.(2) with the following:
- b. This insurance applies to **bodily injury** provided that the professional health care services are incidental to the **Named Insured's** primary business purpose, and only if:
- (1) such **bodily injury** is caused by an **occurrence** that takes place in the **coverage territory**.
 - (2) the **bodily injury** first occurs during the **policy period**. All **bodily injury** arising from an **occurrence** will be deemed to have occurred at the time of the first act, error, or omission that is part of the **occurrence**; and
- B. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to:
- i. add the following to the **Employers Liability** exclusion:
- This exclusion applies only if the **bodily injury** arising from a **health care incident** is covered by other liability insurance available to the **Insured** (or which would have been available but for exhaustion of its limits).
- ii. delete the exclusion entitled **Contractual Liability** and replace it with the following:
- This insurance does not apply to:
- Contractual Liability**
- the **Insured's** actual or alleged liability under any oral or written contract or agreement, including but not limited to express warranties or guarantees.
- iii. add the following additional exclusions:
- This insurance does not apply to:
- Discrimination**
- any actual or alleged discrimination, humiliation or harassment, including but not limited to **claims** based on an individual's race, creed, color, age, gender, national origin, religion, disability, marital status or sexual orientation.
- Dishonesty or Crime**
- Any actual or alleged dishonest, criminal or malicious act, error or omission.
- Medicare/Medicaid Fraud**
- any actual or alleged violation of law with respect to Medicare, Medicaid, Tricare or any similar federal, state or local governmental program.
- Services Excluded by Endorsement**
- Any **health care incident** for which coverage is excluded by endorsement.
- C. **DEFINITIONS** is amended to:
- i. add the following definitions:
- Health care incident** means an act, error or omission by the **Named Insured's employees** or **volunteer workers** in the rendering of:
- a. **professional health care services** on behalf of the **Named Insured** or
 - b. Good Samaritan services rendered in an emergency and for which no payment is demanded or received.



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Professional health care services means any health care services or the related furnishing of food, beverages, medical supplies or appliances by the following providers in their capacity as such but solely to the extent they are duly licensed as required:

- a. Physician;
- b. Nurse;
- c. Nurse practitioner;
- d. Emergency medical technician;
- e. Paramedic;
- f. Dentist;
- g. Physical therapist;
- h. Psychologist;
- i. Speech therapist;
- j. Other allied health professional; or

Professional health care services does not include any services rendered in connection with human clinical trials or product testing.

- ii. delete the definition of **occurrence** and replace it with the following:

Occurrence means a **health care incident**. All acts, errors or omissions that are logically connected by any common fact, circumstance, situation, transaction, event, advice or decision will be considered to constitute a single **occurrence**;

- iii. amend the definition of **Insured** to:

- a. add the following:

- the **Named Insured's employees** are **Insureds** with respect to:

- (1) **bodily injury** to a co-**employee** while in the course of the co-**employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business; and
- (2) **bodily injury** to a **volunteer worker** while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- the **Named Insured's volunteer workers** are **Insureds** with respect to:

- (1) **bodily injury** to a co-**volunteer worker** while performing duties related to the conduct of the **Named Insured's** business; and
- (2) **bodily injury** to an **employee** while in the course of the **employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- b. delete Subparagraphs (a), (b), (c) and (d) of Paragraph 2.a.(1) of **WHO IS AN INSURED**.

- D. The **Other Insurance** condition is amended to delete Paragraph b.(1) in its entirety and replace it with the following:

Other Insurance

b. Excess Insurance

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- (1) To the extent this insurance applies, it is excess over any other insurance, self insurance or risk transfer instrument, whether primary, excess, contingent or on any other basis, except for insurance purchased specifically by the **Named Insured** to be excess of this coverage.

14. JOINT VENTURES / PARTNERSHIP / LIMITED LIABILITY COMPANIES

WHO IS AN INSURED is amended to delete its last paragraph and replace it with the following:

No person or organization is an **Insured** with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a **Named Insured** in the Declarations, except that if the **Named Insured** was a joint venturer, partner, or member of a limited liability company and such joint venture, partnership or limited liability company terminated prior to or during the **policy period**, such **Named Insured** is an **Insured** with respect to its interest in such joint venture, partnership or limited liability company but only to the extent that:

- a. any offense giving rise to **personal and advertising injury** occurred prior to such termination date, and the **personal and advertising injury** arising out of such offense first occurred after such termination date;
- b. the **bodily injury** or **property damage** first occurred after such termination date; and
- c. there is no other valid and collectible insurance purchased specifically to insure the partnership, joint venture or limited liability company; and

If the joint venture, partnership or limited liability company is or was insured under a **consolidated (wrap-up) insurance program**, then such insurance will always be considered valid and collectible for the purpose of paragraph c. above. But this provision will not serve to exclude **bodily injury, property damage or personal and advertising injury** that would otherwise be covered under the **Contractors General Liability Extension Endorsement** provision entitled **WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS**. Please see that provision for the definition of **consolidated (wrap-up) insurance program**.

15. LEGAL LIABILITY – DAMAGE TO PREMISES / ALIENATED PREMISES / PROPERTY IN THE NAMED INSURED'S CARE, CUSTODY OR CONTROL

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusion j. **Damage to Property** in its entirety and replace it with the following:

This insurance does not apply to:

j. **Damage to Property**

Property damage to:

- (1) Property the **Named Insured** owns, rents, or occupies, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises the **Named Insured** sells, gives away or abandons, if the **property damage** arises out of any part of those premises;
- (3) Property loaned to the **Named Insured**;
- (4) Personal property in the care, custody or control of the **Insured**;
- (5) That particular part of real property on which the **Named Insured** or any contractors or subcontractors working directly or indirectly on the **Named Insured's** behalf are performing operations, if the **property damage** arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

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Insured Name:

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Paragraphs (1), (3) and (4) of this exclusion do not apply to **property damage** (other than damage by fire) to premises rented to the **Named Insured** or temporarily occupied by the **Named Insured** with the permission of the owner, nor to the contents of premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are **your work**.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to **property damage** included in the **products-completed operations hazard**.

Paragraphs (3) and (4) of this exclusion do not apply to **property damage** to:

- i. tools, or equipment the **Named Insured** borrows from others, nor
- ii. other personal property of others in the **Named Insured's** care, custody or control while being used in the **Named Insured's** operations away from any **Named Insured's** premises.

However, the coverage granted by this exception to Paragraphs (3) and (4) does not apply to:

- a. property at a job site awaiting or during such property's installation, fabrication, or erection;
- b. property that is **mobile equipment** leased by an **Insured**;
- c. property that is an **auto**, aircraft or watercraft;
- d. property in transit; or
- e. any portion of **property damage** for which the **Insured** has available other valid and collectible insurance, or would have such insurance but for exhaustion of its limits, or but for application of one of its exclusions.

A separate limit of insurance and deductible apply to such property of others. See **LIMITS OF INSURANCE** as amended below.

- B.** Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete its last paragraph and replace it with the following:

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** with permission of the owner, nor to damage to the contents of premises rented to a **Named Insured** for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in **LIMITS OF INSURANCE**.

- C.** The following paragraph is added to **LIMITS OF INSURANCE**:

Subject to **5.** above, \$25,000 is the most the Insurer will pay under **Coverage A** for **damages** arising out of any one **occurrence** because of the sum of all **property damage** to borrowed tools or equipment, and to other personal property of others in the **Named Insured's** care, custody or control, while being used in the **Named Insured's** operations away from any **Named Insured's** premises. The Insurer's obligation to pay such **property damage** does not apply until the amount of such **property damage** exceeds \$1,000. The Insurer has the right but not the duty to pay any portion of this \$1,000 in order to effect settlement. If the Insurer exercises that right, the **Named Insured** will promptly reimburse the Insurer for any such amount.

- D.** Paragraph **6.**, **Damage To Premises Rented To You Limit**, of **LIMITS OF INSURANCE** is deleted and replaced by the following:

- 6.** Subject to Paragraph **5.** above, (the Each Occurrence Limit), the **Damage To Premises Rented To You Limit** is the most the Insurer will pay under **Coverage A** for **damages** because of **property damage** to any one premises while rented to the **Named Insured** or temporarily occupied by the **Named Insured**



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with the permission of the owner, including contents of such premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. The Damage To Premises Rented To You Limit is the greater of:

- a. \$500,000; or
- b. The Damage To Premises Rented To You Limit shown in the Declarations.

E. Paragraph 4.b.(1)(a)(ii) of the **Other Insurance** Condition is deleted and replaced by the following:

- (ii) That is property insurance for premises rented to the **Named Insured**, for premises temporarily occupied by the **Named Insured** with the permission of the owner; or for personal property of others in the **Named Insured's** care, custody or control;

16. LIQUOR LIABILITY

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Liquor Liability**.

This **LIQUOR LIABILITY** provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

17. MEDICAL PAYMENTS

A. **LIMITS OF INSURANCE** is amended to delete Paragraph 7. (the Medical Expense Limit) and replace it with the following:

- 7. Subject to Paragraph 5. above (the Each Occurrence Limit), the Medical Expense Limit is the most the Insurer will pay under **Coverage C – Medical Payments** for all medical expenses because of **bodily injury** sustained by any one person. The Medical Expense Limit is the greater of:

- (1) \$15,000 unless a different amount is shown here: @@@@@@@@@@@@@@; or
- (2) the amount shown in the Declarations for Medical Expense Limit.

B. Under **COVERAGES**, the **Insuring Agreement of Coverage C – Medical Payments** is amended to replace Paragraph 1.a.(3)(b) with the following:

- (b) The expenses are incurred and reported to the Insurer within three years of the date of the accident; and

This Paragraph B. does not apply to medical expenses incurred in the state of Missouri.

18. NON-OWNED AIRCRAFT

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended as follows:

The exclusion entitled **Aircraft, Auto or Watercraft** is amended to add the following:

This exclusion does not apply to an aircraft not owned by any **Named Insured**, provided that:

- 1. the pilot in command holds a currently effective certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
- 2. the aircraft is rented with a trained, paid crew to the **Named Insured**; and
- 3. the aircraft is not being used to carry persons or property for a charge.

19. NON-OWNED WATERCRAFT

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete subparagraph (2) of the exclusion entitled **Aircraft, Auto or Watercraft**, and replace it with the following.

This exclusion does not apply to:



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(2) a watercraft that is not owned by any **Named Insured**, provided the watercraft is:

- (a) less than 75 feet long; and
- (b) not being used to carry persons or property for a charge.

20. PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION

A. Under **DEFINITIONS**, the definition of **personal and advertising injury** is amended to add the following tort:

- Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.

B. Under **COVERAGES, Coverage B – Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to:

1. delete the Exclusion entitled **Knowing Violation Of Rights Of Another** and replace it with the following:

This insurance does not apply to:

Knowing Violation of Rights of Another

Personal and advertising injury caused by or at the direction of the **Insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**. This exclusion shall not apply to discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is not done intentionally by or at the direction of:

(a) the **Named Insured**; or

(b) any **executive officer**, director, stockholder, partner, member or manager (if the **Named Insured** is a limited liability company) of the **Named Insured**.

2. add the following exclusions:

This insurance does not apply to:

Employment Related Discrimination

Discrimination or humiliation directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person by any **Insured**.

Premises Related Discrimination

discrimination or humiliation arising out of the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any **Insured**.

Notwithstanding the above, there is no coverage for fines or penalties levied or imposed by a governmental entity because of discrimination.

The coverage provided by this **PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization whose status as an **Insured** derives solely from

- Provision 1. **ADDITIONAL INSURED** of this endorsement; or
- attachment of an additional insured endorsement to this **Coverage Part**.

This **PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

21. PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY

A. Under **COVERAGES, Coverage B –Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Contractual Liability**.

CNA74705XX (1-15)
Page 14 of 17

Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Contractors' General Liability Extension Endorsement

- B.** Solely for the purpose of the coverage provided by this **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** provision, the following changes are made to the section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**:

1. Paragraph **2.d.** is replaced by the following:

- d.** The allegations in the **suit** and the information the Insurer knows about the offense alleged in such **suit** are such that no conflict appears to exist between the interests of the **Insured** and the interests of the indemnitee;

2. The first unnumbered paragraph beneath Paragraph **2.f.(2)(b)** is deleted and replaced by the following:

So long as the above conditions are met, attorneys fees incurred by the Insurer in the defense of that indemnitee, necessary litigation expenses incurred by the Insurer, and necessary litigation expenses incurred by the indemnitee at the Insurer's request will be paid as **defense costs**. Such payments will not be deemed to be **damages** for **personal and advertising injury** and will not reduce the limits of insurance.

- C.** This **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** Provision does not apply if **Coverage B –Personal and Advertising Injury Liability** is excluded by another endorsement attached to this **Coverage Part**.

This **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

22. PROPERTY DAMAGE – ELEVATORS

- A.** Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended such that the **Damage to Your Product** Exclusion and subparagraphs **(3), (4)** and **(6)** of the **Damage to Property** Exclusion do not apply to **property damage** that results from the use of elevators.

- B.** Solely for the purpose of the coverage provided by this **PROPERTY DAMAGE – ELEVATORS** Provision, the **Other Insurance** conditions is amended to add the following paragraph:

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is Property insurance covering property of others damaged from the use of elevators.

23. SUPPLEMENTARY PAYMENTS

The section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended as follows:

- A.** Paragraph **1.b.** is amended to delete the \$250 limit shown for the cost of bail bonds and replace it with a \$5,000. limit; and
- B.** Paragraph **1.d.** is amended to delete the limit of \$250 shown for daily loss of earnings and replace it with a \$1,000. limit.

24. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If the **Named Insured** unintentionally fails to disclose all existing hazards at the inception date of the **Named Insured's Coverage Part**, the Insurer will not deny coverage under this **Coverage Part** because of such failure.

25. WAIVER OF SUBROGATION - BLANKET

Under **CONDITIONS**, the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended to add the following:

The Insurer waives any right of recovery the Insurer may have against any person or organization because of payments the Insurer makes for injury or damage arising out of:

1. the **Named Insured's** ongoing operations; or
2. **your work** included in the **products-completed operations hazard**.



Contractors' General Liability Extension Endorsement

However, this waiver applies only when the **Named Insured** has agreed in writing to waive such rights of recovery in a written contract or written agreement, and only if such contract or agreement:

1. is in effect or becomes effective during the term of this **Coverage Part**; and
2. was executed prior to the **bodily injury, property damage or personal and advertising injury** giving rise to the **claim**.

26. WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS

Note: The following provision does not apply to any public construction project in the state of Oklahoma, nor to any construction project in the state of Alaska, that is not permitted to be insured under a **consolidated (wrap-up) insurance program** by applicable state statute or regulation.

If the endorsement **EXCLUSION – CONSTRUCTION WRAP-UP** is attached to this policy, or another exclusionary endorsement pertaining to Owner Controlled Insurance Programs (O.C.I.P.) or Contractor Controlled Insurance Programs (C.C.I.P.) is attached, then the following changes apply:

A. The following wording is added to the above-referenced endorsement:

With respect to a **consolidated (wrap-up) insurance program** project in which the **Named Insured** is or was involved, this exclusion does not apply to those sums the **Named Insured** become legally obligated to pay as **damages** because of:

1. **Bodily injury, property damage, or personal or advertising injury** that occurs during the **Named Insured's** ongoing operations at the project, or during such operations of anyone acting on the **Named Insured's** behalf; nor
2. **Bodily injury or property damage** included within the **products-completed operations hazard** that arises out of those portions of the project that are not **residential structures**.

B. Condition **4. Other Insurance** is amended to add the following subparagraph **4.b.(1)(c)**:

This insurance is excess over:

- (c) Any of the other insurance whether primary, excess, contingent or any other basis that is insurance available to the **Named Insured** as a result of the **Named Insured** being a participant in a **consolidated (wrap-up) insurance program**, but only as respects the **Named Insured's** involvement in that **consolidated (wrap-up) insurance program**.

C. **DEFINITIONS** is amended to add the following definitions:

Consolidated (wrap-up) insurance program means a construction, erection or demolition project for which the prime contractor/project manager or owner of the construction project has secured general liability insurance covering some or all of the contractors or subcontractors involved in the project, such as an Owner Controlled Insurance Program (O.C.I.P.) or Contractor Controlled Insurance Program (C.C.I.P.).

Residential structure means any structure where 30% or more of the square foot area is used or is intended to be used for human residency, including but not limited to:

1. single or multifamily housing, apartments, condominiums, townhouses, co-operatives or planned unit developments; and
2. the common areas and structures appurtenant to the structures in paragraph 1. (including pools, hot tubs, detached garages, guest houses or any similar structures).

However, when there is no individual ownership of units, **residential structure** does not include military housing, college/university housing or dormitories, long term care facilities, hotels or motels. **Residential structure** also does not include hospitals or prisons.

This **WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

CNA74705XX (1-15)
Page 16 of 17

Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Contractors' General Liability Extension Endorsement

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA74705XX (1-15)
Page 17 of 17

Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:
- A. in the performance of your ongoing operations subject to such **written contract**; or
 - B. in the performance of **your work** subject to such **written contract**, but only with respect to **bodily injury** or **property damage** included in the **products-completed operations hazard**, and only if:
 - 1. the **written contract** requires you to provide the additional insured such coverage; and
 - 2. this **coverage part** provides such coverage.
- II. But if the **written contract** requires:
- A. additional insured coverage under the 11-85 edition, 10-93 edition, or 10-01 edition of CG2010, or under the 10-01 edition of CG2037; or
 - B. additional insured coverage with "arising out of" language; or
 - C. additional insured coverage to the greatest extent permissible by law;
- then paragraph I. above is deleted in its entirety and replaced by the following:
- WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** arising out of **your work** that is subject to such **written contract**.
- III. Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
- A. coverage broader than required by the **written contract**; or
 - B. a higher limit of insurance than required by the **written contract**.
- IV. The insurance granted by this endorsement to the additional insured does not apply to **bodily injury, property damage**, or **personal and advertising injury** arising out of:
- A. 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; and
 - 2. supervisory, inspection, architectural or engineering activities; or
 - B. any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this **coverage part**.
- V. Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance** is amended to add the following, which supersedes any provision to the contrary in this Condition or elsewhere in this **coverage part**:

Primary and Noncontributory Insurance

CNA75079XX (10-16)
Page 1 of 2

Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement

With respect to other insurance available to the additional insured under which the additional insured is a named insured, this insurance is primary to and will not seek contribution from such other insurance, provided that a **written contract** requires the insurance provided by this policy to be:

1. primary and non-contributing with other insurance available to the additional insured; or
2. primary and to not seek contribution from any other insurance available to the additional insured.

But except as specified above, this insurance will be excess of all other insurance available to the additional insured.

VI. Solely with respect to the insurance granted by this endorsement, the section entitled COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

1. give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
2. send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
3. make available any other insurance, and tender the defense and indemnity of any **claim** to any other insurer or self-insurer, whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph 3. does not apply to insurance on which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.

VII. Solely with respect to the insurance granted by this endorsement, the section entitled DEFINITIONS is amended to add the following definition:

Written contract means a written contract or written agreement that requires you to make a person or organization an additional insured on this **coverage part**, provided the contract or agreement:

- A. is currently in effect or becomes effective during the term of this policy; and
- B. was executed prior to:
 1. the **bodily injury or property damage**; or
 2. the offense that caused the **personal and advertising injury**;for which the additional insured seeks coverage.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA75079XX (10-16)
Page 2 of 2

Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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	Waiver of Transfer of Rights of Recovery Against Others to the Insurer Endorsement
--	---

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE
Name Of Person Or Organization:
Any person or organization with whom you have agreed in writing in a contract or agreement to waive any right of recovery against such person or organization, but only if the contract or agreement: 1. Is in effect or becomes effective during the term of this policy; and 2. Was executed prior to loss.

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, it is understood and agreed that the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

With respect to the person or organization shown in the Schedule above, the Insurer waives any right of recovery the Insurer may have against such person or organization because of payments the Insurer makes for injury or damage arising out of the **Named Insured's** ongoing operations or **your work** included in the **products-completed operations hazard**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.
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CNA75008XX (10-16)
Page 1 of 1

Policy No: CNA75061XX (1-15)
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY

It is understood and agreed that this endorsement amends the **BUSINESS AUTO COVERAGE FORM** as follows:

SCHEDULE

Name of Additional Insured Persons Or Organizations
<p>"Any person or organization that you are required by written contract to make an additional insured under this insurance is an "insured", but only with respect to that person or organization's legal liability for acts or omissions of a person who qualifies as an "insured" for Liability Coverage under Section II – Who Is An Insured of this Coverage Form."</p>

1. In conformance with paragraph **A.1.c.** of **Who Is An Insured** of Section **II – LIABILITY COVERAGE**, the person or organization scheduled above is an insured under this policy.
2. The insurance afforded to the additional insured under this policy will apply on a primary and non-contributory basis if you have committed it to be so in a written contract or written agreement executed prior to the date of the "accident" for which the additional insured seeks coverage under this policy.

All other terms and conditions of the Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: CJ Concrete Construction Inc

Endorsement Effective Date: 11/12/2021

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

ANY PERSON OR ORGANIZATION FOR WHOM
OR WHICH YOU ARE REQUIRED BY WRITTEN
CONTRACT OR AGREEMENT TO OBTAIN THIS
WAIVER FROM US. YOU MUST AGREE TO THAT
REQUIREMENT PRIOR TO LOSS.

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.

POLICY INFORMATION PAGE ENDORSEMENT

The following item(s)

<input type="checkbox"/> Insured's Name (WC 89 06 01)	<input type="checkbox"/> Item 3.B. Limits (WC 89 06 12)
<input type="checkbox"/> Policy Number (WC 89 06 02)	<input type="checkbox"/> Item 3.C. States (WC 89 06 13)
<input type="checkbox"/> Effective Date (WC 89 06 03)	<input checked="" type="checkbox"/> Item 3.D. Endorsement Numbers (WC 89 06 14)
<input type="checkbox"/> Expiration Date (WC 89 06 04)	<input checked="" type="checkbox"/> Item 4. *Class, Rate, Other (WC 89 04 15)
<input type="checkbox"/> Insured's Mailing Address (WC 89 06 05)	<input type="checkbox"/> Interim Adjustment of Premium (WC 89 04 16)
<input type="checkbox"/> Experience Modification (WC 89 04 06)	<input type="checkbox"/> Carrier Servicing Office (WC 89 06 17)
<input type="checkbox"/> Producer's Name (WC 89 06 07)	<input type="checkbox"/> Interstate/Intrastate Risk I.D. Number (WC 89 06 18)
<input type="checkbox"/> Change in Workplace of Insured (WC 89 06 08)	<input type="checkbox"/> Carrier Number (WC 89 06 19)
<input type="checkbox"/> Insured's Legal Status (WC 89 06 10)	<input type="checkbox"/> Issuing Agency/Producer Office Address (WC 89 06 25)
<input type="checkbox"/> Item 3.A. States (WC 89 06 11)	

is changed to read:

THE FOLLOWING RATING PLAN IS ADDED TO THIS POLICY:
BLANKET WAIVER (0930) STATE: CA RATE: .02

THE FOLLOWING FORM(S) HAS BEEN ADDED:
WC 04 03 06 04-84 CA WAIVER OF OUR RIGHT TO RECOVER

*Item 4. Change To:

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
SEE ATTACHED WC 89 06 00 B (07-01) EXTENSION				

Total Estimated Annual Premium \$ **59,947**Minimum Premium \$ **2,538**Deposit Premium \$ **9,794**

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
 (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **05-08-21** Policy No. **WC 73981 00** Endorsement No. **001**

Insured **CJ Concrete Constructions Inc**
Santa Fe Springs, CA 90670

Premium: \$ **949.00**

Insurance Company

Sirius America Ins Co

Countersigned By _____

WC 89 06 00B

(Ed. 7-01)

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WORKERS' COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 89 06 00 B

28363

(Ed. 7-01)

POLICY INFORMATION PAGE ENDORSEMENT

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
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TRANSACTION RECAP BY RATING GROUP

Transaction Factor = 1

State: CA Rating Group: 0001-01

Stat Code	Old Rate	New Rate	Old Term Premium	New Term Premium	OOS Offset	Add/Return Premium
9897	-.24	-.24	-33,498.00	-34,051.00	.00	-553.00
9887	-.42	-.42	-44,553.00	-45,287.00	.00	-734.00
0063	-.1	-.1	-6,153.00	-6,254.00	.00	-101.00
0930	.00	.02	.00	2,301.00	.00	2,301.00
0987	.022646	.022646	1,285.00	1,306.00	.00	21.00
0988	.004734	.004734	269.00	273.00	.00	4.00
0000	.000775	.000775	44.00	45.00	.00	1.00
0000	.006579	.006579	373.00	379.00	.00	6.00
0000	.002584	.002584	147.00	149.00	.00	2.00
0000	.002272	.002272	129.00	131.00	.00	2.00

Rating Group 0001-01 Estimated Transaction Premium 949.00

Cash State Total (CA) 949.00

Policy Total Cash Premium 949.00

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT -
CALIFORNIA**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be _____ % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE**PERSON OR ORGANIZATION****JOB DESCRIPTION****Blanket Waiver**

**Any person or organization as
required by written
contract within states covered
under this policy**

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **05-08-21** Policy No. **WC 73981 00** Endorsement No. **001**

Insured **CJ Concrete Constructions Inc** Premium \$ **Incl.**

Insurance Company **Sirius America Ins Co**

Countersigned By _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/22/2021

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

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

PRODUCER Behr Insurance Services Inc. 1420 E Los Angeles Ave #203 Simi Valley CA 93065		CONTACT NAME: PHONE (A/C, No, Ext): 888-988-2347 FAX (A/C, No): E-MAIL ADDRESS: service@behrins.com	
INSURED CJ Concrete Construction Inc 10142 SHOEMAKER AVE SANTA FE SPRINGS CA 90670-3404		INSURER(S) AFFORDING COVERAGE INSURER A: VALLEY FORGE INS CO INSURER B: CONTINENTAL CAS CO INSURER C: CONTINENTAL INS CO INSURER D: INSURER E: INSURER F:	
		NAIC # 20508 20443 35289	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	7017691303	11/12/2021	11/12/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	7017691317	11/12/2021	11/12/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			7017691320	11/12/2021	11/12/2022	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000
	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A				PER STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

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

See ACORD 101

CERTIFICATE HOLDER**CANCELLATION**

City of Redondo Beach 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 Jonathan Behr
---	--

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AGENCY CUSTOMER ID: _____

LOC #: _____

**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Behr Insurance Services Inc.		NAMED INSURED CJ Concrete Construction Inc	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,****FORM NUMBER:** 25 **FORM TITLE:** Certificate Of Liability Insurance

Citywide Curb Ramp Improvements 2021 Project, Job No. 40399 (Federal HUD B-20-MC-06-0528)
City of Redondo Beach and it's officers, employees, elected officials, attorneys, members of boards and commissions, agents and volunteers are additional insured when required by contract for General Liability per attached CNA74705XX (1-15) endorsement and Auto Liability per attached CNA71527XX (10/12) endorsement. Coverage is primary and non-contributory for General Liability per attached CNA75079XX (10-16) endorsement and Auto Liability per attached CNA71527XX (10/12) endorsement. Waiver of subrogation applies to general liability per attached CNA75008XX (10-16) endorsement and auto liability per CA 04 44 10 13 endorsement.



Contractors' General Liability Extension Endorsement

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows. If any other endorsement attached to this policy amends any provision also amended by this endorsement, then that other endorsement controls with respect to such provision, and the changes made by this endorsement with respect to such provision do not apply.

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Contractors' General Liability Extension Endorsement

1. ADDITIONAL INSURED

- a. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization described in paragraphs **A.** through **H.** below whom a **Named Insured** is required to add as an additional insured on this **Coverage Part** under a written contract or written agreement, provided such contract or agreement:

(1) is currently in effect or becomes effective during the term of this **Coverage Part**; and

(2) was executed prior to:

(a) the **bodily injury** or **property damage**; or

(b) the offense that caused the **personal and advertising injury**,

for which such additional insured seeks coverage.

- b. However, subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:

(1) a higher limit of insurance than required by such contract or agreement; or

(2) coverage broader than required by such contract or agreement, and in no event broader than that described by the applicable paragraph **A.** through **H.** below.

Any coverage granted by this endorsement shall apply only to the extent permissible by law.

A. Controlling Interest

Any person or organization with a controlling interest in a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of:

1. such person or organization's financial control of a **Named Insured**; or

2. premises such person or organization owns, maintains or controls while a **Named Insured** leases or occupies such premises;

provided that the coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

B. Co-owner of Insured Premises

A co-owner of a premises co-owned by a **Named Insured** and covered under this insurance but only with respect to such co-owner's liability for **bodily injury**, **property damage** or **personal and advertising injury** as co-owner of such premises.

C. Lessor of Equipment

Any person or organization from whom a **Named Insured** leases equipment, but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** caused, in whole or in part, by the **Named Insured's** maintenance, operation or use of such equipment, provided that the **occurrence** giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease.

D. Lessor of Land

Any person or organization from whom a **Named Insured** leases land but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of the ownership, maintenance or use of such land, provided that the **occurrence** giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

E. Lessor of Premises

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Contractors' General Liability Extension Endorsement

An owner or lessor of premises leased to the **Named Insured**, or such owner or lessor's real estate manager, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such part of the premises leased to the **Named Insured**, and provided that the **occurrence** giving rise to such **bodily injury or property damage**, or the offense giving rise to such **personal and advertising injury**, takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

F. Mortgagee, Assignee or Receiver

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee or receiver's liability for **bodily injury, property damage or personal and advertising injury** arising out of the **Named Insured's** ownership, maintenance, or use of a premises by a **Named Insured**.

The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

G. State or Governmental Agency or Subdivision or Political Subdivisions – Permits

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for **bodily injury, property damage or personal and advertising injury** arising out of:

1. the following hazards in connection with premises a **Named Insured** owns, rents, or controls and to which this insurance applies:
 - a. the existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - b. the construction, erection, or removal of elevators; or
 - c. the ownership, maintenance or use of any elevators covered by this insurance; or
2. the permitted or authorized operations performed by a **Named Insured** or on a **Named Insured's** behalf.

The coverage granted by this paragraph does not apply to:

- a. **Bodily injury, property damage or personal and advertising injury** arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or
- b. **Bodily injury or property damage** included within the **products-completed operations hazard**.

With respect to this provision's requirement that additional insured status must be requested under a written contract or agreement, the Insurer will treat as a written contract any governmental permit that requires the **Named Insured** to add the governmental entity as an additional insured.

H. Trade Show Event Lessor

1. With respect to a **Named Insured's** participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom the **Named Insured** is required to include as an additional insured, but only with respect to such person or organization's liability for **bodily injury, property damage or personal and advertising injury** caused by:
 - a. the **Named Insured's** acts or omissions; or
 - b. the acts or omissions of those acting on the **Named Insured's** behalf,in the performance of the **Named Insured's** ongoing operations at the trade show event premises during the trade show event.



Contractors' General Liability Extension Endorsement

2. The coverage granted by this paragraph does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.

2. ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE

The **Other Insurance** Condition in the **COMMERCIAL GENERAL LIABILITY CONDITIONS** Section is amended to add the following paragraph:

If the **Named Insured** has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. For the purpose of this Provision 2., the additional insured's own insurance means insurance on which the additional insured is a named insured. Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization.

3. BODILY INJURY – EXPANDED DEFINITION

Under **DEFINITIONS**, the definition of **bodily injury** is deleted and replaced by the following:

Bodily injury means physical injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury sustained by that person at any time which results as a consequence of the physical injury, sickness or disease.

4. BROAD KNOWLEDGE OF OCCURRENCE/ NOTICE OF OCCURRENCE

Under **CONDITIONS**, the condition entitled **Duties in The Event of Occurrence, Offense, Claim or Suit** is amended to add the following provisions:

A. BROAD KNOWLEDGE OF OCCURRENCE

The **Named Insured** must give the Insurer or the Insurer's authorized representative notice of an **occurrence**, offense or **claim** only when the **occurrence**, offense or **claim** is known to a natural person **Named Insured**, to a partner, executive officer, manager or member of a **Named Insured**, or an **employee** designated by any of the above to give such notice.

B. NOTICE OF OCCURRENCE

The **Named Insured's** rights under this **Coverage Part** will not be prejudiced if the **Named Insured** fails to give the Insurer notice of an **occurrence**, offense or **claim** and that failure is solely due to the **Named Insured's** reasonable belief that the **bodily injury** or **property damage** is not covered under this **Coverage Part**. However, the **Named Insured** shall give written notice of such **occurrence**, offense or **claim** to the Insurer as soon as the **Named Insured** is aware that this insurance may apply to such **occurrence**, offense or **claim**.

5. BROAD NAMED INSURED

WHO IS AN INSURED is amended to delete its Paragraph 3. in its entirety and replace it with the following:

3. Pursuant to the limitations described in Paragraph 4. below, any organization in which a **Named Insured** has management control:

- a. on the effective date of this **Coverage Part**; or
- b. by reason of a **Named Insured** creating or acquiring the organization during the **policy period**,

qualifies as a **Named Insured**, provided that there is no other similar liability insurance, whether primary, contributory, excess, contingent or otherwise, which provides coverage to such organization, or which would have provided coverage but for the exhaustion of its limit, and without regard to whether its coverage is broader or narrower than that provided by this insurance.

But this **BROAD NAMED INSURED** provision does not apply to:

- (a) any partnership, limited liability company or joint venture; or



Contractors' General Liability Extension Endorsement

(b) any organization for which coverage is excluded by another endorsement attached to this **Coverage Part**.

For the purpose of this provision, management control means:

- A. owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation; or
 - B. having the right, pursuant to a written trust agreement, to protect, control the use of, encumber or transfer or sell property held by a trust.
4. With respect to organizations which qualify as **Named Insureds** by virtue of Paragraph 3. above, this insurance does not apply to:
- a. **bodily injury** or **property damage** that first occurred prior to the date of management control, or that first occurs after management control ceases; nor
 - b. **personal or advertising injury** caused by an offense that first occurred prior to the date of management control or that first occurs after management control ceases.
5. The insurance provided by this **Coverage Part** applies to **Named Insureds** when trading under their own names or under such other trading names or doing-business-as names (dba) as any **Named Insured** should choose to employ.

6. BROADENED LIABILITY COVERAGE FOR DAMAGE TO YOUR PRODUCT AND YOUR WORK

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusions k. and l. and replace them with the following:

This insurance does not apply to:

k. Damage to Your Product

Property damage to your product arising out of it, or any part of it except when caused by or resulting from:

- (1) fire;
- (2) smoke;
- (3) collapse; or
- (4) explosion.

l. Damage to Your Work

Property damage to your work arising out of it, or any part of it and included in the **products-completed operations hazard**.

This exclusion does not apply:

- (1) If the damaged work, or the work out of which the damage arises, was performed on the **Named Insured's** behalf by a subcontractor; or
- (2) If the cause of loss to the damaged work arises as a result of:
 - (a) fire;
 - (b) smoke;
 - (c) collapse; or
 - (d) explosion.

- B. The following paragraph is added to **LIMITS OF INSURANCE**:



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Subject to 5. above, \$100,000 is the most the Insurer will pay under **Coverage A** for the sum of **damages** arising out of any one **occurrence** because of **property damage to your product** and **your work** that is caused by fire, smoke, collapse or explosion and is included within the **product-completed operations hazard**. This sublimit does not apply to **property damage to your work** if the damaged work, or the work out of which the damage arises, was performed on the **Named Insured's** behalf by a subcontractor.

- C. This **Broadened Liability Coverage For Damage To Your Product And Your Work** Provision does not apply if an endorsement of the same name is attached to this policy.

7. CONTRACTUAL LIABILITY – RAILROADS

With respect to operations performed within 50 feet of railroad property, the definition of **insured contract** is replaced by the following:

Insured Contract means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** 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 the **Named Insured's** business (including an indemnification of a municipality in connection with work performed for a municipality) under which the **Named Insured** assumes 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 (1) above and supervisory, inspection, architectural or engineering activities.

8. ELECTRONIC DATA LIABILITY

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusion p. **Electronic Data** and replace it with the following:

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or



Contractors' General Liability Extension Endorsement

(2) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data** that does not result from physical injury to tangible property.

However, unless Paragraph (1) above applies, this exclusion does not apply to **damages** because of **bodily injury**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relation expenses or any other loss, cost or expense incurred by the **Named Insured** or others arising out of that which is described in Paragraph (1) or (2) above.

B. The following paragraph is added to LIMITS OF INSURANCE:

Subject to 5. above, \$100,000 is the most the Insurer will pay under **Coverage A** for all **damages** arising out of any one **occurrence** because of **property damage** that results from physical injury to tangible property and arises out of **electronic data**.

C. The following definition is added to DEFINITIONS:

Electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

D. For the purpose of the coverage provided by this ELECTRONIC DATA LIABILITY Provision, the definition of property damage in DEFINITIONS is replaced by the following:

Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it; or
- c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate **electronic data**, resulting from physical injury to tangible property. All such loss of **electronic data** shall be deemed to occur at the time of the **occurrence** that caused it.

For the purposes of this insurance, **electronic data** is not tangible property.

E. If Electronic Data Liability is provided at a higher limit by another endorsement attached to this policy, then the \$100,000 limit provided by this ELECTRONIC DATA LIABILITY Provision is part of, and not in addition to, that higher limit.

9. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

The estates, heirs, legal representatives and **spouses** of any natural person **Insured** shall also be insured under this policy; provided, however, coverage is afforded to such estates, heirs, legal representatives, and **spouses** only for **claims** arising solely out of their capacity or status as such and, in the case of a **spouse**, where such **claim** seeks **damages** from marital community property, jointly held property or property transferred from such natural person **Insured** to such **spouse**. No coverage is provided for any act, error or omission of an estate, heir, legal representative, or **spouse** outside the scope of such person's capacity or status as such, provided however that the **spouse** of a natural person **Named Insured** and the **spouses** of members or partners of joint venture or partnership **Named Insureds** are **Insureds** with respect to such **spouses'** acts, errors or omissions in the conduct of the **Named Insured's** business.

10. EXPECTED OR INTENDED INJURY – EXCEPTION FOR REASONABLE FORCE

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Expected or Intended Injury** and replace it with the following:



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This insurance does not apply to:

Expected or Intended Injury

Bodily injury or property damage expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **bodily injury or property damage** resulting from the use of reasonable force to protect persons or property.

11. GENERAL AGGREGATE LIMITS OF INSURANCE - PER PROJECT

A. For each construction project away from premises the **Named Insured** owns or rents, a separate Construction Project General Aggregate Limit, equal to the amount of the General Aggregate Limit shown in the Declarations, is the most the Insurer will pay for the sum of:

1. All **damages** under **Coverage A**, except **damages** because of **bodily injury or property damage** included in the **products-completed operations hazard**; and
2. All medical expenses under **Coverage C**,

that arise from **occurrences** or accidents which can be attributed solely to ongoing operations at that construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations, nor the Construction Project General Aggregate Limit of any other construction project.

B. All:

1. **Damages** under **Coverage B**, regardless of the number of locations or construction projects involved;
2. **Damages** under **Coverage A**, caused by **occurrences** which cannot be attributed solely to ongoing operations at a single construction project, except **damages** because of **bodily injury or property damage** included in the **products-completed operations hazard**; and
3. Medical expenses under **Coverage C** caused by accidents which cannot be attributed solely to ongoing operations at a single construction project,

will reduce the General Aggregate Limit shown in the Declarations.

- C. The limits shown in the Declarations for Each Occurrence, for Damage To Premises Rented To You and for Medical Expense continue to apply, but will be subject to either the Construction Project General Aggregate Limit or the General Aggregate Limit shown in the Declarations, depending on whether the **occurrence** can be attributed solely to ongoing operations at a particular construction project.
- D. 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 shown in the Declarations, regardless of the number of projects involved.
- E. If a single construction project away from premises owned by or rented to the **Insured** has been abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- F. The provisions of **LIMITS OF INSURANCE** not otherwise modified by this endorsement shall continue to apply as stipulated.

12. IN REM ACTIONS

A quasi in rem action against any vessel owned or operated by or for the **Named Insured**, or chartered by or for the **Named Insured**, will be treated in the same manner as though the action were in personam against the **Named Insured**.

13. INCIDENTAL HEALTH CARE MALPRACTICE COVERAGE

Solely with respect to **bodily injury** that arises out of a **health care incident**:

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Contractors' General Liability Extension Endorsement

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Insuring Agreement** is amended to replace Paragraphs 1.b.(1) and 1.b.(2) with the following:
- b. This insurance applies to **bodily injury** provided that the professional health care services are incidental to the **Named Insured's** primary business purpose, and only if:
 - (1) such **bodily injury** is caused by an **occurrence** that takes place in the **coverage territory**.
 - (2) the **bodily injury** first occurs during the **policy period**. All **bodily injury** arising from an **occurrence** will be deemed to have occurred at the time of the first act, error, or omission that is part of the **occurrence**; and
- B. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to:
- i. add the following to the **Employers Liability** exclusion:

This exclusion applies only if the **bodily injury** arising from a **health care incident** is covered by other liability insurance available to the **Insured** (or which would have been available but for exhaustion of its limits).
 - ii. delete the exclusion entitled **Contractual Liability** and replace it with the following:

This insurance does not apply to:

Contractual Liability

the **Insured's** actual or alleged liability under any oral or written contract or agreement, including but not limited to express warranties or guarantees.
 - iii. add the following additional exclusions:

This insurance does not apply to:

Discrimination

any actual or alleged discrimination, humiliation or harassment, including but not limited to **claims** based on an individual's race, creed, color, age, gender, national origin, religion, disability, marital status or sexual orientation.

Dishonesty or Crime

Any actual or alleged dishonest, criminal or malicious act, error or omission.

Medicare/Medicaid Fraud

any actual or alleged violation of law with respect to Medicare, Medicaid, Tricare or any similar federal, state or local governmental program.

Services Excluded by Endorsement

Any **health care incident** for which coverage is excluded by endorsement.
- C. **DEFINITIONS** is amended to:
- i. add the following definitions:

Health care incident means an act, error or omission by the **Named Insured's employees** or **volunteer workers** in the rendering of:

 - a. **professional health care services** on behalf of the **Named Insured** or
 - b. Good Samaritan services rendered in an emergency and for which no payment is demanded or received.



Contractors' General Liability Extension Endorsement

Professional health care services means any health care services or the related furnishing of food, beverages, medical supplies or appliances by the following providers in their capacity as such but solely to the extent they are duly licensed as required:

- a. Physician;
- b. Nurse;
- c. Nurse practitioner;
- d. Emergency medical technician;
- e. Paramedic;
- f. Dentist;
- g. Physical therapist;
- h. Psychologist;
- i. Speech therapist;
- j. Other allied health professional; or

Professional health care services does not include any services rendered in connection with human clinical trials or product testing.

- ii. delete the definition of **occurrence** and replace it with the following:

Occurrence means a **health care incident**. All acts, errors or omissions that are logically connected by any common fact, circumstance, situation, transaction, event, advice or decision will be considered to constitute a single **occurrence**;

- iii. amend the definition of **Insured** to:

- a. add the following:

- the **Named Insured's employees** are **Insureds** with respect to:

- (1) **bodily injury** to a co-**employee** while in the course of the co-**employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business; and
- (2) **bodily injury** to a **volunteer worker** while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- the **Named Insured's volunteer workers** are **Insureds** with respect to:

- (1) **bodily injury** to a co-**volunteer worker** while performing duties related to the conduct of the **Named Insured's** business; and
- (2) **bodily injury** to an **employee** while in the course of the **employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- b. delete Subparagraphs (a), (b), (c) and (d) of Paragraph 2.a.(1) of **WHO IS AN INSURED**.

- D. The **Other Insurance** condition is amended to delete Paragraph b.(1) in its entirety and replace it with the following:

Other Insurance

b. Excess Insurance

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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- (1) To the extent this insurance applies, it is excess over any other insurance, self insurance or risk transfer instrument, whether primary, excess, contingent or on any other basis, except for insurance purchased specifically by the **Named Insured** to be excess of this coverage.

14. JOINT VENTURES / PARTNERSHIP / LIMITED LIABILITY COMPANIES

WHO IS AN INSURED is amended to delete its last paragraph and replace it with the following:

No person or organization is an **Insured** with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a **Named Insured** in the Declarations, except that if the **Named Insured** was a joint venturer, partner, or member of a limited liability company and such joint venture, partnership or limited liability company terminated prior to or during the **policy period**, such **Named Insured** is an **Insured** with respect to its interest in such joint venture, partnership or limited liability company but only to the extent that:

- a. any offense giving rise to **personal and advertising injury** occurred prior to such termination date, and the **personal and advertising injury** arising out of such offense first occurred after such termination date;
- b. the **bodily injury** or **property damage** first occurred after such termination date; and
- c. there is no other valid and collectible insurance purchased specifically to insure the partnership, joint venture or limited liability company; and

If the joint venture, partnership or limited liability company is or was insured under a **consolidated (wrap-up) insurance program**, then such insurance will always be considered valid and collectible for the purpose of paragraph c. above. But this provision will not serve to exclude **bodily injury, property damage or personal and advertising injury** that would otherwise be covered under the **Contractors General Liability Extension Endorsement** provision entitled **WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS**. Please see that provision for the definition of **consolidated (wrap-up) insurance program**.

15. LEGAL LIABILITY – DAMAGE TO PREMISES / ALIENATED PREMISES / PROPERTY IN THE NAMED INSURED'S CARE, CUSTODY OR CONTROL

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete exclusion j. **Damage to Property** in its entirety and replace it with the following:

This insurance does not apply to:

j. **Damage to Property**

Property damage to:

- (1) Property the **Named Insured** owns, rents, or occupies, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises the **Named Insured** sells, gives away or abandons, if the **property damage** arises out of any part of those premises;
- (3) Property loaned to the **Named Insured**;
- (4) Personal property in the care, custody or control of the **Insured**;
- (5) That particular part of real property on which the **Named Insured** or any contractors or subcontractors working directly or indirectly on the **Named Insured's** behalf are performing operations, if the **property damage** arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.



Contractors' General Liability Extension Endorsement

Paragraphs (1), (3) and (4) of this exclusion do not apply to **property damage** (other than damage by fire) to premises rented to the **Named Insured** or temporarily occupied by the **Named Insured** with the permission of the owner, nor to the contents of premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are **your work**.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to **property damage** included in the **products-completed operations hazard**.

Paragraphs (3) and (4) of this exclusion do not apply to **property damage** to:

- i. tools, or equipment the **Named Insured** borrows from others, nor
- ii. other personal property of others in the **Named Insured's** care, custody or control while being used in the **Named Insured's** operations away from any **Named Insured's** premises.

However, the coverage granted by this exception to Paragraphs (3) and (4) does not apply to:

- a. property at a job site awaiting or during such property's installation, fabrication, or erection;
- b. property that is **mobile equipment** leased by an **Insured**;
- c. property that is an **auto**, aircraft or watercraft;
- d. property in transit; or
- e. any portion of **property damage** for which the **Insured** has available other valid and collectible insurance, or would have such insurance but for exhaustion of its limits, or but for application of one of its exclusions.

A separate limit of insurance and deductible apply to such property of others. See **LIMITS OF INSURANCE** as amended below.

- B.** Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete its last paragraph and replace it with the following:

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** with permission of the owner, nor to damage to the contents of premises rented to a **Named Insured** for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in **LIMITS OF INSURANCE**.

- C.** The following paragraph is added to **LIMITS OF INSURANCE**:

Subject to **5.** above, \$25,000 is the most the Insurer will pay under **Coverage A** for **damages** arising out of any one **occurrence** because of the sum of all **property damage** to borrowed tools or equipment, and to other personal property of others in the **Named Insured's** care, custody or control, while being used in the **Named Insured's** operations away from any **Named Insured's** premises. The Insurer's obligation to pay such **property damage** does not apply until the amount of such **property damage** exceeds \$1,000. The Insurer has the right but not the duty to pay any portion of this \$1,000 in order to effect settlement. If the Insurer exercises that right, the **Named Insured** will promptly reimburse the Insurer for any such amount.

- D.** Paragraph **6.**, **Damage To Premises Rented To You Limit**, of **LIMITS OF INSURANCE** is deleted and replaced by the following:

- 6.** Subject to Paragraph **5.** above, (the Each Occurrence Limit), the **Damage To Premises Rented To You Limit** is the most the Insurer will pay under **Coverage A** for **damages** because of **property damage** to any one premises while rented to the **Named Insured** or temporarily occupied by the **Named Insured**



Contractors' General Liability Extension Endorsement

with the permission of the owner, including contents of such premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. The Damage To Premises Rented To You Limit is the greater of:

- a. \$500,000; or
- b. The Damage To Premises Rented To You Limit shown in the Declarations.

E. Paragraph 4.b.(1)(a)(ii) of the **Other Insurance** Condition is deleted and replaced by the following:

- (ii) That is property insurance for premises rented to the **Named Insured**, for premises temporarily occupied by the **Named Insured** with the permission of the owner; or for personal property of others in the **Named Insured's** care, custody or control;

16. LIQUOR LIABILITY

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Liquor Liability**.

This **LIQUOR LIABILITY** provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

17. MEDICAL PAYMENTS

A. **LIMITS OF INSURANCE** is amended to delete Paragraph 7. (the Medical Expense Limit) and replace it with the following:

- 7. Subject to Paragraph 5. above (the Each Occurrence Limit), the Medical Expense Limit is the most the Insurer will pay under **Coverage C – Medical Payments** for all medical expenses because of **bodily injury** sustained by any one person. The Medical Expense Limit is the greater of:

- (1) \$15,000 unless a different amount is shown here: @@@@@@@@@@@@@@; or
- (2) the amount shown in the Declarations for Medical Expense Limit.

B. Under **COVERAGES**, the **Insuring Agreement of Coverage C – Medical Payments** is amended to replace Paragraph 1.a.(3)(b) with the following:

- (b) The expenses are incurred and reported to the Insurer within three years of the date of the accident; and

This Paragraph B. does not apply to medical expenses incurred in the state of Missouri.

18. NON-OWNED AIRCRAFT

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended as follows:

The exclusion entitled **Aircraft, Auto or Watercraft** is amended to add the following:

This exclusion does not apply to an aircraft not owned by any **Named Insured**, provided that:

- 1. the pilot in command holds a currently effective certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
- 2. the aircraft is rented with a trained, paid crew to the **Named Insured**; and
- 3. the aircraft is not being used to carry persons or property for a charge.

19. NON-OWNED WATERCRAFT

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete subparagraph (2) of the exclusion entitled **Aircraft, Auto or Watercraft**, and replace it with the following.

This exclusion does not apply to:

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Contractors' General Liability Extension Endorsement

(2) a watercraft that is not owned by any **Named Insured**, provided the watercraft is:

- (a) less than 75 feet long; and
- (b) not being used to carry persons or property for a charge.

20. PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION

A. Under **DEFINITIONS**, the definition of **personal and advertising injury** is amended to add the following tort:

- Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.

B. Under **COVERAGES, Coverage B – Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to:

1. delete the Exclusion entitled **Knowing Violation Of Rights Of Another** and replace it with the following:

This insurance does not apply to:

Knowing Violation of Rights of Another

Personal and advertising injury caused by or at the direction of the **Insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**. This exclusion shall not apply to discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is not done intentionally by or at the direction of:

- (a) the **Named Insured**; or
- (b) any **executive officer**, director, stockholder, partner, member or manager (if the **Named Insured** is a limited liability company) of the **Named Insured**.

2. add the following exclusions:

This insurance does not apply to:

Employment Related Discrimination

Discrimination or humiliation directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person by any **Insured**.

Premises Related Discrimination

discrimination or humiliation arising out of the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any **Insured**.

Notwithstanding the above, there is no coverage for fines or penalties levied or imposed by a governmental entity because of discrimination.

The coverage provided by this **PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization whose status as an **Insured** derives solely from

- Provision 1. **ADDITIONAL INSURED** of this endorsement; or
- attachment of an additional insured endorsement to this **Coverage Part**.

This **PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

21. PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY

A. Under **COVERAGES, Coverage B –Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Contractual Liability**.

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Policy No: 7017691303
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Contractors' General Liability Extension Endorsement

- B.** Solely for the purpose of the coverage provided by this **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** provision, the following changes are made to the section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**:

1. Paragraph 2.d. is replaced by the following:

- d. The allegations in the **suit** and the information the Insurer knows about the offense alleged in such **suit** are such that no conflict appears to exist between the interests of the **Insured** and the interests of the indemnitee;

2. The first unnumbered paragraph beneath Paragraph 2.f.(2)(b) is deleted and replaced by the following:

So long as the above conditions are met, attorneys fees incurred by the Insurer in the defense of that indemnitee, necessary litigation expenses incurred by the Insurer, and necessary litigation expenses incurred by the indemnitee at the Insurer's request will be paid as **defense costs**. Such payments will not be deemed to be **damages** for **personal and advertising injury** and will not reduce the limits of insurance.

- C.** This **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** Provision does not apply if **Coverage B –Personal and Advertising Injury Liability** is excluded by another endorsement attached to this **Coverage Part**.

This **PERSONAL AND ADVERTISING INJURY - CONTRACTUAL LIABILITY** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

22. PROPERTY DAMAGE – ELEVATORS

- A.** Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended such that the **Damage to Your Product** Exclusion and subparagraphs (3), (4) and (6) of the **Damage to Property** Exclusion do not apply to **property damage** that results from the use of elevators.

- B.** Solely for the purpose of the coverage provided by this **PROPERTY DAMAGE – ELEVATORS** Provision, the **Other Insurance** conditions is amended to add the following paragraph:

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is Property insurance covering property of others damaged from the use of elevators.

23. SUPPLEMENTARY PAYMENTS

The section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended as follows:

- A.** Paragraph 1.b. is amended to delete the \$250 limit shown for the cost of bail bonds and replace it with a \$5,000. limit; and
- B.** Paragraph 1.d. is amended to delete the limit of \$250 shown for daily loss of earnings and replace it with a \$1,000. limit.

24. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If the **Named Insured** unintentionally fails to disclose all existing hazards at the inception date of the **Named Insured's Coverage Part**, the Insurer will not deny coverage under this **Coverage Part** because of such failure.

25. WAIVER OF SUBROGATION - BLANKET

Under **CONDITIONS**, the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended to add the following:

The Insurer waives any right of recovery the Insurer may have against any person or organization because of payments the Insurer makes for injury or damage arising out of:

1. the **Named Insured's** ongoing operations; or
2. **your work** included in the **products-completed operations hazard**.



Contractors' General Liability Extension Endorsement

However, this waiver applies only when the **Named Insured** has agreed in writing to waive such rights of recovery in a written contract or written agreement, and only if such contract or agreement:

1. is in effect or becomes effective during the term of this **Coverage Part**; and
2. was executed prior to the **bodily injury, property damage** or **personal and advertising injury** giving rise to the **claim**.

26. WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS

Note: The following provision does not apply to any public construction project in the state of Oklahoma, nor to any construction project in the state of Alaska, that is not permitted to be insured under a **consolidated (wrap-up) insurance program** by applicable state statute or regulation.

If the endorsement **EXCLUSION – CONSTRUCTION WRAP-UP** is attached to this policy, or another exclusionary endorsement pertaining to Owner Controlled Insurance Programs (O.C.I.P.) or Contractor Controlled Insurance Programs (C.C.I.P.) is attached, then the following changes apply:

A. The following wording is added to the above-referenced endorsement:

With respect to a **consolidated (wrap-up) insurance program** project in which the **Named Insured** is or was involved, this exclusion does not apply to those sums the **Named Insured** become legally obligated to pay as **damages** because of:

1. **Bodily injury, property damage, or personal or advertising injury** that occurs during the **Named Insured's** ongoing operations at the project, or during such operations of anyone acting on the **Named Insured's** behalf; nor
2. **Bodily injury or property damage** included within the **products-completed operations hazard** that arises out of those portions of the project that are not **residential structures**.

B. Condition **4. Other Insurance** is amended to add the following subparagraph **4.b.(1)(c)**:

This insurance is excess over:

- (c) Any of the other insurance whether primary, excess, contingent or any other basis that is insurance available to the **Named Insured** as a result of the **Named Insured** being a participant in a **consolidated (wrap-up) insurance program**, but only as respects the **Named Insured's** involvement in that **consolidated (wrap-up) insurance program**.

C. DEFINITIONS is amended to add the following definitions:

Consolidated (wrap-up) insurance program means a construction, erection or demolition project for which the prime contractor/project manager or owner of the construction project has secured general liability insurance covering some or all of the contractors or subcontractors involved in the project, such as an Owner Controlled Insurance Program (O.C.I.P.) or Contractor Controlled Insurance Program (C.C.I.P.).

Residential structure means any structure where 30% or more of the square foot area is used or is intended to be used for human residency, including but not limited to:

1. single or multifamily housing, apartments, condominiums, townhouses, co-operatives or planned unit developments; and
2. the common areas and structures appurtenant to the structures in paragraph 1. (including pools, hot tubs, detached garages, guest houses or any similar structures).

However, when there is no individual ownership of units, **residential structure** does not include military housing, college/university housing or dormitories, long term care facilities, hotels or motels. **Residential structure** also does not include hospitals or prisons.

This **WRAP-UP EXTENSION: OCIP, CCIP, OR CONSOLIDATED (WRAP-UP) INSURANCE PROGRAMS** Provision does not apply to any person or organization who otherwise qualifies as an additional insured on this **Coverage Part**.

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Contractors' General Liability Extension Endorsement

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:
- A.** in the performance of your ongoing operations subject to such **written contract**; or
 - B.** in the performance of **your work** subject to such **written contract**, but only with respect to **bodily injury** or **property damage** included in the **products-completed operations hazard**, and only if:
 - 1. the **written contract** requires you to provide the additional insured such coverage; and
 - 2. this **coverage part** provides such coverage.
- II.** But if the **written contract** requires:
- A.** additional insured coverage under the 11-85 edition, 10-93 edition, or 10-01 edition of CG2010, or under the 10-01 edition of CG2037; or
 - B.** additional insured coverage with "arising out of" language; or
 - C.** additional insured coverage to the greatest extent permissible by law;
- then paragraph **I.** above is deleted in its entirety and replaced by the following:
- WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** arising out of **your work** that is subject to such **written contract**.
- III.** Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
- A.** coverage broader than required by the **written contract**; or
 - B.** a higher limit of insurance than required by the **written contract**.
- IV.** The insurance granted by this endorsement to the additional insured does not apply to **bodily injury, property damage**, or **personal and advertising injury** arising out of:
- A.** 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; and
 - 2. supervisory, inspection, architectural or engineering activities; or
 - B.** any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this **coverage part**.
- V.** Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance** is amended to add the following, which supersedes any provision to the contrary in this Condition or elsewhere in this **coverage part**:

Primary and Noncontributory Insurance

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Page 1 of 2

Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement

With respect to other insurance available to the additional insured under which the additional insured is a named insured, this insurance is primary to and will not seek contribution from such other insurance, provided that a **written contract** requires the insurance provided by this policy to be:

1. primary and non-contributing with other insurance available to the additional insured; or
2. primary and to not seek contribution from any other insurance available to the additional insured.

But except as specified above, this insurance will be excess of all other insurance available to the additional insured.

VI. Solely with respect to the insurance granted by this endorsement, the section entitled COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

1. give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
2. send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
3. make available any other insurance, and tender the defense and indemnity of any **claim** to any other insurer or self-insurer, whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph 3. does not apply to insurance on which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.

VII. Solely with respect to the insurance granted by this endorsement, the section entitled DEFINITIONS is amended to add the following definition:

Written contract means a written contract or written agreement that requires you to make a person or organization an additional insured on this **coverage part**, provided the contract or agreement:

- A. is currently in effect or becomes effective during the term of this policy; and
- B. was executed prior to:
 1. the **bodily injury or property damage**; or
 2. the offense that caused the **personal and advertising injury**;for which the additional insured seeks coverage.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

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Policy No: 7017691303
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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	Waiver of Transfer of Rights of Recovery Against Others to the Insurer Endorsement
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This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE
Name Of Person Or Organization:
Any person or organization with whom you have agreed in writing in a contract or agreement to waive any right of recovery against such person or organization, but only if the contract or agreement: 1. Is in effect or becomes effective during the term of this policy; and 2. Was executed prior to loss.

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, it is understood and agreed that the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

With respect to the person or organization shown in the Schedule above, the Insurer waives any right of recovery the Insurer may have against such person or organization because of payments the Insurer makes for injury or damage arising out of the **Named Insured's** ongoing operations or **your work** included in the **products-completed operations hazard**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.
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Policy No: CNA75061XX (1-15)
Endorsement No:
Effective Date: 11/12/2021

Insured Name:

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ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY

It is understood and agreed that this endorsement amends the **BUSINESS AUTO COVERAGE FORM** as follows:

SCHEDULE

Name of Additional Insured Persons Or Organizations
<p>"Any person or organization that you are required by written contract to make an additional insured under this insurance is an "insured", but only with respect to that person or organization's legal liability for acts or omissions of a person who qualifies as an "insured" for Liability Coverage under Section II – Who Is An Insured of this Coverage Form."</p>

1. In conformance with paragraph **A.1.c.** of **Who Is An Insured** of Section **II – LIABILITY COVERAGE**, the person or organization scheduled above is an insured under this policy.
2. The insurance afforded to the additional insured under this policy will apply on a primary and non-contributory basis if you have committed it to be so in a written contract or written agreement executed prior to the date of the "accident" for which the additional insured seeks coverage under this policy.

All other terms and conditions of the Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: CJ Concrete Construction Inc

Endorsement Effective Date: 11/12/2021

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

ANY PERSON OR ORGANIZATION FOR WHOM
OR WHICH YOU ARE REQUIRED BY WRITTEN
CONTRACT OR AGREEMENT TO OBTAIN THIS
WAIVER FROM US. YOU MUST AGREE TO THAT
REQUIREMENT PRIOR TO LOSS.

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.

POLICY INFORMATION PAGE ENDORSEMENT

The following item(s)

<input type="checkbox"/> Insured's Name (WC 89 06 01)	<input type="checkbox"/> Item 3.B. Limits (WC 89 06 12)
<input type="checkbox"/> Policy Number (WC 89 06 02)	<input type="checkbox"/> Item 3.C. States (WC 89 06 13)
<input type="checkbox"/> Effective Date (WC 89 06 03)	<input checked="" type="checkbox"/> Item 3.D. Endorsement Numbers (WC 89 06 14)
<input type="checkbox"/> Expiration Date (WC 89 06 04)	<input checked="" type="checkbox"/> Item 4. *Class, Rate, Other (WC 89 04 15)
<input type="checkbox"/> Insured's Mailing Address (WC 89 06 05)	<input type="checkbox"/> Interim Adjustment of Premium (WC 89 04 16)
<input type="checkbox"/> Experience Modification (WC 89 04 06)	<input type="checkbox"/> Carrier Servicing Office (WC 89 06 17)
<input type="checkbox"/> Producer's Name (WC 89 06 07)	<input type="checkbox"/> Interstate/Intrastate Risk I.D. Number (WC 89 06 18)
<input type="checkbox"/> Change in Workplace of Insured (WC 89 06 08)	<input type="checkbox"/> Carrier Number (WC 89 06 19)
<input type="checkbox"/> Insured's Legal Status (WC 89 06 10)	<input type="checkbox"/> Issuing Agency/Producer Office Address (WC 89 06 25)
<input type="checkbox"/> Item 3.A. States (WC 89 06 11)	

is changed to read:

THE FOLLOWING RATING PLAN IS ADDED TO THIS POLICY:
BLANKET WAIVER (0930) STATE: CA RATE: .02

THE FOLLOWING FORM(S) HAS BEEN ADDED:
WC 04 03 06 04-84 CA WAIVER OF OUR RIGHT TO RECOVER

*Item 4. Change To:

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
SEE ATTACHED WC 89 06 00 B (07-01) EXTENSION				

Total Estimated Annual Premium \$ **59,947**Minimum Premium \$ **2,538**Deposit Premium \$ **9,794**

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
 (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **05-08-21** Policy No. **WC 73981 00** Endorsement No. **001**

Insured **CJ Concrete Constructions Inc**
Santa Fe Springs, CA 90670

Premium: \$ **949.00**

Insurance Company

Sirius America Ins Co

Countersigned By _____

WC 89 06 00B

(Ed. 7-01)

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WORKERS' COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 89 06 00 B

28363

(Ed. 7-01)

POLICY INFORMATION PAGE ENDORSEMENT

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
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TRANSACTION RECAP BY RATING GROUP

Transaction Factor = 1

State: CA Rating Group: 0001-01

Stat Code	Old Rate	New Rate	Old Term Premium	New Term Premium	OOS Offset	Add/Return Premium
9897	-.24	-.24	-33,498.00	-34,051.00	.00	-553.00
9887	-.42	-.42	-44,553.00	-45,287.00	.00	-734.00
0063	-.1	-.1	-6,153.00	-6,254.00	.00	-101.00
0930	.00	.02	.00	2,301.00	.00	2,301.00
0987	.022646	.022646	1,285.00	1,306.00	.00	21.00
0988	.004734	.004734	269.00	273.00	.00	4.00
0000	.000775	.000775	44.00	45.00	.00	1.00
0000	.006579	.006579	373.00	379.00	.00	6.00
0000	.002584	.002584	147.00	149.00	.00	2.00
0000	.002272	.002272	129.00	131.00	.00	2.00

Rating Group 0001-01 Estimated Transaction Premium

949.00

Cash State Total (CA)

949.00

Policy Total Cash Premium

949.00

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT -
CALIFORNIA**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be _____ % of the California workers' compensation premium otherwise due on such remuneration.

SCHEDULE**PERSON OR ORGANIZATION****JOB DESCRIPTION****Blanket Waiver**

**Any person or organization as
required by written
contract within states covered
under this policy**

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective **05-08-21** Policy No. **WC 73981 00** Endorsement No. **001**

Insured **CJ Concrete Constructions Inc** Premium \$ **Incl.**

Insurance Company **Sirius America Ins Co**

Countersigned By _____



Administrative Report

H.19., File # 22-4884

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE PURCHASE OF FOUR 2023 POLICE VEHICLES FROM NATIONAL AUTO FLEET GROUP FOR USE BY THE POLICE DEPARTMENT'S PATROL DIVISION FOR A TOTAL COST OF \$289,775.43

EXECUTIVE SUMMARY

Staff is seeking authorization from the City Council to purchase four vehicles for the Police Department's Patrol Division. The new vehicles would replace four existing units that are at the end of their scheduled operation and were approved for funding as part of the 2022-23 Fiscal Year budget. Competitive pricing for the vehicles has been secured through the City's regular purchasing procedures.

BACKGROUND

In June 2022, the City Council Approved Decision Package #38 -Vehicle Replacement Purchases, which set aside \$1,039,272 for the replacement of 19 City vehicles and equipment in the FY 2022-23 Budget, including the funding for the four Police Patrol vehicles recommended for purchase at this time.

The vehicles and equipment approved for replacement as part of the 2022-2023 FY Budget is as follows:

621	2008	DODGE RAM CHARGER	ADMIN	P	\$	41,410	LEV
57	2009	TOYOTA PRIUS HYBRID	BUILDING	PL	\$	38,963	LEV
405	2009	TOYOTA PRIUS HYBRID	CODE ENF	P	\$	38,963	LEV
354	2009	FORD F-250 3/4 TON PICKUP	PARKS	PW	\$	60,000	LEV
241-09	2009	FORD F-250	PARKS	PW	\$	61,833	LEV
58	2009	TOYOTA PRIUS HYBRID	ENGINEERING	PW	\$	38,463	LEV
647	2018	DODGE RAM CHARGER Equipped	PATROL	P	\$	56,208	LEV
649	2018	FORD UTILITY Equipped	PATROL	P	\$	67,000	LEV
665	2018	FORD UTILITY Equipped	PATROL	P	\$	67,417	LEV
671	2018	FORD UTILITY Equipped	PATROL	P	\$	67,417	LEV
401	2009	TOYOTA PRIUS HYBRID-Moved from E-B unit	PATROL- PARKING ENF	P	\$	38,463	LEV
403	2009	FORD ESCAPE HYBRID	PATROL- PARKING ENF	P	\$	49,666	LEV
404	2009	FORD ESCAPE HYBRID	PATROL- PARKING ENF	P	\$	49,666	LEV
408	2009	JEEP WRANGLER RHDRIVE	PATROL- PARKING ENF	P	\$	43,474	LEV
349	2009	FORD F-350 1-TON PICKUP-EQ	UPLANDS MAINT	PW	\$	71,000	N/A
872	2013	TAYLOR-DUNN ELECT CART	UPLANDS MAINT	PW	\$	12,276	N/A
243-09	2009	FORD F-250	UPLANDS MAINT	PW	\$	67,749	N/A
348-09	2009	FORD F-350 1-TON PICKUP-EQ	BUILDING OCCUPANCY	PW	\$	71,000	N/A
G-14	2018	GENERAC 98A06015-S GENERATOR	FIRE STATION 1	PW	\$	98,304	N/A

The new vehicles will replace existing vehicles that are at the end of their replacement cycles and were identified for replacement in the FY 2022-23 Budget. The vehicles recommended for approval are three Ford Utility and one Dodge Ram (units #647, #649, #665 and #671) for the Police Patrol Division. It is anticipated that the four vehicles (4 2023 Dodge Durango Pursuit) will be purchased and delivered to the City in the next six to eight months.

The vehicles recommended for purchase would be acquired through the City's regular purchasing procedures. The procedures contain a number of competitive purchasing options including the use of a "Piggyback" Bid which is a procedure of procuring goods or services by utilizing another public entity's recent Request for Proposal or Bid, or the Sourcewell Cooperative Purchasing Program. Cooperative purchasing programs provide valuable benefits to state and local governments. By attaching to national or regional cooperatives, an agency has immediate access to legitimately solicited contracts and guaranteed pricing and delivery options without expending staff resources on the preparation of its own RFB. Pricing is often attractive because of the purchasing power of these cooperatives. If approved, the four recommended vehicles in this report would be acquired via Sourcewell master vehicle contract #091521-NAF.

The per vehicle cost, including full outfitting to equip the Patrol vehicles is \$72,443.86 for a total of \$289,775.43. Given the rising costs of vehicles and outfitting being experienced across the sector, this quote is higher than estimated. The funding appropriated in Decision Package #38 (\$258,042) for these four vehicles is not sufficient to cover the total cost of the units. There is a \$31,733.43 gap. At this time, there is sufficient funds in the Vehicle Replacement Operating Budget, funded by the total Decision Package #38 appropriation, to cover the overage. If approved, Public Works will include a request to appropriate the additional \$31,733.43 from the Vehicle Replacement Fund at Mid-Year to cover the increased costs.

COORDINATION

The Public Works Department coordinated this report with the Police Department.

FISCAL IMPACT

Funding for the purchase of the four vehicles, at a total cost of \$289,775.43, is available in the Vehicle Replacement Fund. Funding for the vehicles was approved as part of the FY 2022-23 Budget, via Decision Package #38 - Vehicle Replacement Purchases, in the amount of \$258,042. Funding for the cost increase of \$31,733.43 will be requested at Mid-Year after the availability and final pricing of the other vehicles listed in DP #38 is fully identified.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Quote - National Auto Fleet Group

National Auto Fleet Group

A division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
855 BUY-NJPA 626-457-5590
855 289-6572 626-457-5593

September 19, 2022

Ms. Andrea Delap
City of Redondo Beach
531 North Gertuda
Redondo Beach, Ca 90277
Delivery Via Email

Dear Ms. Delap

In response to your inquiry, we are pleased to submit the following for your consideration:

National Auto Fleet Group will sell, service and deliver at Redondo Beach, new/unused 2023 Dodge Durango Pursuit V-8 AWD responding to your requirement with the attached specifications for 44,732.00 plus Paint, Upfit, State Sales Tax, and \$8.75 tire tax (non-taxable). These vehicles are available under the Sourcewell (Formerly Known as NJPA) master vehicle contract# 091521-NAF.

	One unit MSRP	Selling Price	Total Savings	Extended units (4)	Total Savings
2023 Dodge Durango Pursuit V-8 AWD	52,975.00	44,732.00	15.56%	178,928.00	32,972.00
Black and White Paint		1,250.00		5,000.00	
West Coast Upfit		19,894.81		79,579.24	
Sub Total		65,876.81		263,507.24	
Sales Tax		6,258.30		25,033.19	
Tire Tax		8.75		35.00	
Transport		300.00		1,200.00	
Total		72,443.86		289,775.43	

Delivery 150-220 days ARO

Terms are net 30 days.

National Auto Fleet Group welcomes the opportunity to assist you in your vehicle requirements.

Kevin Buzzard
National Law Enforcement Sales Manager
National Auto Fleet Group
Wondries Fleet Group
626-457-5590 O
714-264-1867 C
Buzzard5150@gmail.com



WEST COAST LIGHTS & SIRENS, INC.

601 COLUMBIA AVENUE
UNIT "B"
RIVERSIDE, CA 92507

Phone # 9517799257

info@wcls.us

Fax # 951-779-9256

WCLS.US

**PROPOSAL**

Date	Estimate #
9/16/2022	12685

Name / Address
WONDRIES FORD 400 South Atlantic Boulevard Alhambra, CA 91801-3642 Attn: Accounts Payable

Terms	VEHICLE TYPE
Net 30	2022 DURANGO

Item	Description	Qty	Cost	Total
	>>PRICE PER UNIT<<			
	>>CUSTOMER WILL SUPPLY, RADIO REMOTE CABLE, SCANNER, & COMPUTER HARDWARE			
100/HOUR	LABOR	49	100.00	4,900.00T
VALR51J-CAL2	51" VALOR; RED/BUE	1	2,550.00	2,550.00T
PF200S17B	SIREN/LIGHT CONTROLLER WITH 17 BUTTON CONTROLLER, 100/200 W, OBDII INTEGRATION CAPABILITY, INTEGRATED RUMBLER® CAPABILITY, AND INTEGRATED DUAL TONE CAPABILITY- MULTICOLOR CONTROL HEAD	1	948.00	948.00T
TEC23B	MIC EXTENSION CABLE FOR PATHFINDER	1	15.00	15.00T
WC-PFAC-2020	PATHFINDER ACCESSORY HARNESS REV B2	1	89.32	89.32T
WC-PFOP-2020	PATHFINDER OUTPUT HARNESS REV B	1	97.58	97.58T
OBDCABLE6-DGC...	6-FT OBDII INTERFACE CABLE, FOR USE ON 2018 DODGE CHARGER PURSUIT AND 2018 DODGE DURANGO	1	113.83	113.83T
EXPHARN04	REAR TAILLIGHT CONNECTION WIRE HARNESS FOR DURANGO	1	220.22	220.22T
EXPMOD-2	EXPANSION MODULE FOR PATHFINDER & SSP SIRENS	1	364.00	364.00T
RBKIT2	PAIR OF RUMBLER WOOFERS	1	315.00	315.00T
RB-DUR19	KIT, PAIR MOUNT BRACKETS WITH HARDWARE. DODGE DURANGO (SINGLE BRACKET), 2019-2021	1	40.00	40.00T
ES100C	ES100C SPEAKER W/O BRACKET	1	170.00	170.00T
ESB-DUR15	KIT, ES100C/DYNAMAX MOUNT BRACKET (BEHIND GRILLE MOUNT), DODGE DURANGO, 2015-2022	1	27.32	27.32T

Subtotal

Sales Tax (0.0%)

Total

WEST COAST LIGHTS & SIRENS, INC.

601 COLUMBIA AVENUE
UNIT "B"
RIVERSIDE, CA 92507

Phone # 9517799257 info@wcls.us
Fax # 951-779-9256 WCLS.US

**PROPOSAL**

Date	Estimate #
9/16/2022	12685

Name / Address
WONDRIES FORD 400 South Atlantic Boulevard Alhambra, CA 91801-3642 Attn: Accounts Payable

Terms	VEHICLE TYPE
Net 30	2022 DURANGO

Item	Description	Qty	Cost	Total
MPS300U-R	MICROPULSE ULTRA 3-LED (RED) >>UNDER HEADLIGHT, ABOVE WRAP AROUND<<	1	57.00	57.00T
MPS300U-B	MICROPULSE ULTRA 3-LED (BLUE) >>UNDER HEADLIGHT, ABOVE WRAP AROUND<<	1	57.00	57.00T
MPS1220U-BR	RED/BLUE SURFACE MOUNT >>REAR CARGO SIDE LIGHTS<<	2	123.75	247.50T
MPSM12-LB	L-BRACKET FOR ONE MPS1200	2	10.87	21.74T
MPS620U-BA	MICROPULSE ULTRA 6, DUAL -COLOR SURFACE MOUNT, 12-24V DC, BLUE/AMBER >>TRUNK LIGHTS W/ ON/OFF SWITCH<<	2	88.00	176.00T
MPS620U-BR	MICRO PULSE 620 ULTRA (BLUE/RED) >>REAR WINDOW LIGHTS<<	2	88.00	176.00T
MPSM6-LB	FEDERAL SIGNAL SINGLE L-BRACKETS	2	10.93	21.86T
JOB MATERIALS	FLEET SMART POLICE PACKAGE ANTI-THEFT SYSTEM FOR DODGE DURANGO	1	150.00	150.00T
C-VS-2300-DUR	2021 DURANGO 23" CONSOLE	1	388.78	388.78T
C-DMM-3024	2021 DODGE DURANGO DASH MOUNT	1	343.77	343.77T
CUP2-1001	DUAL CUP HOLDER FOR 2020 CONSOLE	1	43.94	43.94T
C-ARM-101	ARMREST, HEIGHT ADJUSTABLE	1	63.06	63.06T
SHIPPING	SHIPPING OF HAVIS PRODUCTS	1	95.00	95.00
P46FLC	PAR-46 SUPER-LED, 8 DEGREE SPOTLIGHT (FLOOD) REPLACEMENT LIGHTHEAD. WHITE/ 12VDC >>PASSENGER SIDE<<	1	223.50	223.50T
PK0419DUR11	#10VS C RP HORIZONTAL SLIDING WINDOW. COATED POLYCARBONATE WITH EXPANDED METAL WINDOW SECURITY SCREEN. RECESSED PANEL PARTITION	1	780.20	780.20T

Subtotal**Sales Tax (0.0%)****Total**

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**PROPOSAL**

Date	Estimate #
9/16/2022	12685

Name / Address
WONDRIES FORD 400 South Atlantic Boulevard Alhambra, CA 91801-3642 Attn: Accounts Payable

Terms	VEHICLE TYPE
Net 30	2022 DURANGO

Item	Description	Qty	Cost	Total
QK0566DUR11	FULL REPLACEMENT TRANSPORT SEAT. TPO PLASTIC WITH CENTER PULL SEAT BELTS. INCLUDES 12VS STATIONARY WINDOW COATED POLYCARBONATE CARGO PARTITION	1	1,136.45	1,136.45T
GK10301S1UHKSSCA	WEAPON RACK	1	339.58	339.58T
WK0595DUR11	WINDOW BARRIER VS POLY 11-19 DURANGO	1	252.14	252.14T
WK0040DUR11	WINDOWS BARRIER CARGO 3PC 11-19 DURANGO	1	348.08	348.08T
TK0231DUR11	CARGO STORAGE SYSTEM	1	891.76	891.76T
BK0802DUR21	PB450L4 ALUM BUMPER MICROPULSE ULTRA 21-21 DURANGO	1	921.51	921.51T
FK0400DUR21	PB5 FENDER WRAPS ALUMINUM PB300/400	1	460.39	460.39T
SHIPPING	SHIPPING OF SETINA PRODUCTS	1	300.00	300.00
FABRICATED	FABRICATION OF BIKE RACKS	1	225.00	225.00T
FABRICATED	FABRICATION OF EQUIPMENT BOARD W/ COVER	1	300.00	300.00T
475-0023/HCK	GR4-AR-UTM GUN MOUNT (40MM IN TRUNK)	1	261.53	261.53T
475-7130	LARGE LOCK MOUNT PLATE	1	20.50	20.50T
SHIPPING	SHIPPING OF JOTTO PRODUCTS	1	50.00	50.00
SC-1-AR	SANTA CRUZ GUN LOCK AR/15 LOCK(STANDARD KEY)	1	138.70	138.70T
SC-7009-A	ADJUSTABLE GUN LOCK TIMER	1	35.09	35.09T
5026B	FUSE BLOCK STBLADE 12 CIRC W/GND/CVR	1	35.27	35.27T
5028B	FUSE BLOCK ST BLADE 6 WITHOUT GROUND CIRCUIT	1	22.43	22.43T
7189B	150 AMP BREAKER	1	29.30	29.30T
7615B	AUTOMATIC TIMER DISCONNECT	1	106.61	106.61T
LG-IN2033-B	PANORAMA LTD LOW PROFILE MIMO ANTENNA,CELLULAR,LTE,WIFI	1	308.80	308.80T
LGMM-EXT-R	MOUNTING PAD FOR XK-IN2033-B	1	40.56	40.56T

Subtotal**Sales Tax (0.0%)****Total**

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**PROPOSAL**

Date	Estimate #
9/16/2022	12685

Name / Address
WONDRIES FORD 400 South Atlantic Boulevard Alhambra, CA 91801-3642 Attn: Accounts Payable

Terms	VEHICLE TYPE
Net 30	2022 DURANGO

Item	Description	Qty	Cost	Total
GPSB	MULTI-BAND GPS 2G/3G/4G/WLAN ANT	1	150.64	150.64T
ASFC-155-U2-S5	FLEXI 155MHZ/U2/S5 COMPRSD ANT	1	63.67	63.67T
C29F-5QMAP	WHIP CABLE	1	33.40	33.40T
	5m CS29 CABLE ASSY FME(f) - QMA(m)			
C32SP-5QMAP	WIFI	1	34.89	34.89T
	5m CS32 CABLE ASSY SMA(m)			
	- QMA(m)			
C23SP-5QMAP	SMA-QMA 5M CS23 CABLE	1	51.25	51.25T
M84434RW	6 INCH 24 LED RED/WHITE DOME LIGHT- 3 POSITION SWITCH	1	53.24	53.24T
HKN6169B	XTL5000 CONTROL CABLE 17FT - BLACK W/ BLUE STRIPE ON ENDS	1	85.67	85.67T
EVM-IDM308VS	IGNITION DELAY MODULE 30 MIN TO 8HRS - VOLTAGE SENSE	1	54.08	54.08T
DE1935-4273	LIND POWER SUPPLY, DELL	1	129.35	129.35T
MMSU1	MAGNETIC MIC CONVERSION KIT	2	31.65	63.30T
MIC-4-JA	MIC CLIP BRACKET	1	6.00	6.00T
JOB MATERIALS	MISC. PARTS, WIRE, ZIP TIES, CLAMPS, FASTENERS, RELAYS, ETC.	1	250.00	250.00T

*ESTIMATES ARE VALID FOR 30 DAYS.

*ORDERS WILL BE INVOICED UPON NOTIFICATION OF COMPLETION

*RETURNS/CANCELLATIONS ARE SUBJECT TO A 25% RESTOCKING FEE AND SHIPPING CHARGES.

*PLEASE MAKE SURE YOU HAVE ALL CUSTOMER SUPPLIED PARTS WHEN VEHICLE IS DROPPED OFF TO AVOID DELAYS. IF DELAYS CONTINUE, WE WILL SUPPLY NEEDED PARTS AT CUSTOMERS EXPENSE.

*CALIFORNIA CERTIFIED SMALL BUSINESS #49878

*NOTE: SALES TAX WILL BE CHARGED ON INSTALLATION LABOR ON A VEHICLE WITH 500 MILES OR LESS OR UNDER 6 MONTHS SINCE REGISTRATION WITH THE DMV

Subtotal	\$19,894.81
Sales Tax (0.0%)	\$0.00
Total	\$19,894.81


Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD



National Auto Fleet Group

Prepared By:

Kevin Buzzard
National Auto Fleet Group
626-457-5590 OFC
Buzzard5150@gmail.com

Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Selected Model and Options

MODEL

CODE	MODEL
WDEE75	2023 Dodge Durango Pursuit AWD

COLORS

CODE	DESCRIPTION
PXJ	DB Black Clearcoat

ENGINE

CODE	DESCRIPTION
EZH	Engine: 5.7L V8 HEMI MDS VVT -inc: 3.09 Rear Axle Ratio, Dual Rear Exhaust w/Bright Tips, 230MM Rear Axle, 800 Amp Maintenance Free Battery, 2 Speed On Demand Transfer Case, GVWR: 7,100 lbs

TRANSMISSION

CODE	DESCRIPTION
DFD	Transmission: 8-Speed Automatic (8HP70)

CPOS PKG

CODE	DESCRIPTION
22Z	Quick Order Package 22Z -inc: Engine: 5.7L V8 HEMI MDS VVT, Transmission: 8-Speed Automatic (8HP70)

AXLE RATIO

CODE	DESCRIPTION
DPM	3.09 Rear Axle Ratio

WHEELS

CODE	DESCRIPTION
WBN	Wheels: 18" x 8.0" Black Steel (STD)


PRIMARY PAINT

CODE	DESCRIPTION
PXJ	DB Black Clearcoat

SEAT TYPE

CODE	DESCRIPTION
C5X9	Black, Cloth Bucket Seats w/Shift Insert -inc: cloth rear seat

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 17480, Data updated Sep 16, 2022 6:48:00 PM PDT

Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

GVWR

CODE	DESCRIPTION
Z6J	GVWR: 7,100 lbs

ADDITIONAL EQUIPMENT - PACKAGE

CODE	DESCRIPTION
ADL	Skid Plate Group -inc: Transfer Case Skid Plate Shield, Front Suspension Skid Plate, Fuel Tank Skid Plate Shield, Underbody Skid Plate

ADDITIONAL EQUIPMENT - EXTERIOR


CODE	DESCRIPTION
LNF	Black Left LED Spot Lamp
LNA	Black Right LED Spot Lamp

ADDITIONAL EQUIPMENT - INTERIOR

CODE	DESCRIPTION
CW6	Deactivate Rear Doors/Windows
CW7	Door/Window Activation Kit
GXF	Entire Fleet Alike Key (FREQ 1) -inc: 8 key FOBs are standard

Options Total

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Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Standard Equipment


Mechanical

Engine: 3.6L V6 24V VVT UPG I w/ESS (STD)
Transmission: 8-Speed Automatic (850RE) (STD)
3.45 Rear Axle Ratio (STD)
GVWR: 6,500 lbs (STD)
50 State Emissions
Transmission w/Sequential Shift Control
Full-Time All-Wheel
Engine Oil Cooler
650CCA Maintenance-Free Battery w/Run Down Protection
220 Amp Alternator
Class IV Towing Equipment -inc: Hitch and Trailer Sway Control
Trailer Wiring Harness
Police/Fire
1650# Maximum Payload
Gas-Pressurized Front Shock Absorbers and Nivomat Brand Name Rear Shock Absorbers
Nivomat Suspension
Front And Rear Anti-Roll Bars
HD Suspension
Electric Power-Assist Speed-Sensing Steering
24.6 Gal. Fuel Tank
Single Stainless Steel Exhaust
Permanent Locking Hubs
Short And Long Arm Front Suspension w/Coil Springs
Multi-Link Rear Suspension w/Coil Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist and Hill Hold Control

Exterior

Wheels: 18" x 8.0" Black Steel (STD)
Wheels w/Chrome Hub Covers
Tires: 255/60R18 On/Off Road
Steel Spare Wheel
Full-Size Spare Tire Stored Underbody w/Crankdown

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Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)


Exterior

Clearcoat Paint
Body-Colored Front Bumper w/Colored Rub Strip/Fascia Accent
Body-Colored Rear Step Bumper w/Colored Rub Strip/Fascia Accent
Chrome Bodyside Insert and Colored Wheel Well Trim
Black Side Windows Trim
Body-Colored Door Handles
Black Power Heated Side Mirrors w/Manual Folding
Fixed Rear Window w/Fixed Interval Wiper and Defroster
Deep Tinted Glass
Speed Sensitive Variable Intermittent Wipers
Galvanized Steel/Aluminum Panels
Lip Spoiler
Black Grille
Front License Plate Bracket
Liftgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Auto On/Off Projector Beam Led Low/High Beam Daytime Running Headlamps w/Delay-Off
Perimeter/Approach Lights
LED Brakelights
Laminated Glass

Entertainment

Radio w/Seek-Scan, Clock, Speed Compensated Volume Control, Aux Audio Input Jack, Steering Wheel Controls and Radio Data System
Radio: Uconnect 4 w/8.4" Display
GPS Antenna Input
SiriusXM Satellite Radio
Integrated Center Stack Radio
SiriusXM Radio Service
Integrated Voice Command w/Bluetooth
6 Speakers
Streaming Audio
2 LCD Monitors In The Front

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Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Interior

Front Seats w/Power 4-Way Driver Lumbar

12-Way Power Driver Seat -inc: Power Recline, Height Adjustment, Fore/Aft Movement, Cushion Tilt and Power 4-Way Lumbar Support

4-Way Passenger Seat -inc: Manual Recline, Fore/Aft Movement and Fold Flat

60-40 Folding Split-Bench Front Facing Fold Forward Seatback Rear Seat

Manual Tilt/Telescoping Steering Column

Gauges -inc: Speedometer, Odometer, Voltmeter, Oil Pressure, Engine Coolant Temp, Tachometer, Oil Temperature, Transmission Fluid Temp, Engine Hour Meter, Trip Odometer and Trip Computer

Power Rear Windows and Fixed 3rd Row Windows

Leather/Metal-Look Steering Wheel

Front Cupholder

Rear Cupholder

Compass

Proximity Key For Doors And Push Button Start

Valet Function

Remote Keyless Entry w/Integrated Key Transmitter, 2 Door Curb/Courtesy, Illuminated Entry and Panic Button

Remote Releases -Inc: Power Fuel

Cruise Control w/Steering Wheel Controls

Dual Zone Front Automatic Air Conditioning

Rear HVAC w/Separate Controls

HVAC -inc: Auxiliary Rear Heater, Headliner/Pillar Ducts and Console Ducts

Illuminated Locking Glove Box

Driver Foot Rest

Cloth Bucket Seats w/Shift Insert -inc: cloth rear seat

Interior Trim -inc: Leatherette Instrument Panel Insert, Metal-Look Door Panel Insert and Chrome Interior Accents

Full Cloth Headliner

Day-Night Auto-Dimming Rearview Mirror

Driver And Passenger Visor Vanity Mirrors


Partial Floor Console w/Covered Storage, Mini Overhead Console w/Storage and 3 12V DC Power Outlets

Front And Rear Map Lights

Fade-To-Off Interior Lighting

Full Vinyl/Rubber Floor Covering

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 17480, Data updated Sep 16, 2022 6:48:00 PM PDT

Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Interior

Carpet Floor Trim
Cargo Area Concealed Storage
Cargo Space Lights
FOB Controls -inc: Cargo Access and Windows
Google Android Auto
USB Host Flip
Apple CarPlay
For More Info, Call 800-643-2112
Driver / Passenger And Rear Door Bins
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Systems Monitor
Redundant Digital Speedometer
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
#7 Seat Foam Cushion
Manual w/Tilt Front Head Restraints and Fixed Rear Head Restraints
Front Center Armrest w/Storage and Rear Center Armrest
Sentry Key Immobilizer
3 12V DC Power Outlets
Air Filtration

Safety-Mechanical

Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control


Safety-Exterior

Side Impact Beams

Safety-Interior

Dual Stage Driver And Passenger Seat-Mounted Side Airbags
ParkSense with Stop Rear Parking Sensors
Blind Spot Detection Blind Spot

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Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Safety-Interior

Collision Mitigation-Rear

Tire Specific Low Tire Pressure Warning

Dual Stage Driver And Passenger Front Airbags

Curtain 1st, 2nd And 3rd Row Airbags


Airbag Occupancy Sensor

Driver Knee Airbag

Rear Child Safety Locks

Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners

ParkView Back-Up Camera

Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Window Sticker

SUMMARY

[Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD

MSRP:\$41,415.00

Interior:Black, Cloth Bucket Seats w/Shift Insert

Exterior 1:DB Black Clearcoat

Exterior 2:No color has been selected.

Engine: 5.7L V8 HEMI MDS VVT

Transmission: 8-Speed Automatic (8HP70)

OPTIONS


CODE	MODEL	MSRP
WDEE75	[Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD	\$41,415.00
OPTIONS		
22Z	Quick Order Package 22Z	\$0.00
ADL	Skid Plate Group	\$330.00
C5X9	Black, Cloth Bucket Seats w/Shift Insert	\$0.00
CW6	Deactivate Rear Doors/Windows	\$85.00
CW7	Door/Window Activation Kit	\$115.00
DFD	Transmission: 8-Speed Automatic (8HP70)	\$0.00
DPM	3.09 Rear Axle Ratio	Inc.
EZH	Engine: 5.7L V8 HEMI MDS VVT	\$2,995.00
GXF	Entire Fleet Alike Key (FREQ 1)	\$160.00
LNA	Black Right LED Spot Lamp	\$580.00
LNF	Black Left LED Spot Lamp	\$610.00
PXJ	DB Black Clearcoat	\$0.00
WBN	Wheels: 18" x 8.0" Black Steel	\$0.00
Z6J	GVWR: 7,100 lbs	Inc.

SUBTOTAL	\$46,290.00
Adjustments Total	\$0.00
Destination Charge	\$1,595.00
TOTAL PRICE	\$47,885.00

FUEL ECONOMY

Est City:14 (2022) MPG

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Vehicle: [Fleet] 2023 Dodge Durango (WDEE75) Pursuit AWD ( Complete)

Est Highway:22 (2022) MPG

Est Highway Cruising Range:541.20 mi

Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided. Data Version: 17480, Data updated Sep 16, 2022 6:48:00 PM PDT



Administrative Report

H.20., File # 22-4886

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE PLANS AND SPECIFICATIONS FOR THE CITYWIDE SLURRY SEAL PROJECT, PHASE 3, JOB NO. 41140 AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE PROJECT FOR COMPETITIVE BIDS

EXECUTIVE SUMMARY

The Citywide Slurry Seal Program is a multi-year project, included in the City's current capital budget. This is the third phase of the project and includes the streets authorized by the City Council in September 2020 as part of the three-year work plan (see attached map).

The plans and specifications for the project are ready for competitive bidding and are available for review at the Plans and Specifications Review Area located behind the Engineering permit counter at City Hall. The Engineer's cost estimate for the Citywide Slurry Seal Project is \$595,000. Construction is expected to begin in early calendar year 2023 and take forty-five (45) working days to complete.

BACKGROUND

The Citywide Slurry Seal Program is an on-going Capital Improvement Program that applies crack seal, slurry seals and refreshed striping and pavement markings to the City's streets. The program increases the life of the existing pavement thereby reducing the frequency of more expensive rehabilitation methods. The project supports the City's Strategic Plan goal to assess, prioritize, and plan for park/open space acquisition and for reconstruction of major City facilities and infrastructure.

In January 2018, the City Council gave direction to set a goal of improving the City's PCI to 75 within 10 years. The City has worked towards achieving the goal by 2027 through the construction of capital improvement projects, including the Citywide Slurry Seal Program, and the City's crews performing smaller maintenance projects.

Every three years the City surveys the condition of roadway pavement for all of its streets and prepares a report that helps prioritize future street rehabilitation projects to comply with the requirements of GASB 34. The City relies on the assistance of a specialized engineering consultant to perform this work.

On September 15, 2020, City Council discussed the triennial Citywide Pavement Management Survey Report (2020 Citywide PMS Report) and approved the streets that were recommended for

both rehabilitation and slurry seal treatment for the next three years. The [2020 Citywide PMS Report <https://www.redondo.org/civicax/filebank/blobdload.aspx?t=41804.86&BlobID=38918>](https://www.redondo.org/civicax/filebank/blobdload.aspx?t=41804.86&BlobID=38918) on the City's Engineering webpage, and the three year workplan is presented in Appendix E of that report. The plans and specifications for the Citywide Slurry Seal Project - Phase 3 have been prepared in accordance with the City Council approved streets for slurry seal treatment in 2022.

The plans and specifications are ready for City Council approval and authorization for competitive bidding. The Engineer's cost estimate for the Citywide Slurry Seal Project, Phase 3 is \$595,000. The bidding process is anticipated to be completed in November with a contract award by the City Council. Construction on this project is expected to begin in early calendar year 2023 with a project duration of forty-five (45) working days.

COORDINATION

The project has been coordinated within the Public Works Department.

FISCAL IMPACT

The Engineer's cost estimate for this project is \$595,000, which is within the current FY 22-23 CIP budget.

Funding

CIP Job No 41140 (Measure R) \$386,750

CIP Job No 41140 (Trash Hauler Impact) \$208,250

Total \$595,000

Expenditures

Construction Estimate \$425,000

Contingency \$106,250

CM & Inspection \$63,750

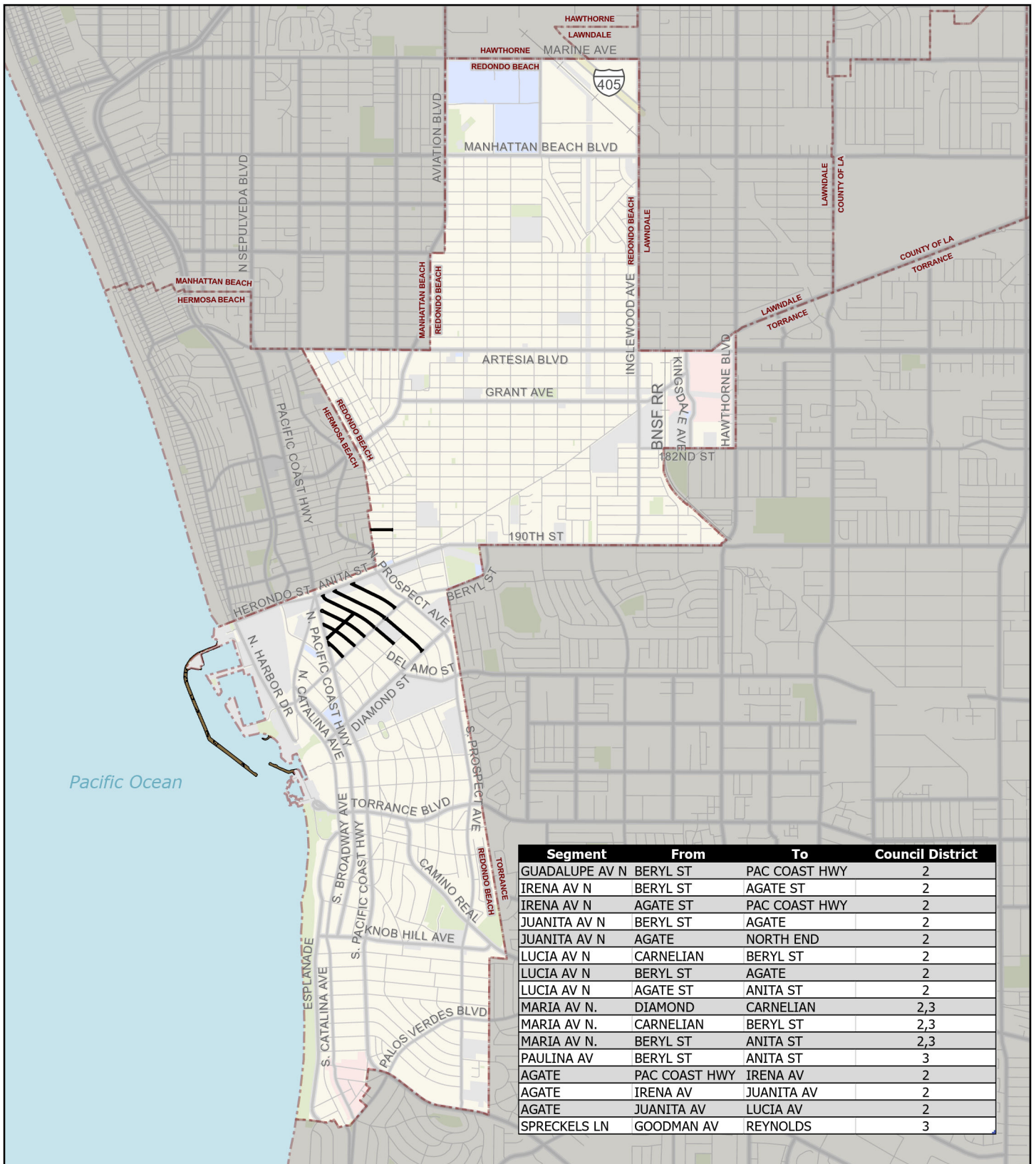
Total \$595,000

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Project Maps - Citywide Slurry Seal, Phase 3



Segment	From	To	Council District
GUADALUPE AV N	BERYL ST	PAC COAST HWY	2
IRENA AV N	BERYL ST	AGATE ST	2
IRENA AV N	AGATE ST	PAC COAST HWY	2
JUANITA AV N	BERYL ST	AGATE	2
JUANITA AV N	AGATE	NORTH END	2
LUCIA AV N	CARNELIAN	BERYL ST	2
LUCIA AV N	BERYL ST	AGATE	2
LUCIA AV N	AGATE ST	ANITA ST	2
MARIA AV N.	DIAMOND	CARNELIAN	2,3
MARIA AV N.	CARNELIAN	BERYL ST	2,3
MARIA AV N.	BERYL ST	ANITA ST	2,3
PAULINA AV	BERYL ST	ANITA ST	3
AGATE	PAC COAST HWY	IRENA AV	2
AGATE	IRENA AV	JUANITA AV	2
AGATE	JUANITA AV	LUCIA AV	2
SPRECKELS LN	GOODMAN AV	REYNOLDS	3



Citywide Slurry Seal Project Phase 3, Job No. 41140



6/9/2022

 Slurry Seal Segment



Citywide Slurry Seal Project Phase 3, Job No. 41140



6/9/2022

 Slurry Seal Segment



Citywide Slurry Seal Project, Phase 3, Job No. 41140

District 3



6/9/2022

 Slurry Seal Segment



Administrative Report

H.21., File # 22-4767

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

APPROVE AN AGREEMENT WITH VECTOR RESOURCES, INC. TO PURCHASE AND INSTALL SIXTEEN ADDITIONAL CITY SURVEILLANCE CAMERAS AND PROVIDE SYSTEM-WIDE CAMERA MAINTENANCE FOR AN AMOUNT NOT TO EXCEED \$125,733.50 FOR THE TERM OCTOBER 5, 2022 THROUGH SEPTEMBER 21, 2025

EXECUTIVE SUMMARY

In 2014, the City of Redondo Beach entered into an agreement with Vector Resources, Inc. for the installation and regular maintenance of surveillance cameras at the Police Department and City Hall. The surveillance cameras provide live video of the Police Department parking lot, jail facility as well as the City Hall parking lot. Upon approval of this Agreement, additional surveillance cameras will be added to the Pier / Harbor area, Police Department, Public Works and City Hall. Additionally, Vector Resources, Inc. will conduct regular and routine maintenance of the camera systems for the duration of the Agreement.

BACKGROUND

In August of 2021 the previous agreement with Vector Resources, Inc. expired. The Agreement was for the ongoing maintenance of the sixty-one existing surveillance cameras for the Police Department facility and some City Hall locations. The Police Department seeks to enter into a new agreement with Vector Resources, Inc. to purchase and install an additional sixteen surveillance cameras. The addition of these surveillance cameras will improve the safety and situational awareness of employees and visitors to City facilities.

The Police Department continues to have the ability to monitor, view, record and retain for evidence video from the new and existing surveillance cameras. Video data is stored for thirty days and then automatically purged from the system, unless specifically retained as evidence. The approval of this Agreement also includes three years of system-wide maintenance on the seventy-seven new and existing surveillance cameras.

The sixteen new cameras will be installed at:

Public Works Yard	1513 Beryl St.	4 Cameras
City Council Chambers	415 Diamond St.	2 Cameras
Fire Station #3	280 Marina Way.	2 Cameras
North PD Office	1922 Artesia Blvd.	1 Camera
PD Annex Building	200 N. PCH	3 Cameras

PD Pier Sub-Station	101 W. Torrance Blvd.	2 Cameras
PD Property Warehouse	544 N. Gertruda Ave.	1 Camera
PD Lobby	401 Diamond St.	1 Camera

COORDINATION

The Police Department coordinated this report with the City Attorney's Office, Public Works, Information Technology and Fire Departments.

FISCAL IMPACT

The cost of the purchase and installation of the new surveillance cameras is \$84,605.33 and will be proportionately split between the Public Works Department, Fire Department, Information and Technology Department and the Police Department, based on the location of each camera. Funding will be drawn from previously approved CIP allocations and the respective Departments' annual operating budgets. Maintenance for all existing and new surveillance cameras will cost \$13,709.39 per year for a total of \$41,128.17 for the three-year term of the Agreement.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agreement - Vector Resources, Inc.
- COI - Vector Resources, Inc.

Prepared For:

City of Redondo Beach
Jon Naylor
415 Diamond Street
Redondo Beach, CA 90277

Project Description:

New Surveillance Cameras + 3 Year Maintenance Contract
Proposal V.2.3

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Company Overview

VectorUSA's corporate vision is to become the unsurpassed standard in "connecting people to information and the world." We build our business one customer at a time through our family of dedicated employees providing reliable, high quality communications designs and solutions that exceed our customers' expectations.

Headquartered in Torrance, CA, with offices in San Diego, CA, Rancho Cucamonga, CA, Scottsdale, AZ and Charlotte, NC, VectorUSA maintains an industry-wide reputation for delivering the highest quality products and services while executing projects on time and on budget in all types of production environments.

VectorUSA employs more than 350 people trained and certified to support the products and services we offer. Through continuous training and education, we maintain numerous certifications in the areas of Data Center Design and implementation, Collaboration / Video Conferencing, Unified Communications / VoIP, Cloud, Network Infrastructure, Wireless Networking, Cyber Security, Physical Layer - Fiber and Copper Infrastructure, Surveillance & Analytics, Access Control as well as Commercial and Professional Audio-Visual Systems.

Customer service and support is paramount; to provide the best service possible, VectorUSA has two network operation centers one in California and another in North Carolina. This allows us to provide 24/7/365 coverage to our clients.

VectorUSA has established partnerships with the industry leading manufacturers included in our products and service portfolio. Our partnerships include Cisco Gold, Cisco Data Center Architecture, Cisco Collaboration Architecture, HP Enterprise / Aruba Platinum, Microsoft, VMWare, Veeam, Fortinet, Qognify, Milestone Gold, Avigilon, Axis, Hanwa Gold, Siemon Company, CommScope, Corning, Sumitomo, Hitachi, Crestron, Extron as well as other industry leading manufacturers.

Statement of Work

Area of Services Included in this Agreement

Installation of New Surveillance Cameras

VectorUSA will provide all materials and labor for the following scope of work to install new surveillance cameras for the City of Redondo Beach at each of following locations. This project is based on Prevailing Wage labor rates for Los Angeles County.

Public Works Yard - 1513 Beryl

Cameras & Mounts

VectorUSA will provide and install four (4) new Hanwha outdoor dome cameras to view the main perimeter areas of the public works yard. All cameras will be wall mount on the side of the buildings to view the required angles as discussed with the end user point of contact, and as shown in the provided IPVM drawings. Each new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. Each camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

The cameras being provided are as follows:

- (4) Hanwha XNV-8082R | 6MP IR Outdoor Dome Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new cameras. It is assumed the end user will provide and install the CAT6 cable to the specified camera locations. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA will be responsible for any penetrations out of the buildings to reach the camera locations. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the buildings will be provided by the end user. Outside of the buildings, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera.

City Council Chambers

Cameras & Mounts

VectorUSA will provide and install two (2) new Hanwha outdoor dome cameras to view the outdoor front entrance and the inside lobby/front door. All cameras will be wall mount on the side of the buildings to view the required angles as discussed with the end user point of contact, and as shown in the provided IPVM drawings. Each new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. Each camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

The cameras being provided are as follows:

- (1) Hanwha XNV-8082R | 6MP IR Vandal Resistant Outdoor Dome Camera
- (1) Hanwha XND-8081RV | 5MP IR Vandal Resistant Outdoor Dome Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new cameras. It is assumed the end user will provide and install the CAT6 cable to the specified camera locations. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA will be responsible for any penetrations out of the building to reach the outdoor camera locations. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the building will be provided by the end user. Outside of the buildings, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera.

Fire Station 3

Cameras & Mounts

VectorUSA will provide and install two (2) new Hanwha outdoor PTZ cameras to view the open water heading into the marina. This will help with assisting boats and personnel as they enter and exit the marina. The two PTZ cameras will be pole mount to new masts that will be installed on the edge of the roof. The coverage of the cameras will be in line with what was discussed with the end user point of contact, and as shown in the provided IPVM drawings. Each new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. Each camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

cameras being provided are as follows:

- (2) Hanwha XNP-6320HS | 2MP 32x Stainless Steel Outdoor PTZ Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new cameras. It is assumed the end user will provide and install the CAT6 cable to the specified camera locations. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used. If VectorUSA is required to provide and/or run the cables, it will need to be addressed via a written change order.

Pathway

VectorUSA will be responsible for any penetrations out of the building to reach the camera locations. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the building will be provided by the end user. Outside of the building, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera. Site survey time will be included so the proper pathway up to the roof can be designed by VectorUSA.

Two (2) new masts will need to be installed on the top of the roof, mounted to the inside of the roof edge. VectorUSA will perform a site walk where access to the roof area will be required. If there is no existing pathway to get to the roof, some engineering, material, and labor will be added to bring the cable to the roof camera locations.

North PD Substation

Cameras & Mounts

VectorUSA will provide and install one (1) new Hanwha outdoor dome camera to view the north-west lot and the entrance door. The camera will be wall mount on the side of the building to view the required angles as discussed with the end user point of contact, and as shown in the provided IPVM drawings. Each new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. Each camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

cameras being provided are as follows:

- (1) Hanwha XNV-8082R | 6MP IR Vandal Resistant Outdoor Dome Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new cameras. It is assumed the end user will provide and install the CAT6 cable to the specified camera location. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA will be responsible for any penetrations out of the building to reach the camera location. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the building will be provided by the end user. Outside of the building, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera.

PD Annex

Cameras & Mounts

VectorUSA will provide and install three (3) new Hanwha outdoor dome cameras to view the black gated entrance, the front entrance and walkway, and the back entrance and stairwell to the front. All cameras will be wall mount on the side of the buildings to view the required angles as discussed with the end user point of contact, and as shown in the provided IPVM drawings. Each new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. Each camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

The cameras being provided are as follows:

- (3) Hanwha XNV-8082R | 6MP IR Vandal Resistant Outdoor Dome Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new cameras. It is assumed the end user will provide and install the CAT6 cable to the specified camera locations. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA will be responsible for any penetrations out of the building to reach the camera locations. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the building will be provided by the end user. Outside of the building, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera.

PD Pier Substation

Cameras & Mounts

VectorUSA will provide and install two (2) new Hanwha outdoor PTZ cameras to view down the boardwalk/pier and the main beach pathway/road. All cameras will be pole mount on the existing pole to view the required angles as discussed with the end user point of contact, and as shown in the provided IPVM drawings. The old camera is assumed to be removed from the pole to make room for the new PTZ cameras. Each new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. Each camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

The cameras being provided are as follows:

- (2) Hanwha XNP-6320HS | 2MP 32x Stainless Steel Outdoor PTZ Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new cameras. It is assumed the end user will provide and install the CAT6 cable to the specified camera locations. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA will be responsible for any penetrations out of the building to reach the camera locations. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the buildings will be provided by the end user. VectorUSA assumes there is pathway existing to get up to the roof pole mounts where existing cameras are located. Outside of the buildings, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera. If more pole mounts are required to be installed if the existing ones cannot be used, the engineering, material and labor required will need to be addressed via a written change order.

Property Warehouse - 544 Gertruda

Cameras & Mounts

VectorUSA will provide and install one (1) new Hanwha outdoor dome camera to view the property warehouse entry doors. The camera will be wall mount on the side of the buildings to view the required angles as discussed with the end user point of contact, and as shown in the provided IPVM drawings. The new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. The camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

The camera being provided are as follows:

- (1) Hanwha PNM-9031RV | 15MP Panoramic 180-degree IR Outdoor Dome Camera

Connectivity

VectorUSA will provide and install all termination hardware for the new camera. It is assumed the end user will provide and install the CAT6 cable to the specified camera locations. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA will be responsible for any penetrations out of the buildings to reach the camera location. If any coring is required, it will need to be addressed via a written change order. All other pathway inside the buildings will be provided by the end user. Outside of the buildings, VectorUSA will be responsible for providing the pathway to jump from the penetration location to the camera.

Replace/Relocate Cameras

Cameras & Mounts

VectorUSA will provide and install one (1) new Hanwha outdoor dome camera to replace an existing BlueLight camera at the Redondo Beach PD main entrance. The camera will be wall mount in the same area as the old camera as discussed with the end user point of contact. The new camera will receive one (1) Qognify Ocularis license to be configured on the existing City of Redondo Beach VMS. The camera view will be configured on the VMS with assistance from the end user main point of contact to assure the desired coverage is met.

The cameras being provided are as follows:

- (1) Hanwha XNV-8082R | 6MP IR Vandal Resistant Outdoor Dome Camera

One (1) existing camera above the PD Command Trailer will be removed and relocated to the northwest corner of the police building with viewing access to City Hall. VectorUSA will confirm the location with the end user main point of contact prior to the start of the project.

Connectivity

VectorUSA will provide and install all termination hardware for the relocated camera. It is assumed the end user will provide and install the CAT6 cable to the new camera location. From there VectorUSA will terminate the cable on both ends, test and label the cable, and provide the required patch cords to complete the connection. It is assumed switching and patch panels with open ports are existing and can be used.

Pathway

VectorUSA assumes existing pathway can be used for the camera being removed. One (1) new penetration is being provided for the camera being relocated. If any other new pathway or penetrations are required for this camera installation, it will be addressed via a written change order.

3 Year Surveillance Preventative Maintenance

VectorUSA will provide a three (3) year services maintenance agreement for your Surveillance equipment. VectorUSA will assure that all existing functionality of the physical security equipment remains in proper working condition and is maintained. Break-Fix services will also be included up to the below listed not-to-exceed (NTE) budget set forth in this contract. The described Preventative Maintenance and Services will be provided for all surveillance related components for the sites listed below (please note that no other areas or sites will be serviced beyond the list provided (*pending City additions, subtractions, and confirmation*)):

Sites to be maintained:

1. City Hall
2. Police Department
3. Jail
4. Records
5. Public Works
6. Public Works -Pier Loading
7. Public Works Yard – 1513 Beryl
8. City Council Chambers
9. Fire Station 3
10. North PD Substation
11. PD Annex
12. PD Pier Substation
13. Property Warehouse – 544 Gertruda

VectorUSA will only provide services for the physical security components that are part of the systems/sites above. This service includes labor for troubleshooting over the phone and/or onsite, yet does not include parts, shipping or other services required for repair, which will either be covered by remaining manufacturer warranties or will be proposed for approval and invoiced to the client.

VectorUSA will also provide the required **Qognify Ocularis SMA renewal licensing** for the City of Redondo Beach. The city is current on SMA until 5/26/2023. Using this contract, the SMA renewal will be purchased during Year 2 and Year 3 and added to the existing account to keep the Ocularis software current and up to date. At the end of the three-year contract, the new renewal date of the SMA licensing will be 5/26/2025.

NOTE: *If any extra cameras are added to the City of Redondo Beach environment outside of the sixteen (16) included in the “New Surveillance Cameras” part of this contract, more licenses will need to be added to the system and it will need to be covered using the Open PO Not to Exceed (NTE) budget, or in a separate proposal.*

VectorUSA shall provide products and services to be billed against an open client purchase order issued to VectorUSA for this contract. Open purchase orders may be used as needed by the client for all types of work including but not limited to Projects (Fixed Price) and Time & Material workorders. This agreement will utilize a Not to Exceed (NTE) budget allocated for the above services and scope.

VectorUSA shall provide monthly statements listing each workorder (job number), associated tasks and total charges for that workorder as well as the charges to date and remaining funds on the open purchase order.

VectorUSA reserves the right to re-assess labor rates and material markup on an annual basis for all open purchase order contracts. Rates and markups can only be guaranteed for 1 year from the date of this agreement and shall be re-assessed and adjusted on an annual basis for multi-year agreements. At the time of assessment, if the new rates and material markups are agreeable to both parties and there are funds remaining on the existing purchase order, this agreement can be amended. If the purchase order has expired or there are no funds remaining, a new agreement shall be required.

Note: For all services provided under this agreement labor shall be quoted and billed based upon the agreed upon rate schedule and material markup shall be quoted and billed at a markup of 1.25 for the duration of the contract.

Projects

For Projects, work shall be quoted based upon the scope provided to VectorUSA and quoted in a fixed price proposal to the client. A new workorder and job number shall be created for each request.

Billing for Project workorders shall be triggered when the work is completed and accepted. In cases where work exceeds 30 days, billing shall follow the standard monthly billing cycle unless agreed upon in writing.

Time and Material

Time & Material shall be used for undefined or loosely defined work requests. For Time & Materials a new workorder and job number shall be created for each request and minimum charges apply based on the established rate schedule.

Billing for Time & Material workorders shall be triggered when the work is completed and accepted. In cases where work exceeds 30 days, billing shall follow the standard monthly billing cycle unless agreed upon in writing.

Time shall begin when the team is dispatched and include time onsite up to the minimum charge which is equal to four (4) hours at the standard rate. Additional time onsite beyond the minimum 4 hours shall be billed in 15-minute increments for the remaining labor using the rate table below.

All Time and Material workorders are scheduled based on best effort. No service level agreements (SLA) are implied or guaranteed. Generally, acknowledgement is provided within (1-2) business days, scheduling will depend on the resource availability and the nature of the request.

Time & Material Rate Table

In most cases a single resource type is being dispatched for Time & Material requests. In cases where multiple resource types are being requested and / or dispatched on a single workorder, the minimum charge will be \$250.00

Resource Type	Minimum Charge Time & Material (Per Workorder)	Standard Rate	Overtime Rate
Physical Security Engineer	\$ 280.00	\$ 140.00	\$ 210.00
Physical Security Technician	\$ 210.00	\$ 105.00	\$ 157.50
Solutions Architect, Physical Security	\$ 500.00	\$ 250.00	\$ 375.00

Please note that this contract only relates to the VectorUSA Preventative Physical Security Maintenance and Services Agreement, this is not an Extended Warranty contract for the existing or new physical security equipment. A list of VectorUSA executable Preventative Maintenance and Services included in this agreement are below:

- Provide telephone dispatch support between **8am-5pm, PST, M-F**.
 - Response time – within 24 hours, excluding weekends and holidays, of contact with VectorUSA Service Center.
 - Dispatch information is as follows:
 - (877) 569-8800
 - support@vectorusa.com
- Provide an on-site service call when dispatched.
 - On-Site response – within 48 to 96 hours, excluding weekends and holidays, of contact with VectorUSA Service Center.
- Provide **One (1) Annual** scheduled Preventative Maintenance Service for the duration of service contract for each site noted above, which will include a full Preventative Maintenance Service, defined below for each site/location.
- Provide **proposals** for parts, repair and/or replacement for non-manufacturer warranties and end-user replaceable items for all physical security system components within 48hrs (Monday through Friday).
- Confirm and execute manufacturer repairs covered through the Manufacturer Warranty, only with client's knowledge and approval. These repairs will be completed per manufacturer warranty timelines and procedures.
- Repair and/or replace faulty non-custom connectors and cabling caused by normal wear and use. All custom order or non-standard connections will be repaired upon approval of provided proposals by City.
- Provide Service Reports for all services performed.
- A total of **\$15,000 yearly** allocated 'Break-Fix' budget for additional on-site visits will be provided yearly for the term of this Agreement for a total of \$45,000 over the 3-year contract. The scheduling of onsite visits can be arranged and confirmed through VectorUSA Service Center (weekends not included). Hours will be tracked and deducted by actual onsite (unused hours cannot be used or extended past the end of agreement date but may be rolled over year on year during the term of the Agreement). Service calls require a minimum of 4 hours charged per site visit.
 - *Note: due to the Open PO portion being included in this contract, quarterly maintenance visits are **not included** in this version of the proposal. Instead, break fix work to go onsite will be covered by the Open PO.*
- Hourly rates discounted for additional Engineering and Technical Services that may be required and will be quoted in blocks of a minimum of 4 hours.
- All maintenance services to be performed on the same day or consecutive days.
- All delays due to client's needs, schedule or access during service or maintenance visits will be billed on an hourly basis or charged as service hours against allocated hours.
- VectorUSA will require the following to be taken care of by the city while on the preventative maintenance visit or other project: (1) Access to the camera, pathway, and endpoint, (2) Access to MDF, IDF, server room, etc. (3) IT support availability.

Definitions

Preventative Maintenance Service: The following tasks will be performed during a Preventative Maintenance Service call:

Break Fix Service: Service provided in response to equipment or system failure.

General Maintenance: Dust and/or vacuum the area of concern from foreign objects, wipe down and clean area of concern (including screen fabric), check surrounding heat, power cycle devices, air flow, review error messages on available devices, check and test end-user connection cables, verify end-user interface controls and system functionality. Note any additional concerns and recommended upgrades or services.

Mechanical Maintenance: Dust and/or vacuum the area of concern, test and review all motorized surveillance equipment, inspect mechanical movement, lubricate any all devices (if necessary), power cycle device, review belts, cables and motors related to operation of system functionality. Note any additional concerns.

VMS Maintenance: Wipe down and clean workstation to access the VMS, check current software version, update to newest software version, check system storage, set any new configurations that are required by the city. Note any additional concerns.

Server/Workstation Maintenance: Wipe down and clean area of concern, check current storage size, run output report on cameras linked to the server, confirm recording requirements with end user to understand storage needs. Note any additional concerns.

Camera Maintenance: Wipe down and clean camera cover and case, clean camera lens, check firmware and update if needed, adjust/focus camera views.

Proposal: A proposal is provided when there is an issue or concern with the system beyond the Preventative Maintenance contract. A Vector proposal will help the end-user make financial decisions based on age and quality of system, to determine if the repair is warranted or desired. It will be at the Client's discretion to proceed or not to proceed with a Vector proposal for any repair or replacement of equipment and the cost of services and parts outside Manufacturer Warranty.

Project Parameters / Caveats

Change Order

Any work that is added to or deleted from the original scope of this proposal that alters the original costs or completion date must be agreed upon by both parties in writing.

Proprietary Information

The information contained in this document is proprietary to VectorUSA and intended to be used as evaluative and / or bidding information only. No part of this document may be disclosed, reproduced and/or distributed to anyone except the listed recipients within this package without written permission from VectorUSA except as required by law.

Add & Delete

Any additional work requested outside of the scope of work will be considered separate work and addressed in the form of a written change order. This proposal is not to be used as an "add & delete" schedule.

Defective Materials

If, due to problems with the existing hardware and / or materials provided by the client or other third parties, there is a delay and / or VectorUSA is unable to perform the work outlined in the scope of work, it will be addressed in the form of a written change order.

Extraordinary Service

Certain additional charges related to extraordinary levels of support or out-of-pocket costs incurred by VectorUSA, through no fault of its own, shall be reimbursed to VectorUSA by the client under this agreement.

Examples of costs reimbursable under this section include, but are not limited to 1) shipping expenses related to unusual site handling fees (e.g., extra distance, no loading dock, extra stairs, extra demurrage charges); 2) storage or special handling expenses incurred if an installation site is not able to accept delivery as scheduled; 3) expenses incurred by VectorUSA to resolve network compatibility issues caused by a client's election to substitute non-VectorUSA provided equipment or services; and 4) expenses incurred by VectorUSA for additional installation time and / or materials caused by a site not being prepared as called for in this proposal. VectorUSA shall promptly notify the client in writing of such charges. Notification will be provided prior to the incurrence of such charges, unless circumstances preclude such prior written notification (by way of example, but not limited to, unusual site handling charges). Provided the incurrence of such charges is not due to VectorUSA's fault, negligence, or failure to perform duties as described in this Agreement, VectorUSA shall be entitled to an equitable adjustment in the prices herein, the delivery schedule, or both, to reflect such charges and any related delay.

Schedule

VectorUSA plans to implement this project in a continuous fashion or following the baselined schedule if submitted as part of this project. If delays or changes are introduced that are outside of VectorUSA's control, and those changes result in additional cost those costs will be addressed in the form of a written change order.

Delays

The client must provide five (5) working days advance notice of any delays that will impact this project. If proper notice is not provided VectorUSA reserves the right to issue a work stoppage change order. Additionally, idle time incurred due to the absence of required escorts, clearance, permits, inability to enter the workplace, delays by other trades or other factors beyond VectorUSA's control will be addressed in the form of a written change order.

Workdays / Overtime

All work will be performed during VectorUSA's standard business hours of 7am - 5pm, Monday – Friday, or as specified in the statement / scope of work. If changes to the stated work hours are required due to conditions outside of VectorUSA's control result in additional cost those costs will be addressed in the form of a written change order.

Ceiling Tile

VectorUSA shall exercise care in the removal, storage, and reinstallation of existing (used) ceiling tiles: however, Vector accepts no liability for any incidental damages that may result from the handling of ceiling tiles.

Office Furniture

VectorUSA is not responsible for disassembling or moving desks or other office furniture to gain proper access to perform work.

Storage Area

The client shall provide a secured storage area onsite for VectorUSA's materials and tools.

Existing Cable

VectorUSA has not confirmed that the existing cable infrastructure is usable (e.g., undamaged, labeled, correct pin configurations, etc.). If pretesting or precertification is not included in our scope of work VectorUSA assumes no responsibility for existing cabling. If during installation it is found the existing cable is unusable, VectorUSA will inform the client. Troubleshooting and resolution services are available if needed and can be addressed in the form of a change order.

Coring

If any coring, x-ray, or sonar inspections are necessary that are not specifically included in our proposal, it will be addressed in the form of a written change order.

Existing Conduit

The client is responsible for ensuring that existing conduit / pathway that may be used for this project is installed and utilized in accordance with NEC requirements, have adequate space available for addition of new cables, will not exceed 60% fill ratio after new cables have been added, and are free of obstructions, blockages, and / or defects. If existing conduits / pathways to be used for this project need to be brought into compliance with current code and standards, VectorUSA can assist the client with this work if the client requests such assistance and those costs can be addressed in the form of a written change order.

Asbestos / Hazardous Environments

VectorUSA assumes that its installation teams will be working in areas that do not contain asbestos or any other hazardous material that would require additional time or alternative installation procedures. It is the responsibility of the client to provide written notification to VectorUSA of any known asbestos contained material (ACMs) in or around the area of the project prior to the start of a project. If ACMs are present prior to job commencement, or if ACMs are encountered during the project, additional cost, damages and / or delays attributed to necessary procedures for working in this environment will be the client's responsibility.

Price Guarantee

Due to the volatility in markets affecting material costs across all product lines, we can only guarantee material costs for 30 days unless otherwise specified. If a purchase order is not received within the guaranteed window any increases will be addressed through a new proposal.

Lead Time Disclaimer

At the time of this proposal, lead time for the materials specified was up to 60 Days.

Lead times on material orders are verified at the time we submit our proposals based on our understanding of the anticipated project period of performance. With the current volatility in the market driven by supply and demand, those lead times cannot be guaranteed past the date of the proposal. Lead times will be refreshed once a purchase order is received and if any items have lead times that impact the project timeline a Stakeholder notification will be sent. If needed alternative “equivalent” products may be discussed and if agreed upon substituted to maintain the desired period of performance.

Contract Pricing

New Surveillance Cameras (16 Cameras)

3 Year Surveillance Preventative Maintenance

*Note: Year 2 & Year 3 includes Qognify Ocularis Enterprise 1Yr SMA Renewal licensing as well as the added sixteen (16) cameras included in the **New Surveillance Cameras** portion of this contract.*

Warranty

VectorUSA provides, for all work completed under this contract our Vector USA warranty. This warranty covers all workmanship for a period of one (1) year unless specifically extended in writing as part of this agreement.

While this agreement extends the manufacturer's warranty for all items installed, that warranty does not include labor required to replace, return, remove, install, or configure those items. If a product or item requires replacement under the manufacturer's warranty, VectorUSA will provide the labor to replace that item on a time & material basis. Materials covered under that warranty will be provided under the warranty, if any additional supporting materials are required that are not covered, they would be billed.

Please note that RMA's typically require the product to be returned in the original packaging. **It is recommended that packaging be retained if possible.**

This warranty does not include any damages or cost related to unforeseen environmental events including but not limited to fire, water, rodents, construction, abuse, or misuse. VectorUSA can address and repair issues of this nature through a service request at an additional cost. If VectorUSA responds to a warranty request and upon arriving on site or at any time during that warranty call determines that the issue is related to an uncovered event or condition, work will stop and the client shall be notified. If the client authorizes the repairs, the warranty call will be converted to a service call and billed accordingly.

Terms & Conditions

Assumptions and Exclusions: The above stated assumptions and exclusions are fully integrated and incorporated within the below terms and conditions and are to be treated as one inclusive document.

Scope of Services: VectorUSA agrees to provide the services stated in this Agreement for all Customer Premise Equipment ("Equipment"). VectorUSA does not warrant that the operation of any listed Equipment shall be uninterrupted. The services to be supplied by VectorUSA for the total charge set forth in this Agreement shall consist of personnel services required to respond appropriately to Customer incidents and issues, and requests for additional professional services and materials as required.

Charges for materials and services outside the scope of this Agreement, but still required to resolve Customer requests, shall be due and payable upon receipt of an invoice after the completion of the installation, repair, or other service. The charges and all other charges payable to VectorUSA under this Agreement are exclusive of federal, state or local tax, other than a tax on net income now or hereafter in effect or become applicable to any payment due under this Agreement, or to the Customer's equipment. The Customer shall file all necessary tax returns and shall pay all such taxes.

Access: Customer agrees to maintain, where required, a full time, dedicated Internet connection and to allow VectorUSA access to the Customer's network via that Internet connection. Customer agrees to allow VectorUSA employees or subcontractors access to its facilities in order to perform services under this Agreement. Customer agrees to allow VectorUSA access to the covered Equipment. Customer agrees to allow VectorUSA to load any necessary management software on their systems and / or install a Vector-owned device on the Customer network as required. Customer agrees to furnish VectorUSA with Administrator-level password access for all covered Equipment and servers, where necessary. VectorUSA agrees not to prevent Customer from accessing any Equipment owned by the Customer. If persons other than VectorUSA representatives perform maintenance, or repair the Equipment, and as a result further repair by VectorUSA is required to restore the Equipment to good operating condition, such repair will be made at rates for additional onsite service established in this Agreement.

Limited Warranty: VectorUSA warrants to the Customer that the material, analysis, data, programs and SERVICES to be delivered or rendered hereunder will be of the kind and quality designated and will be performed by qualified personnel. VECTOR USA MAKES NO OTHER WARRANTIES, WHETHER WRITTEN, ORAL, OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Excusable Delays: VectorUSA shall not be liable for any failure or delay in furnishing maintenance or spare parts hereunder resulting from fire, explosion, flood, storm, Act of God, governmental acts, orders or regulations, hostilities, civil disturbances, strikes, labor difficulties, difficulty in obtaining parts, supplies, or shipping facilities out of VectorUSA's control, inability to obtain or delays in obtaining suitable material or facilities required for performance, failure by Customer to provide full and appropriate access to the covered Equipment, failure of monitoring hardware or software, Customer Internet connection failure, or other causes beyond VectorUSA's reasonable control.

FORCE MAJEURE: Neither Party will be liable for any failure or delay in performing an obligation under this Agreement that is due to any of the following causes (which causes are hereinafter referred to as “Force Majeure”), to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, or generalized lack of availability of raw materials or energy; provided that the Parties stipulate that Force Majeure shall not include the novel coronavirus Covid-19 pandemic, which is ongoing as of the date of the execution of this Agreement.

For the avoidance of doubt, Force Majeure shall not include (a) financial distress nor the inability of either party to make a profit or avoid a financial loss, (b) changes in the market prices or conditions, or (c) a party's financial inability to perform its obligations hereunder.

Exclusions: THIS AGREEMENT DOES NOT INCLUDE THE REPAIR OR REPLACEMENT OF ANY HARDWARE PRODUCT, OR ANY SOFTWARE LICENSING EXCEPT SOFTWARE INSTALLED AND USED EXCLUSIVELY BY VECTORUSA TO PROVIDE MONITORING AND REPORTING SERVICES. Charges for the above will be on a Time and Materials basis. The Customer is advised to maintain hardware warranties on covered equipment at their own discretion and expense. Customer is responsible to assure all software used by the Customer is appropriately licensed.

In no event shall either VectorUSA or the Customer be liable to the other for any indirect, special, punitive, exemplary, incidental or consequential damages (including, but not limited to, lost profits, lost business opportunities, or loss of use or equipment down time, and loss of or corruption to data) arising out of or relating to any portion of this Agreement, regardless of the legal theory under which such damages are sought, and even if VectorUSA has been advised on the possibility of such damages or loss.

Software and Operating System Errors: This Agreement is limited to services specifically defined in this Agreement. It is the responsibility of the Customer to ensure that all of its files are adequately backed up and that all necessary materials are available, including manufacturer recovery media for software and other software to be reloaded. In no way is VectorUSA liable for defects or “bugs” in software, or for correcting errors introduced into the data, programs, or any other software or for any cost of reconstructing software or lost data. Any technical support required to restore data integrity or to make the system function, such as, but not limited to, rebuilding corrupted records, examining files, re-installation of O / S or Software, or re-indexing databases, will be billed separately on a Time and Materials basis.

Indemnity. To the maximum extent permitted by law, VectorUSA hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the Customer, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of VectorUSA's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the Customer. Notwithstanding the foregoing, nothing in this Section shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Customer 's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by VectorUSA or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. **Nonwaiver of Rights.** Indemnitees do not and shall not waive any rights that they may possess against VectorUSA because the acceptance by Customer, or the deposit with Customer, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. VectorUSA, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

Insurance. VectorUSA shall comply with the requirements set forth in Exhibit "A." Insurance requirements that are waived by the Customer's Risk Manager do not require amendments or revisions to this Agreement.

Non-Liability of Officials and Employees of the Customer. No official or employee of Customer shall be personally liable for any default or liability under this Agreement.

Compliance with Laws: VectorUSA shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non- discrimination laws.

a. Acknowledgement. VectorUSA acknowledges that eight (8) hours labor constitutes a legal day's work. VectorUSA shall comply with and be bound by Labor Code Section 1810. VectorUSA shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. VectorUSA shall, as a penalty to the Customer, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by VectorUSA or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of VectorUSA 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 1/2 times the basic rate of pay. For every subcontractor who will perform work on the project, VectorUSA shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and VectorUSA shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. VectorUSA shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, VectorUSA shall diligently take corrective action to halt or rectify the failure.

b. Prevailing Wages. Customer and VectorUSA acknowledge that this project is a public work to which prevailing wages apply. VectorUSA shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "B", which is attached hereto and incorporated by reference.

Scope of Agreement: If the scope of any of the provisions of the Agreement is too broad in any respect whatsoever to permit enforcement to its full extent, then such provisions shall be enforced to the maximum extent permitted by law, and both the Customer and VectorUSA hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of this Agreement shall not hereby fail, but that the scope of such provisions shall be curtailed only to the extent necessary to conform to the law.

Assignment: This Agreement may not be assigned by either the Customer or VectorUSA without the prior written consent of the other party. Except for the prohibition on assignment contained in the preceding sentence, this Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto.

Integration Clause: This instrument contains the entire agreement between the parties hereto and supersedes any and all prior written and / or oral agreements. This Agreement may be altered or modified only in writing signed by the parties hereto.

Applicable Law: This Agreement shall be governed by the laws of the State of California. It constitutes the entire Agreement between the Customer and VectorUSA. Its terms and conditions shall prevail should there be any variance with the terms and conditions of any order submitted by the Customer for the repair or maintenance of the Equipment in the Equipment. Either party may terminate this Agreement at any time for failure of the other to comply with any of its Terms and Conditions.

Confidentiality, Publication and Non-Compete: VectorUSA and the Customer agree that any and all information identified by the other as "Confidential" and / or "Proprietary", or which, under all of the circumstances, ought reasonably to be treated as Confidential and / or Proprietary, will not be disclosed to any third person without the express written consent of the other party. Confidential Information includes, but is not limited to, information about the respective entities' products and services, information relating to purchasing, accounting, pricing, marketing and customers not generally known in the business in which the entity has been, is or may become engaged and which is developed by, disclosed to, or becomes known as a consequence of or through each party's relationship with the other. Confidential Information does not include any information or development: (i) which is or subsequently becomes available to the general public other than through a breach by the receiving party; (ii) which is already known to the receiving party before disclosure by the disclosing party; (iii) which is developed through the independent efforts of the receiving party; or (iv) which the receiving party rightfully receives from third parties without restriction as to use.

Upon the expiration of the term of this Agreement, VectorUSA shall, and shall instruct its agents to whom Confidential Information was disclosed pursuant hereto, continue to treat as confidential and preserve the confidentiality of all Confidential Information received from the Customer.

Neither VectorUSA nor Customer shall directly or indirectly, solicit, recruit or hire any Customer or VectorUSA personnel, whether or not such personnel performed work for the Customer, during the term of this agreement and for a period of one (1) year after the termination of this agreement. The provisions of this Section shall survive the termination or expiration of the Agreement.

The Customer represents that he is owner of the Equipment subject to this Agreement or if not the owner, he has authority to enter into the Agreement.

Prevailing Wage: VectorUSA has based this proposal on prevailing wage labor rates for Los Angeles County.

Sales Tax: If Sales tax is applicable, it shall be is calculated and billed based on the effective tax rates at the date of invoice.

Payment and Termination: All payments are due net 30 from the date of invoice. VectorUSA reserves the right to stop work, delay delivery of services and / or products for failure by customer to pay within terms of this agreement. VectorUSA reserves the right to deem this contract in default immediately and terminate it if the payment is delinquent more than thirty (30) days. If customer is in default in the payment of the Agreement charge(s) and fails to cure such default within ten (10) days after receiving written notification of such default, the Customer agrees to pay reasonable collection costs, late charges and / or Attorney Fees. Late charges, if levied, shall be assessed at 1.5% monthly or 18% annually.

Contract: Unless otherwise agreed upon in writing this contract will be executed as a fixed price contract.

Acceptance of Order: This quote is valid for 30 days. The prices, specifications and conditions are satisfactory and are hereby accepted. VectorUSA is authorized to do the work as specified. Signature and Purchase Order due upon acceptance.

Signature & Acceptance

New Surveillance Cameras Project		
Material Total	\$	36,266.27
Labor Total	\$	37,465.96
Tax Total	\$	3,181.70
Proposal Sub-Total	\$	76,913.93
Contingency (+10%)	\$	7,691.40
Camera Project Grand Total	\$	84,605.33
3 Year Surveillance Maintenance Contract Total	\$	41,128.17
Contract Total	\$	125,733.50
Open PO NTE Budget (3 Years)	\$	45,000.00

(Date) October 4, 2022

Accepted and Approved for:

City of Redondo Beach
415 Diamond St
Redondo Beach, CA 90277

VectorUSA
20917 Higgins Court Torrance CA,
90501

(Date)

By:

(Printed Name)

William C. Brand, Mayor

ATTEST:

(Printed Title)

Eleanor Manzano, City Clerk

(Signature)

APPROVED:

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT “A”

INSURANCE REQUIREMENTS FOR VECTORUSA

Without limiting VectorUSA’s indemnification obligations under this Agreement, VectorUSA 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 VectorUSA, 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

VectorUSA shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

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

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

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Customer. At the option of the Customer, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Customer, its officers, officials, employees and volunteers or (2) the VectorUSA shall provide a financial guarantee satisfactory to the Customer 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 Customer, 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 VectorUSA. General liability coverage can be provided in the form of an endorsement to the VectorUSA's insurance, or as a separate owner's policy.

Automobile Liability: The Customer, 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 VectorUSA.

For any claims related to this project, the VectorUSA's insurance coverage shall be primary insurance as respects the Customer, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the Customer, its officers, officials, employees, or volunteers shall be excess of the VectorUSA'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 Customer.

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 Customer as a material breach of contract on the VectorUSA'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

VectorUSA shall furnish the Customer with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the Customer authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to Customer approval and amended to conform to the Customer's requirements may be acceptable in lieu of Customer authorized forms. All certificates and endorsements shall be received and approved by the Customer before the contract is awarded. The Customer 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

VectorUSA 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

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

EXHIBIT "B"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. VectorUSA acknowledges that the project as defined in this Agreement between VectorUSA and the Customer, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. VectorUSA shall perform all work on the project as a public work. VectorUSA 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, VectorUSA shall post job site notices, as prescribed by regulation.
4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at Customer Hall and will be made available to any interested party on request. VectorUSA acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and VectorUSA shall post such rates at each job site covered by this Agreement.
5. VectorUSA 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 VectorUSA shall, as a penalty to the Customer, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by VectorUSA or by any subcontractor.
6. VectorUSA shall comply with and be bound by the provisions of Labor Code Section 1776, which requires VectorUSA 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. VectorUSA 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. VectorUSA shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, VectorUSA shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, VectorUSA and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.
8. VectorUSA acknowledges that eight (8) hours labor constitutes a legal day's work. VectorUSA shall comply with and be bound by Labor Code Section 1810. VectorUSA shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The VectorUSA shall, as a penalty to the Customer, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the VectorUSA 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 VectorUSA 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, VectorUSA 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, VectorUSA shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and VectorUSA 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. VectorUSA 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. VectorUSA shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, VectorUSA shall indemnify, hold harmless and defend (at VectorUSA's expense with counsel acceptable to the Customer) the Customer, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including VectorUSA, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of VectorUSA under this Section shall survive termination of the Agreement.



VECTRES-01

SMITHKI

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/8/2022

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

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

PRODUCER License # 0E67768 IOA Insurance Services 130 Vantis Suite 250 Aliso Viejo, CA 92656	CONTACT NAME: Cheryl Perkovich PHONE (A/C, No, Ext): (949) 297-5534 52029 FAX (A/C, No): (949) 297-5960 E-MAIL ADDRESS: Cheryl.Perkovich@ioausa.com
INSURED Vector Resources, Inc. 20917 Higgins Court Torrance, CA 90501	INSURER(S) AFFORDING COVERAGE INSURER A : National Fire Insurance Co of Hartford INSURER B : Continental Insurance Company INSURER C : INSURER D : INSURER E : INSURER F : NAIC # 20478 35289

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Employee Benefits \$2 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:	X	X	7015429266	11/1/2021	11/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" 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	X	X	7015429283	11/1/2021	11/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			7015429302	11/1/2021	11/1/2022	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	X	7015429316	11/1/2021	11/1/2022	<input checked="" 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

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Certificate Holder(s) is/are included as Primary and Non-Contributory Additional Insured(s) with respect to General Liability (per forms #CNA74987XX & CNA75079XX) and Auto Liability (per forms #CNA71527XX); Waiver of Subrogation applies as respects General Liability (per form #CNA74872XX), Auto Liability (per form #CA04441013), and Workers Compensation (per form #G-19160-B(11-1997)); All applicable as required by written contract.

30 Days Notice of Cancellation with 10 Days Notice for Non-payment of Premium in accordance with the policy provisions.

Certificate Holder(s) include: The City, its officers, elected and appointed officials, employees and volunteers

CERTIFICATE HOLDER

CANCELLATION

City of Redondo Beach 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 <i>James F. Bruth</i>
--	--

**Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:
- A.** in the performance of your ongoing operations subject to such **written contract**; or
 - B.** in the performance of **your work** subject to such **written contract**, but only with respect to **bodily injury or property damage** included in the **products-completed operations hazard**, and only if:
 - 1. the **written contract** requires you to provide the additional insured such coverage; and
 - 2. this **coverage part** provides such coverage.
- II.** But if the **written contract** requires:
- A.** additional insured coverage under the 11-85 edition, 10-93 edition, or 10-01 edition of CG2010, or under the 10-01 edition of CG2037; or
 - B.** additional insured coverage with "arising out of" language; or
 - C.** additional insured coverage to the greatest extent permissible by law;
- then paragraph **I.** above is deleted in its entirety and replaced by the following:
- WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **coverage part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of **your work** that is subject to such **written contract**.
- III.** Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
- A.** coverage broader than required by the **written contract**; or
 - B.** a higher limit of insurance than required by the **written contract**.
- IV.** The insurance granted by this endorsement to the additional insured does not apply to **bodily injury, property damage, or personal and advertising injury** arising out of:
- A.** 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; and
 - 2. supervisory, inspection, architectural or engineering activities; or
 - B.** any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this **coverage part**.
- V.** Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance** is amended to add the following, which supersedes any provision to the contrary in this Condition or elsewhere in this **coverage part**:

CNA75079XX (10-16)

Page 1 of 2

Nat'l Fire Ins Co of Hartford

Insured Name: VECTOR RESOURCES, INC.

Policy No: 7015429266

Endorsement No: 7

Effective Date: 11/01/2021



**Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement****Primary and Noncontributory Insurance**

With respect to other insurance available to the additional insured under which the additional insured is a named insured, this insurance is primary to and will not seek contribution from such other insurance, provided that a **written contract** requires the insurance provided by this policy to be:

1. primary and non-contributing with other insurance available to the additional insured; or
2. primary and to not seek contribution from any other insurance available to the additional insured.

But except as specified above, this insurance will be excess of all other insurance available to the additional insured.

VI. Solely with respect to the insurance granted by this endorsement, the section entitled **COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

1. give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
2. send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
3. make available any other insurance, and tender the defense and indemnity of any **claim** to any other insurer or self-insurer, whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph 3. does not apply to insurance on which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.

VII. Solely with respect to the insurance granted by this endorsement, the section entitled **DEFINITIONS** is amended to add the following definition:

Written contract means a written contract or written agreement that requires you to make a person or organization an additional insured on this **coverage part**, provided the contract or agreement:

- A. is currently in effect or becomes effective during the term of this policy; and
- B. was executed prior to:
 1. the **bodily injury** or **property damage**; or
 2. the offense that caused the **personal and advertising injury**;for which the additional insured seeks coverage.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA75079XX (10-16)

Page 2 of 2

Nat'l Fire Ins Co of Hartford

Insured Name: VECTOR RESOURCES, INC.

Policy No: 7015429266

Endorsement No: 7

Effective Date: 11/01/2021



CNA PARAMOUNT

**Primary and Noncontributory - Other Insurance
Condition Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

It is understood and agreed that the condition entitled **Other Insurance** is amended to add the following:

Primary And Noncontributory Insurance

Notwithstanding anything to the contrary, this insurance is primary to and will not seek contribution from any other insurance available to an additional insured under this policy provided that:

- a. the additional insured is a named insured under such other insurance; and
- b. the **Named Insured** has 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 the additional insured.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

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CNA74987XX (1-15)

Page 1 of 1

Nat'l Fire Ins Co of Hartford

Insured Name: VECTOR RESOURCES, INC.

Policy No: 7015429266

Endorsement No: 10

Effective Date: 11/01/2021

**Technology General Liability Extension Endorsement**

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows. If any other endorsement attached to this policy amends any provision also amended by this endorsement, then that other endorsement controls with respect to such provision, and the changes made by this endorsement with respect to such provision do not apply.

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Technology General Liability Extension Endorsement**1. ADDITIONAL INSURED**

- a. **WHO IS AN INSURED** is amended to include as an **Insured** any person or organization described in paragraphs **A. through K.** below whom a **Named Insured** is required to add as an additional insured on this **Coverage Part** under a written contract or written agreement, provided such contract or agreement:

(1) is currently in effect or becomes effective during the term of this **Coverage Part**; and

(2) was executed prior to:

(a) the **bodily injury** or **property damage**; or

(b) the offense that caused the **personal and advertising injury**,

for which such additional insured seeks coverage.

- b. However, subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:

(1) a higher limit of insurance than required by such contract or agreement; or

(2) coverage broader than required by such contract or agreement, and in no event broader than that described by the applicable paragraph **A. through K.** below.

Any coverage granted by this endorsement shall apply only to the extent permissible by law.

A. Controlling Interest

Any person or organization with a controlling interest in a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** arising out of:

1. such person or organization's financial control of a **Named Insured**; or

2. premises such person or organization owns, maintains or controls while a **Named Insured** leases or occupies such premises;

provided that the coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

B. Co-owner of Insured Premises

A co-owner of a premises co-owned by a **Named Insured** and covered under this insurance but only with respect to such co-owner's liability for **bodily injury**, **property damage** or **personal and advertising injury** as co-owner of such premises.

C. Grantor of Franchise

Any person or organization that has granted a franchise to a **Named Insured**, but only with respect to such person or organization's liability for **bodily injury**, **property damage** or **personal and advertising injury** as grantor of a franchise to the **Named Insured**.

D. Lessor of Equipment

Any person or organization from whom a **Named Insured** leases equipment, but only with respect to liability for **bodily injury**, **property damage** or **personal and advertising injury** caused, in whole or in part, by the **Named Insured's** maintenance, operation or use of such equipment, provided that the **occurrence** giving rise to such **bodily injury**, **property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease.

Technology General Liability Extension Endorsement**E. Lessor of Land**

Any person or organization from whom a **Named Insured** leases land but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such land, provided that the **occurrence** giving rise to such **bodily injury, property damage** or the offense giving rise to such **personal and advertising injury** takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

F. Lessor of Premises

An owner or lessor of premises leased to the **Named Insured**, or such owner or lessor's real estate manager, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of the ownership, maintenance or use of such part of the premises leased to the **Named Insured**, and provided that the **occurrence** giving rise to such **bodily injury or property damage**, or the offense giving rise to such **personal and advertising injury**, takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

G. Mortgagee, Assignee or Receiver

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee or receiver's liability for **bodily injury, property damage or personal and advertising injury** arising out of the **Named Insured's** ownership, maintenance, or use of a premises by a **Named Insured**.

The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

H. State or Governmental Agency or Subdivision or Political Subdivisions – Permits

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for **bodily injury, property damage or personal and advertising injury** arising out of:

1. the following hazards in connection with premises a **Named Insured** owns, rents, or controls and to which this insurance applies:
 - a. the existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - b. the construction, erection, or removal of elevators; or
 - c. the ownership, maintenance or use of any elevators covered by this insurance; or
2. the permitted or authorized operations performed by a **Named Insured** or on a **Named Insured's** behalf.

The coverage granted by this paragraph does not apply to:

- a. **Bodily injury, property damage or personal and advertising injury** arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or
- b. **Bodily injury or property damage** included within the **products-completed operations hazard**.

With respect to this provision's requirement that additional insured status must be requested under a written contract or agreement, the Insurer will treat as a written contract any governmental permit that requires the **Named Insured** to add the governmental entity as an additional insured.

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Technology General Liability Extension Endorsement**I. Trade Show Event Lessor**

1. With respect to a **Named Insured's** participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom the **Named Insured** is required to include as an additional insured, but only with respect to such person or organization's liability for **bodily injury, property damage or personal and advertising injury** caused by:
 - a. the **Named Insured's** acts or omissions; or
 - b. the acts or omissions of those acting on the **Named Insured's** behalf,in the performance of the **Named Insured's** ongoing operations at the trade show event premises during the trade show event.
2. The coverage granted by this paragraph does not apply to **bodily injury** or **property damage** included within the **products-completed operations hazard**.

J. Vendor

Any person or organization but only with respect to such person or organization's liability for **bodily injury** or **property damage** arising out of **your products** which are distributed or sold in the regular course of such person or organization's business, provided that:

1. The coverage granted by this paragraph does not apply to:
 - a. **bodily injury** or **property damage** for which such person or organization is obligated to pay **damages** by reason of the assumption of liability in a contract or agreement unless such liability exists in the absence of the contract or agreement;
 - b. any express warranty unauthorized by the **Named Insured**;
 - c. any physical or chemical change in any product made intentionally by such person or organization;
 - d. repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. any failure to make any inspections, adjustments, tests or servicing that such person or organization has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. demonstration, installation, servicing or repair operations, except such operations performed at such person or organization's premises in connection with the sale of a product;
 - g. products which, after distribution or sale by the **Named Insured**, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for such person or organization; or
 - h. **bodily injury** or **property damage** arising out of the sole negligence of such person or organization for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) the exceptions contained in Subparagraphs **d.** or **f.** above; or
 - (2) such inspections, adjustments, tests or servicing as such person or organization has agreed with the **Named Insured** to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This Paragraph **J.** does not apply to any insured person or organization, from whom the **Named Insured** has acquired such products, nor to any ingredient, part or container, entering into, accompanying or containing such products.

Technology General Liability Extension Endorsement

3. This Paragraph J. also does not apply:

- a. to any vendor specifically scheduled as an additional insured by endorsement to this **Coverage Part**;
- b. to any of **your products** for which coverage is excluded by endorsement to this **Coverage Part**; nor
- c. if **bodily injury** or **property damage** included within the **products-completed operations hazard** is excluded by endorsement to this **Coverage Part**.

K. Other Person Or Organization / Your Work

Any person or organization who is not an additional insured under Paragraphs A. through J. above. Such additional insured is an **Insured** solely for **bodily injury**, **property damage** or **personal and advertising injury** for which such additional insured is liable because of the **Named Insured's** acts or omissions.

The coverage granted by this paragraph does not apply to any person or organization:

- 1. who is specifically scheduled as an additional insured on another endorsement to this **Coverage Part**; nor
- 2. for **bodily injury** or **property damage** included within the **products-completed operations hazard** except to the extent all of the following apply:
 - a. this **Coverage Part** provides such coverage;
 - b. the written contract or agreement described in the opening paragraph of this **ADDITIONAL INSUREDS** Provision requires the **Named Insured** to provide the additional insured such coverage; and
 - c. the **bodily injury** or **property damage** results from **your work** that is the subject of the written contract or agreement, and such work has not been excluded by endorsement to this **Coverage Part**.

2. ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE

A. The **Other Insurance** Condition in the **COMMERCIAL GENERAL LIABILITY CONDITIONS** Section is amended to add the following paragraph:

If the **Named Insured** has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. For the purpose of this Provision 2., the additional insured's own insurance means insurance on which the additional insured is a named insured.

B. With respect to persons or organizations that qualify as additional insureds pursuant to paragraph 1.K. of this endorsement, the following sentence is added to the paragraph above:

Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization.

3. BODILY INJURY – EXPANDED DEFINITION

Under **DEFINITIONS**, the definition of **bodily injury** is deleted and replaced by the following:

Bodily injury means physical injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury sustained by that person at any time which results as a consequence of the physical injury, sickness or disease.

4. BROAD KNOWLEDGE OF OCCURRENCE/ NOTICE OF OCCURRENCE

Under **CONDITIONS**, the condition entitled **Duties in The Event of Occurrence, Offense, Claim or Suit** Condition is amended to add the following provisions:

A. BROAD KNOWLEDGE OF OCCURRENCE



Technology General Liability Extension Endorsement

The **Named Insured** must give the Insurer or the Insurer's authorized representative notice of an **occurrence**, offense or **claim** only when the **occurrence**, offense or **claim** is known to a natural person **Named Insured**, to a partner, executive officer, manager or member of a **Named Insured**, or to an **employee** designated by any of the above to give such notice.

B. NOTICE OF OCCURRENCE

The **Named Insured's** rights under this **Coverage Part** will not be prejudiced if the **Named Insured** fails to give the Insurer notice of an **occurrence**, offense or **claim** and that failure is solely due to the **Named Insured's** reasonable belief that the **bodily injury** or **property damage** is not covered under this **Coverage Part**. However, the **Named Insured** shall give written notice of such **occurrence**, offense or **claim** to the Insurer as soon as the **Named Insured** is aware that this insurance may apply to such **occurrence**, offense or **claim**.

5. BROAD NAMED INSURED

WHO IS AN INSURED is amended to delete its Paragraph 3. in its entirety and replace it with the following:

3. Pursuant to the limitations described in Paragraph 4. below, any organization in which a **Named Insured** has management control:

- a. on the effective date of this **Coverage Part**; or
- b. by reason of a **Named Insured** creating or acquiring the organization during the **policy period**,

qualifies as a **Named Insured**, provided that there is no other similar liability insurance, whether primary, contributory, excess, contingent or otherwise, which provides coverage to such organization, or which would have provided coverage but for the exhaustion of its limit, and without regard to whether its coverage is broader or narrower than that provided by this insurance.

But this **BROAD NAMED INSURED** provision does not apply to:

- (a) any partnership or joint venture; or
- (b) any organization for which coverage is excluded by another endorsement attached to this **Coverage Part**.

For the purpose of this provision, and of this endorsement's **JOINT VENTURES / PARTNERSHIP / LIMITED LIABILITY COMPANIES** provision, management control means:

- A. owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation, or the members of the management board of a limited liability company; or
 - B. having the right, pursuant to a written trust agreement, to protect, control the use of, encumber or transfer or sell property held by a trust.
4. With respect to organizations which qualify as **Named Insureds** by virtue of Paragraph 3. above, this insurance does not apply to:
- a. **bodily injury** or **property damage** that first occurred prior to the date of management control, or that first occurs after management control ceases; nor
 - b. **personal or advertising injury** caused by an offense that first occurred prior to the date of management control or that first occurs after management control ceases.
5. The insurance provided by this **Coverage Part** applies to **Named Insureds** when trading under their own names or under such other trading names or doing-business-as names (dba) as any **Named Insured** should choose to employ.

Technology General Liability Extension Endorsement

6. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

The estates, heirs, legal representatives and **spouses** of any natural person **Insured** shall also be insured under this policy; provided, however, coverage is afforded to such estates, heirs, legal representatives, and **spouses** only for **claims** arising solely out of their capacity or status as such and, in the case of a **spouse**, where such **claim** seeks **damages** from marital community property, jointly held property or property transferred from such natural person **Insured** to such **spouse**. No coverage is provided for any act, error or omission of an estate, heir, legal representative, or **spouse** outside the scope of such person's capacity or status as such, provided however that the **spouse** of a natural person **Named Insured** and the **spouses** of members or partners of joint venture or partnership **Named Insureds** are **Insureds** with respect to such **spouses'** acts, errors or omissions in the conduct of the **Named Insured's** business.

7. EXPECTED OR INTENDED INJURY – EXCEPTION FOR REASONABLE FORCE

Under **COVERAGES, Coverage A – Bodily Injury And Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Expected or Intended Injury** and replace it with the following:

This insurance does not apply to:

Expected or Intended Injury

Bodily injury or **property damage** expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

8. IN REM ACTIONS

A quasi in rem action against any vessel owned or operated by or for the **Named Insured**, or chartered by or for the **Named Insured**, will be treated in the same manner as though the action were in personam against the **Named Insured**.

9. INCIDENTAL HEALTH CARE MALPRACTICE COVERAGE

Solely with respect to **bodily injury** that arises out of a **health care incident**:

A. Under **COVERAGES, Coverage A – Bodily Injury And Property Damage Liability**, the **Insuring Agreement** is amended to replace Paragraphs **1.b.(1)** and **1.b.(2)** with the following:

b. This insurance applies to **bodily injury** provided that the professional health care services are incidental to the **Named Insured's** primary business purpose, and only if:

(1) such **bodily injury** is caused by an **occurrence** that takes place in the **coverage territory**.

(2) the **bodily injury** first occurs during the **policy period**. All **bodily injury** arising from an **occurrence** will be deemed to have occurred at the time of the first act, error, or omission that is part of the **occurrence**; and

B. Under **COVERAGES, Coverage A – Bodily Injury And Property Damage Liability**, the paragraph entitled **Exclusions** is amended to:

i. add the following to the **Employers Liability** exclusion:

This exclusion applies only if the **bodily injury** arising from a **health care incident** is covered by other liability insurance available to the **Insured** (or which would have been available but for exhaustion of its limits).

ii. delete the exclusion entitled **Contractual Liability** and replace it with the following:

This insurance does not apply to:



Technology General Liability Extension Endorsement**Contractual Liability**

the **Insured's** actual or alleged liability under any oral or written contract or agreement, including but not limited to express warranties or guarantees.

- iii. add the following additional exclusions.

This insurance does not apply to:

Discrimination

any actual or alleged discrimination, humiliation or harassment, that includes but shall not be limited to **claims** based on an individual's race, creed, color, age, gender, national origin, religion, disability, marital status or sexual orientation.

Dishonesty or Crime

Any actual or alleged dishonest, criminal or malicious act, error or omission.

Medicare/Medicaid Fraud

any actual or alleged violation of law with respect to Medicare, Medicaid, Tricare or any similar federal, state or local governmental program.

Services Excluded by Endorsement

Any **health care incident** for which coverage is excluded by endorsement.

C. DEFINITIONS is amended to:

- i. add the following definitions:

Health care incident means an act, error or omission by the **Named Insured's employees or volunteer workers** in the rendering of:

- a. **professional health care services** on behalf of the **Named Insured** or
- b. Good Samaritan services rendered in an emergency and for which no payment is demanded or received.

Professional health care services means any health care services or the related furnishing of food, beverages, medical supplies or appliances by the following providers in their capacity as such but solely to the extent they are duly licensed as required:

- a. Physician;
- b. Nurse;
- c. Nurse practitioner;
- d. Emergency medical technician;
- e. Paramedic;
- f. Dentist;
- g. Physical therapist;
- h. Psychologist;
- i. Speech therapist;
- j. Other allied health professional; or

Professional health care services does not include any services rendered in connection with human clinical trials or product testing.

Technology General Liability Extension Endorsement

- ii. delete the definition of **occurrence** and replace it with the following:

Occurrence means a **health care incident**. All acts, errors or omissions that are logically connected by any common fact, circumstance, situation, transaction, event, advice or decision will be considered to constitute a single **occurrence**;

- iii. amend the definition of **Insured** to:

- a. add the following:

- the **Named Insured's employees** are **Insureds** with respect to:

(1) **bodily injury** to a co-**employee** while in the course of the co-**employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business; and

(2) **bodily injury** to a **volunteer worker** while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- the **Named Insured's volunteer workers** are **Insureds** with respect to:

(1) **bodily injury** to a co-**volunteer worker** while performing duties related to the conduct of the **Named Insured's** business; and

(2) **bodily injury** to an **employee** while in the course of the **employee's** employment by the **Named Insured** or while performing duties related to the conduct of the **Named Insured's** business;

when such **bodily injury** arises out of a **health care incident**.

- b. delete Subparagraphs (a), (b), (c) and (d) of Paragraph 2.a.(1) of **WHO IS AN INSURED**.

- c. add the following:

Insured does not include any physician while acting in his or her capacity as such.

- D. The **Other Insurance** condition is amended to delete Paragraph b.(1) in its entirety and replace it with the following:

Other Insurance

b. Excess Insurance

- (1) To the extent this insurance applies, it is excess over any other insurance, self insurance or risk transfer instrument, whether primary, excess, contingent or on any other basis, except for insurance purchased specifically by the **Named Insured** to be excess of this coverage.

10. JOINT VENTURES / PARTNERSHIP / LIMITED LIABILITY COMPANIES

WHO IS AN INSURED is amended to delete its last paragraph and replace it with the following:

No person or organization is an **Insured** with respect to:

- the conduct of any current or past partnership or joint venture that is not shown as a **Named Insured** in the Declarations; nor
- the conduct of a current or past limited liability company in which a **Named Insured's** interest does/did not rise to the level of management control;

except that if the **Named Insured** was a joint venturer, partner, or member of such a limited liability company, and such joint venture, partnership or limited liability company terminated prior to or during the **policy period**, then such



Technology General Liability Extension Endorsement

Named Insured is an **Insured** with respect to its interest in such joint venture, partnership or limited liability company but only to the extent that:

- a. any offense giving rise to **personal and advertising injury** occurred prior to such termination date, and the **personal and advertising injury** arising out of such offense, first occurred after such termination date;
- b. the **bodily injury** or **property damage** first occurred after such termination date; and
- c. there is no other valid and collectible insurance purchased specifically to insure the partnership, joint venture or limited liability company.

11. LEGAL LIABILITY – DAMAGE TO PREMISES

- A. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete the first paragraph immediately following subparagraph (6) of the **Damage to Property** exclusion and replace it with the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to **property damage** (other than damage by fire, lightning, explosion, smoke or leakage from automatic fire protective systems) to premises rented to the **Named Insured** or temporarily occupied by the **Named Insured** with the permission of the owner, nor to the contents of premises rented to the **Named Insured** for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **LIMITS OF INSURANCE**.

- B. Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete its last paragraph and replace it with the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protective systems to premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** with permission of the owner, nor to damage to the contents of premises rented to a **Named Insured** for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in the **LIMITS OF INSURANCE** Section.

- C. **LIMITS OF INSURANCE** is amended to delete Paragraph 6. (the Damage To Premises Rented To You Limit) and replace it with the following:

6. Subject to Paragraph 5. above, (the Each Occurrence Limit), the Damage To Premises Rented To You Limit is the most the Insurer will pay under **COVERAGE A** for **damages** because of **property damage** to:

- a. any one premises while rented to a **Named Insured** or temporarily occupied by a **Named Insured** with the permission of the owner; and
- b. contents of such premises if the premises is rented to the **Named Insured** for a period of 7 or fewer consecutive days.

The Damage To Premises Rented To You Limit is \$500,000. unless a higher Damage to Premises Rented to You Limit is shown in the Declarations.

- D. The **Other Insurance** Condition is amended to delete Paragraph b.(1)(a)(ii), and replace it with the following:

- (ii) That is property insurance for premises rented to a **Named Insured**, for premises temporarily occupied by the **Named Insured** with the permission of the owner; or for personal property of others in the **Named Insured's** care, custody or control;

- E. This Provision 11. does not apply if liability for damage to premises rented to a **Named Insured** is excluded by another endorsement attached to this **Coverage Part**.

Technology General Liability Extension Endorsement

12. MEDICAL PAYMENTS

A. **LIMITS OF INSURANCE** is amended to delete Paragraph 7. (the Medical Expense Limit) and replace it with the following:

7. Subject to Paragraph 5. above (the Each Occurrence Limit), the Medical Expense Limit is the most the Insurer will pay under **Coverage C – Medical Payments** for all medical expenses because of **bodily injury** sustained by any one person. The Medical Expense Limit is the greater of:

- (1) \$15,000 unless a different amount is shown here: ; or
- (2) the amount shown in the Declarations for Medical Expense Limit.

B. Under **COVERAGES**, the **Insuring Agreement of Coverage C – Medical Payments** is amended to replace Paragraph 1.a.(3)(b) with the following:

(b) The expenses are incurred and reported to the Insurer within three years of the date of the accident; and

13. NON-OWNED AIRCRAFT

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended as follows:

The exclusion entitled **Aircraft, Auto or Watercraft** is amended to add the following:

This exclusion does not apply to an aircraft not owned by any **Named Insured**, provided that:

1. the pilot in command holds a currently effective certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
2. the aircraft is rented with a trained, paid crew to the **Named Insured**; and
3. the aircraft is not being used to carry persons or property for a charge.

14. NON-OWNED WATERCRAFT

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete subparagraph (2) of the exclusion entitled **Aircraft, Auto or Watercraft**, and replace it with the following.

This exclusion does not apply to:

- (2) a watercraft that is not owned by any **Named Insured**, provided the watercraft is:
 - (a) less than 75 feet long; and
 - (b) not being used to carry persons or property for a charge.

15. PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION

A. Under **DEFINITIONS**, the definition of **personal and advertising injury** is amended to add the following tort:

- Discrimination or humiliation that results in injury to the feelings or reputation of a natural person.

B. Under **COVERAGES, Coverage B – Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to:

1. delete the Exclusion entitled **Knowing Violation Of Rights Of Another** and replace it with the following:

This insurance does not apply to:



Technology General Liability Extension Endorsement**Knowing Violation of Rights of Another**

Personal and advertising injury caused by or at the direction of the **Insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**. This exclusion shall not apply to discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is not done intentionally by or at the direction of:

- (a) the **Named Insured**; or
- (b) any **executive officer**, director, stockholder, partner, member or manager (if the **Named Insured** is a limited liability company) of the **Named Insured**.

2. add the following exclusions:

This insurance does not apply to:

Employment Related Discrimination

Discrimination or humiliation directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person by any **Insured**.

Premises Related Discrimination

discrimination or humiliation arising out of the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any **Insured**.

Notwithstanding the above, there is no coverage for fines or penalties levied or imposed by a governmental entity because of discrimination.

The coverage provided by this **PERSONAL AND ADVERTISING INJURY –DISCRIMINATION OR HUMILIATION** Provision does not apply to any person or organization whose status as an **Insured** derives solely from

- Provision 1. **ADDITIONAL INSURED** of this endorsement; or
- attachment of an additional insured endorsement to this **Coverage Part**.

16. PERSONAL AND ADVERTISING INJURY - LIMITED CONTRACTUAL LIABILITY

- A. Under **COVERAGES, Coverage B –Personal and Advertising Injury Liability**, the paragraph entitled **Exclusions** is amended to delete the exclusion entitled **Contractual Liability** and replace it with the following:

This insurance does not apply to:

Contractual Liability

Personal and advertising injury for which the **Insured** has assumed liability in a contract or agreement.

This exclusion does not apply to liability for **damages**:

- (1) that the **Insured** would have in the absence of the contract or agreement; or
- (2) assumed in a contract or agreement that is an **insured contract** provided the offense that caused such **personal or advertising injury** first occurred subsequent to the execution of such **insured contract**. Solely for the purpose of liability assumed in an **insured contract**, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an **Insured** are deemed to be **damages** because of **personal and advertising injury** provided:
 - (a) liability to such party for, or for the cost of, that party's defense has also been assumed in such **insured contract**; and
 - (b) such attorney fees and litigation expenses are for defense of such party against a civil or alternative dispute resolution proceeding in which covered **damages** are alleged.

Technology General Liability Extension Endorsement

- B.** Solely for the purpose of the coverage provided by this paragraph, **DEFINITIONS** is amended to delete the definition of **insured contract** in its entirety, and replace it with the following:

Insured contract means that part of a written contract or written agreement pertaining to the **Named Insured's** business under which the **Named Insured** assumes the tort liability of another party to pay for **personal or advertising injury** arising out of the offense of false arrest, detention or imprisonment. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

- C.** Solely for the purpose of the coverage provided by this paragraph, the following changes are made to the Section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**:

1. Paragraph **2.d.** is replaced by the following:

- d.** The allegations in the **suit** and the information the Insurer knows about the offense alleged in such **suit** are such that no conflict appears to exist between the interests of the **Insured** and the interests of the indemnitee;

2. The first unnumbered paragraph beneath Paragraph **2.f.(2)(b)** is deleted and replaced by the following:

So long as the above conditions are met, attorneys fees incurred by the Insurer in the defense of that indemnitee, necessary litigation expenses incurred by the Insurer, and necessary litigation expenses incurred by the indemnitee at the Insurer's request will be paid as **defense costs**. Notwithstanding the provisions of Paragraph **e.(2)** of the Contractual Liability exclusion (as amended by this Endorsement), such payments will not be deemed to be **damages** for **personal and advertising injury** and will not reduce the limits of insurance.

- D.** This **PERSONAL AND ADVERTISING INJURY - LIMITED CONTRACTUAL LIABILITY** Provision does not apply if **Coverage B –Personal and Advertising Injury Liability** is excluded by another endorsement attached to this **Coverage Part**.

17. PROPERTY DAMAGE – ELEVATORS

- A.** Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended such that the **Damage to Your Product** Exclusion and subparagraphs **(3)**, **(4)** and **(6)** of the **Damage to Property** Exclusion do not apply to **property damage** that results from the use of elevators.

- B.** Solely for the purpose of the coverage provided by this **PROPERTY DAMAGE – ELEVATORS** Provision, the **Other Insurance** conditions is amended to add the following paragraph:

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is Property insurance covering property of others damaged from the use of elevators.

18. SUPPLEMENTARY PAYMENTS

The section entitled **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** is amended as follows:

- A.** Paragraph **1.b.** is amended to delete the \$250 limit shown for the cost of bail bonds and replace it with a \$5,000. limit; and
- B.** Paragraph **1.d.** is amended to delete the limit of \$250 shown for daily loss of earnings and replace it with a \$1,000. limit.

19. PROPERTY DAMAGE - PATTERNS MOLDS AND DIES

Under **COVERAGES, Coverage A – Bodily Injury and Property Damage Liability**, the paragraph entitled **Exclusions** is amended to delete subparagraphs **(3)** and **(4)** of the Exclusion entitled **Damage to Property**, but only with respect to patterns, molds or dies that are in the care, custody or control of the **Insured**, and only if such patterns, molds or dies are not being used to perform operations at the time of loss. A limit of insurance of \$25,000 per **policy period** applies to this **PROPERTY DAMAGE - PATTERNS MOLDS AND DIES** coverage, and this limit:





Technology General Liability Extension Endorsement

- A. is included within the General Aggregate Limit as described in **LIMITS OF INSURANCE**; and
- B. applies excess over any valid and collectible property insurance available to the **Insured**, including any deductible applicable to such insurance; the **Other Insurance** condition is changed accordingly.

20. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

If the **Named Insured** unintentionally fails to disclose all existing hazards at the inception date of the **Named Insured's Coverage Part**, the Insurer will not deny coverage under this **Coverage Part** because of such failure.

21. WAIVER OF SUBROGATION - BLANKET

Under **CONDITIONS**, the condition entitled **Transfer Of Rights Of Recovery Against Others To Us** is amended to add the following:

The Insurer waives any right of recovery the Insurer may have against any person or organization because of payments the Insurer makes for injury or damage arising out of:

- 1. the **Named Insured's** ongoing operations; or
- 2. **your work** included in the **products-completed operations hazard**.

However, this waiver applies only when the **Named Insured** has agreed in writing to waive such rights of recovery in a written contract or written agreement, and only if such contract or agreement:

- 1. is in effect or becomes effective during the term of this **Coverage Part**; and
- 2. was executed prior to the **bodily injury, property damage or personal and advertising injury** giving rise to the **claim**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY

It is understood and agreed that this endorsement amends the **BUSINESS AUTO COVERAGE FORM** as follows:

SCHEDULE

Name of Additional Insured Person Or Organization

ANY PERSON OR ORGANIZATION THAT YOU ARE REQUIRED BY WRITTEN CONTRACT OR WRITTEN AGREEMENT TO NAME AS AN ADDITIONAL INSURED.

1. In conformance with paragraph **A.1.c.** of **Who Is An Insured** of Section **II - LIABILITY COVERAGE**, the person or organization scheduled above is an insured under this policy.
2. The insurance afforded to the additional insured under this policy will apply on a primary and non-contributory basis if you have committed it to be so in a written contract or written agreement executed prior to the date of the "**accident**" for which the additional insured seeks coverage under this policy.

All other terms and conditions of the policy remain unchanged

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy.

Form No: CNA71527XX (10-2012)

Endorsement Effective Date:

Endorsement Expiration Date:

Endorsement No: 21; Page: 1 of 1

Underwriting Company: The Continental Insurance Company, 151 N Franklin St, Chicago, IL 60606

Policy No: BUA 7015429283

Policy Effective Date: 11/01/2021

Policy Page: 67 of 107



**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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: VECTOR RESOURCES, INC.

Endorsement Effective Date: 11/01/2021

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

ANY PERSON OR ORGANIZATION FOR WHOM OR WHICH YOU ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT TO OBTAIN THIS WAIVER FROM US. YOU MUST AGREE TO THAT REQUIREMENT PRIOR TO LOSS.

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.

Form No: CA 04 44 10 13

Endorsement Effective Date:

Endorsement No: 6; Page: 1 of 1

Underwriting Company: The Continental Insurance Company, 151 N Franklin St, Chicago, IL 60606

Endorsement Expiration Date:

Policy No: BUA 7015429283

Policy Effective Date: 11/01/2021

Policy Page: 32 of 107



Workers Compensation And Employers Liability Insurance Policy Endorsement

BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS

This endorsement changes the policy to which it is attached.

It is agreed that **Part One - Workers' Compensation Insurance G. Recovery From Others** and **Part Two - Employers' Liability Insurance H. Recovery From Others** are amended by adding the following:

We will not enforce our right to recover against persons or organizations. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

PREMIUM CHARGE - Refer to the Schedule of Operations

The charge will be an amount to which you and we agree that is a percentage of the total standard premium for California exposure. The amount is 2%.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective Date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy unless another expiration date is shown below.

Form No: G-19160-B (11-1997)
Endorsement Effective Date:
Endorsement No: 2; Page: 1 of 1
Underwriting Company: The Continental Insurance Company, 151 N Franklin St, Chicago, IL 60606

Endorsement Expiration Date:

Policy No: WC 7 15429316
Policy Effective Date: 11/01/2021
Policy Page: 31 of 47



Administrative Report

H.22., File # 22-4891

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

ADOPT BY 4/5THS VOTE AND BY TITLE ONLY RESOLUTION NO. CC 2210-075 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, MODIFYING THE ADOPTED BUDGET FOR FISCAL YEAR 2022-23 TO ACCEPT \$291,354 IN 2021 STATE HOMELAND SECURITY PROGRAM GRANT FUNDS

APPROVE A SUBRECIPIENT AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR THE ACCEPTANCE OF STATE HOMELAND SECURITY PROGRAM 2021 GRANT FUNDING

EXECUTIVE SUMMARY

The County of Los Angeles Board of Supervisors has accepted State Homeland Security Program (SHSP) 2021 grant funding from the California Governor's Office of Emergency Services (CAL OES) and has been authorized to proceed with the allocation of funds to program participants.

Los Angeles County has requested approval of a Subrecipient Agreement governing grant management and grant fund expenditures from the City of Redondo Beach in the amount of \$291,354. The funds will be used for equipment and law enforcement activities associated with homeland security and anti-terrorism efforts, including surveillance cameras for the harbor and joint terrorism task force participation.

BACKGROUND

The Los Angeles County Office of Emergency Management is responsible for managing the grant and overseeing grant funds distributed to specified jurisdictions within Los Angeles County, including the City of Redondo Beach.

The City of Redondo Beach Police Department is being awarded \$291,354 to purchase equipment and for law enforcement activities that have been approved by the funding authority. The funds provided in this grant will increase the capabilities of the Redondo Beach Police Department and other Los Angeles County law enforcement agencies through the purchase of specified equipment that address regional law enforcement concerns with a terrorism nexus.

COORDINATION

The Resolution and Subrecipient Agreement have been reviewed by the City Attorney's Office. The Police Department will coordinate all grant administrative functions with the Financial Services Department.

FISCAL IMPACT

The grant is fully funded by CAL OES in the amount of \$291,354. There is no requirement for local matching funds.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - Accept \$291,354 in State Homeland Security Program grant funding
- Agmt - State Homeland Security Program Grant Year 2021 Subrecipient Agreement

RESOLUTION NO. CC-2210-075

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
REDONDO BEACH, CALIFORNIA, MODIFYING THE
ADOPTED BUDGET FOR FISCAL YEAR 2022-2023 TO
ACCEPT \$291,354 IN 2021 STATE HOMELAND SECURITY
PROGRAM (SHSP) GRANT FUNDS.**

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

WHEREAS, the City's adopted budget needs to be modified to accept unanticipated revenues;

WHEREAS, the U.S. Department of Homeland Security has provided financial assistance for the State Homeland Security Program (SHSP);

WHEREAS, the Governor's Office of Emergency Services (Cal OES) provides said funds to the County of Los Angeles (County) as its Subgrantee;

WHEREAS, under the SHSP Subrecipient Agreement Grant Year 2021, the City has been awarded an allocation of \$291,354 in grant funds from the County for the period of September 1, 2021 through February 28, 2024;

WHEREAS, the City has approved the receipt and appropriation of past grant funding for police programs; and

WHEREAS, the City of Redondo Beach Police Department intends to use the monies to purchase equipment that has been approved by the funding authority for effective prevention and protection capabilities to prevent, respond to, and recover from threats or acts of terrorism.

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

SECTION 1. That the amounts allocated in the budget for Fiscal Year 2022-2023 and the amounts required to meet conditions which have arisen during the budget year, require a modification in the budget appropriations; and, upon recommendation of the City Manager, the budget appropriation as adopted in Fiscal Year 2022-2023 is modified as follows:

Appropriation of State Homeland Security Program Funds to recognize the Fiscal Year 2022-2023 grant awarded by the State of California, Office of

Homeland Security in the amount of \$291,354 to purchase grant approved equipment.

SECTION 2. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

SECTION 3. Pursuant to section 11(f) of the City Charter, the City Clerk is hereby directed to correct the budget records of said City for Fiscal Year 2022-23 in accordance with the above modifications.

SECTION 4. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 4th day of October, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2210-075 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 4th day of October, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

***State Homeland Security Program
Subrecipient Agreement
Grant Year 2021***

***Between the

County of Los Angeles

and the

City of Redondo Beach***

**SUBRECIPIENT AGREEMENT
BETWEEN THE
COUNTY OF LOS ANGELES
AND THE
CITY OF REDONDO BEACH**

THIS AGREEMENT ("Agreement") is made and entered into by and between the County of Los Angeles, a political subdivision of the State of California (the "County of Los Angeles"), and the City of Redondo Beach, a public agency (the "Subrecipient").

W I T N E S S E T H

WHEREAS, the U.S. Department of Homeland Security Title 2 Code of Federal Regulations (CFR) through the Office of Grants and Training (G&T), has provided financial assistance for the State Homeland Security Program (SHSP), Assistance Listings Number (formerly Catalog of Federal Domestic Assistance Number) 97.067 – Homeland Security Grant Program directly to the California Governor's Office of Emergency Services (Cal OES) for the 2021 SHSP, Federal Award Identification No. 037-00000 Federal Award dated October 27, 2021 with a performance period of September 1, 2021 to May 31, 2024. This Federal Award is not a R&D award; and

WHEREAS, the Cal OES provides said funds to the County of Los Angeles, Unique Entity ID (UEI) #KU76QNJGYFF6, as its Subgrantee, and the Chief Executive Office (CEO) is responsible for managing and overseeing the SHSP funds that are distributed to other specified jurisdictions within Los Angeles County; and

WHEREAS, this financial assistance is being provided to the Subrecipient in order to address the unique equipment, training, organization, exercise and planning needs of the Subrecipient, and to assist the Subrecipient in building effective prevention and protection capabilities to prevent, respond to, and recover from threats or acts of terrorism; and

WHEREAS, the County of Los Angeles as Subgrantee has obtained approval of the 2021 SHSP grant from Cal OES in the total amount of \$10,192,647.00; and

WHEREAS, the CEO now wishes to distribute 2021 SHSP grant funds to the Subrecipient in the amount of \$291,354.00, as further detailed in this Agreement; and

WHEREAS, the CEO is authorized to enter into subrecipient agreements with cities providing for re-allocation and use of these funds; and to execute all future amendments, modifications, extensions, and augmentations relative to the subrecipient agreements, as necessary; and

WHEREAS, the County of Los Angeles and Subrecipient are desirous of executing this Agreement, and the County of Los Angeles Board of Supervisors on July 12, 2022 authorized the CEO to prepare and execute this Agreement.

NOW, THEREFORE, the County of Los Angeles and Subrecipient agree as follows:

SECTION I

INTRODUCTION

§101. Parties to this Agreement

The parties to this Agreement are:

- A. County of Los Angeles, a political subdivision of the State of California, having its principal office at Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012; and
- B. City of Redondo Beach, a public agency, having its principal office at _____
415 Diamond Street, Redondo Beach, CA 90277.

§102. Representatives of the Parties and Service of Notices

- A. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications must be given are as follows:
 - 1. The representative of the County of Los Angeles is, unless otherwise stated in this Agreement:

Craig Hirakawa, HSGP Grants Director
Chief Executive Office, LAC
500 West Temple Street, Room B-79-2
Los Angeles, CA 90012
Phone: (213) 974-1127
Fax: (213) 687-3765
CHirakawa@ceo.lacounty.gov

Jimmy Nguyen
Chief Executive Office, LAC
500 West Temple Street, Room B-79-2
Los Angeles, CA 90012
Phone: (213) 262-7902
Fax: (213) 687-3765
JNguyen@ceo.lacounty.gov

2. The representative of Subrecipient is:

Name and Title:	Mayor William C. Brand
Organizational UEI Number:	07451986
Address:	415 Diamond Street
City/State/Zip:	Redondo Beach, CA 90277
Phone:	310-318-0656 Ext. 2260
FAX:	310-379-9268
Email:	bill.brand@redondo.org

With a copy to:

Name and Title:	Chief Joe Hoffman
Address:	401 Diamond Street
City/State/Zip:	Redondo Beach, CA 90277
Phone:	310-379-2477 Ext. 2330
FAX:	310-372-0167
Email:	joe.hoffman@redondo.org

- B. Formal notices, demands and communications to be given hereunder by either party must be made in writing and may be effected by personal delivery, regular U.S. Postal mail service and/or e-mail. In the event of personal delivery or email, the message will be deemed communicated upon receipt by the County of Los Angeles. In the event of mail service, the message will be deemed communicated as of the date of mailing.
- C. If the name and/or title of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice must be given, in accord with this section, within five (5) business days of said change.

§103. Independent Party

Subrecipient is acting hereunder as an independent party, and not as an agent or employee of the County of Los Angeles. An employee of Subrecipient is not, and will not be deemed, an employee of the County of Los Angeles by virtue of this Agreement, and Subrecipient must so inform each employee organization and each employee who is hired or retained under this Agreement. Subrecipient must not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the County of Los Angeles by virtue of this Agreement.

§104. Conditions Precedent to Execution of This Agreement

Subrecipient must provide the following signed documents to the County of Los Angeles, unless otherwise exempted:

- A. Certification and Disclosure Regarding Lobbying, attached hereto as Exhibit A and made a part hereof, in accordance with §411.A.14 of this Agreement. Subrecipient must also file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of the information contained in any Disclosure Form previously filed by Subrecipient.
- B. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions, attached hereto as Exhibit B and made a part hereof, as required by Executive Order 12549 in accordance with §411.A.12 of this Agreement.
- C. Certification Regarding Drug-Free Workplace, attached hereto as Exhibit C and made a part hereof, in accordance with §411.A.13 of this Agreement.
- D. Certification of Grant Assurances, attached hereto as Exhibit D and made a part hereof, in accordance with §411.C of this Agreement.

SECTION II

TERM AND SERVICES TO BE PROVIDED

§201. Performance Period

The performance period of this Agreement is from September 1, 2021 to February 28, 2024, unless the County of Los Angeles, with Cal OES approval, provides written notification to the Subrecipient that the performance period has been extended, in which case the performance period will be so extended by such written notification, as provided in §502, below.

§202. Use of Grant Funds

- A. Subrecipient and the County of Los Angeles have previously completed a mutually approved budget/expenditure plan, hereinafter "Budget," for the 2021 SHSP, which has been approved by Cal OES. This information is contained in a copy of the Final Grant Award Letter and Project Worksheet, attached hereto as Exhibit E.

Any request by Subrecipient to modify the Budget must be made in writing with the appropriate justification and submitted to CEO for approval. If during the County of Los Angeles review process, additional information or documentation is required, the Subrecipient will have ten (10) business days to comply with the request. If the Subrecipient does not comply with the request, CEO will issue written notification indicating that the requested modification will not be processed. Modifications must be approved in writing by the County of Los Angeles and Cal OES during the term of this Agreement. Upon approval, all other terms of this Agreement will remain in effect.

Subrecipient must utilize grant funds in accordance with all Federal regulations and State Guidelines.

- B. Subrecipient agrees that grant funds awarded will be used to supplement existing funds for program activities, and will not supplant (replace) non-Federal funds.
- C. Subrecipient must review the Federal Debarment Listing at <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf> prior to the purchase of equipment or services to ensure the intended vendor is not listed and also maintain documentation that the list was verified.
- D. Prior to the purchase of equipment or services utilizing a sole source contract or the receipt of single bid response of \$250,000.00 or more, justification must be presented to CEO, who upon review will request approval from Cal OES. Such approval in writing must be obtained prior to the commitment of funds.
- E. Subrecipient must provide any certifications or reports requested by the County of Los Angeles to the CEO indicating Subrecipient's performance under this Agreement, including progress on meeting program goals. Reports must be in the form requested by the County of Los Angeles, and must be provided by the fifteenth (15th) of the following month. Subrecipient is required to complete any survey requests requested by the County of Los Angeles. Subrecipient must also submit completed Project Claims for reimbursement immediately or a minimum on a quarterly basis, and no later than the date stated in §201, above.
- F. Subrecipient must provide an electronic copy of their Annual Single Audit Report, as required by Title 2 Code of Federal Regulations (C.F.R) Part 200, to the County of Los Angeles within 30 calendar days after receipt of the auditor's report(s). In the event the Subrecipient does not meet the Single Audit Threshold

expenditure amount in a fiscal year, the Subrecipient must provide the County of Los Angeles a copy of a letter sent to State Controller's Office noting the Single Audit Threshold was not met, and its exempt status within nine months after the end of the Subrecipient's fiscal year, unless otherwise approved by the County of Los Angeles.

- G. Subrecipient may be monitored by the County of Los Angeles on an annual basis to ensure compliance with Cal OES grant program requirements. The County of Los Angeles anticipates that said monitoring may include, at a minimum, one on-site visit during the term of this Agreement. Monitoring will utilize a Review Instrument (sample attached hereto as Exhibit H, and subject to periodic revisions) to evaluate compliance.
- H. Subrecipient must provide Corrective Action Plan(s) to CEO within thirty (30) days of any audit finding.
- I. Subrecipient use of the Los Angeles Regional Interoperable Communication System's Motorola Solutions, Incorporated Land Mobile Radio System Contract to purchase equipment is unallowable unless the Subrecipient can clearly demonstrate to CEO it meets one of the four federal exceptions to necessitate a noncompetitive procurement before issuance of any contract, amendment, or purchase order.
- J. Subrecipient shall not use grant funds to purchase, extend, or renew any Telecommunications and Video Surveillance services and equipment as substantial or essential component of any system, or as critical technology as part of any system which the Secretary of Defense, in consultation with Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an owned, controlled by, or connected to the People's Republic of China such as and not limited to Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); or Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- K. Any equipment acquired pursuant to this Agreement must be authorized in the G&T Authorized Equipment List (AEL) available online at <https://www.fema.gov/authorized-equipment-list> and the Funding Guidelines of the 2021 SHSP Notice of Funding Opportunity, incorporated by reference, and attached hereto as Exhibit F. Subrecipient must provide the CEO a copy of its most current procurement guidelines and follow its own procurement requirements as long as they meet or exceed the minimum Federal requirements and any added Cal OES requirements. Federal procurement requirements for the 2021 SHSP can be found at Title 2 CFR Part 200.313.

Any equipment acquired or obtained with Grant Funds:

1. Will be made available under the California Disaster and Civil Defense Master Mutual Aid Agreement in consultation with representatives of the various fire, emergency medical, hazardous materials response services, and law enforcement agencies within the jurisdiction of the applicant;
 2. Will be consistent with needs as identified in the State Homeland Security Strategy and will be deployed in conformance with that plan;
 3. Will be made available pursuant to applicable terms of the California Disaster and Civil Defense Master Mutual Aid Agreement and deployed with personnel trained in the use of such equipment in a manner consistent with the California Law Enforcement Mutual Aid Plan or the California Fire Services and Rescue Mutual Aid Plan.
- L. Equipment acquired pursuant to this Agreement will be subject to the requirements of Title 2 CFR Part 200.313. For the purposes of this subsection, "Equipment" is defined as tangible nonexpendable property, having a useful life of more than one year which costs \$5,000.00 or more per unit. Items costing less than \$5,000.00, but acquired under the "Equipment" category of the Grant must also be listed on any required Equipment Listing.
1. Equipment must be used by Subrecipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the Equipment may be used in other activities currently or previously supported by a Federal agency.
 2. Subrecipient must make Equipment available for use on other like projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the awarding agency.
 3. An Equipment Listing must be maintained listing each item of Equipment acquired with SHSP funds. The Equipment Listing must be kept up to date at all times. Any changes must be recorded in the Listing within ten (10) business days and the updated Listing is to be forwarded to the County of Los Angeles Auditor-Controller (A-C) Shared Services Division. The Equipment Property Records must be maintained that include: (a) a description of the property, (b) a serial number or other identification number, (c) the source of property, (d) who holds title, (e) the acquisition date, (f) and cost of the property, (g) percentage of Federal participation in the cost of the property, (h) the location, (i) use and condition of the

property, (j) and any ultimate disposition data including the date of disposal and sale price of the property. Records must be retained by the subrecipient pursuant to Title 2, Part 200.313 (d) (1) of the CFR.

4. All Equipment obtained under this Agreement must have an appropriate identification decal affixed to it, and, when practical, must be affixed where it is readily visible.
 5. A physical inventory of the Equipment must be taken by the Subrecipient and the results reconciled with the Equipment Listing at least once every two years or prior to any site visit by State or Federal auditors or County of Los Angeles monitors. The Subrecipient is required to have on file a letter certifying as to the accuracy of the Equipment Listing in the frequency as above, and provide to the CEO when requested.
- M. Any Planning paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F or subsequent grant year programs.
- N. Any Organization activities paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F.
- O. Any Training paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F, and must be first submitted to CEO and then pre-authorized by Cal OES. A catalog of federally approved and sponsored training courses is available at <https://www.firstrespondertraining.gov/frts/>.
- P. Any Exercise paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F. Detailed Homeland Security Exercise and Evaluation Program Guidance is available at <https://www.fema.gov/hseep>.
- Q. Any Personnel activities paid pursuant to this Agreement must conform to the guidelines as listed in Exhibit F.
- R. Subrecipient must provide to CEO a spending plan detailing the required steps and timeframes required to complete the approved projects within the grant timeframe. Subrecipient must submit the spending plan to CEO prior to final execution of the Agreement.
- S. Pursuant to this Agreement, indirect costs are not reimbursable.

SECTION III

PAYMENT

§301. Payment of Grant Funds and Method of Payment

- A. The County of Los Angeles will reimburse Subrecipient up to the maximum grant amount of \$291,354.00 as expenditures are incurred and paid by Subrecipient and all documentation is reviewed and approved by County of Los Angeles. All expenditures must be for the purchase of equipment, exercises, training, organization, and planning as described in Section II of this Agreement. The grant amount represents the amount allocated to Subrecipient in the 2021 SHSP Grant Award Letter from Cal OES.
- B. Subrecipient must submit reimbursement requests to the County of Los Angeles A-C Shared Services Division requesting payment as soon as a Project is completed and expenses are incurred and paid with the required supporting documentation; submission can be sent immediately or at a minimum on a quarterly basis, and no later than the date stated in §201, above. Each reimbursement request must be accompanied by the Reimbursement Form (sample attached hereto as Exhibit G, and subject to periodic revisions). All appropriate back-up documentation must be attached to the reimbursement form, including the method of procurement, bid documentation, purchase orders, invoices, report of goods received, and proof of payment.

For Training reimbursements, Subrecipient must include a copy of the class roster verifying training attendees, proof that prior approval was obtained from Cal OES and that a Cal OES Feedback number has been assigned to the course, and timesheets and payroll registers for all training attendees.

For Exercise reimbursements, Subrecipient must enter the After Action Report (AAR) and Improvement Plan on the State Office of Domestic Preparedness secure portal within sixty (60) days following completion of the exercise and submit proof of prior State approval of the AAR with the reimbursement request.

For Planning reimbursements, Subrecipient must include a copy of the final tangible product.

- C. The County of Los Angeles may, at its discretion, reallocate unexpended grant funds to another subrecipient. Said reallocation may occur upon approval by the County of Los Angeles of a Subrecipient reimbursement submission, inquiry from the County of Los Angeles to the Subrecipient regarding fund utilization, or by written notification from the Subrecipient to the County of Los Angeles that a portion of the grant funds identified in §301.A., above, will not be utilized. As provided in §502, below, any increase or decrease in the grant amount specified

in §301.A., above, may be effectuated by a written notification by the County of Los Angeles to the Subrecipient.

- D. Payment of reimbursement request will be withheld by the County of Los Angeles until the County of Los Angeles has determined that Subrecipient has turned in all supporting documentation and completed the requirements of this Agreement.
- E. It is understood that the County of Los Angeles makes no commitment to fund this Agreement beyond the terms set forth herein.
- F. 1. Funding for all periods of this Agreement is subject to continuing Federal appropriation of grant funds for this program. In the event of a loss or reduction of Federal appropriation of grant funds for this program, the Agreement may be terminated, or appropriately amended, immediately upon notice to Subrecipient of such loss or reduction of Federal grant funds.

2. County of Los Angeles will make a good-faith effort to notify Subrecipient, in writing, of such non-appropriation at the earliest time.

SECTION IV

STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

All titles or subtitles appearing herein have been inserted for convenience and do not, and will not be deemed to, affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement will be construed according to its fair meaning and not strictly for or against either party.

§402. Applicable Law, Interpretation and Enforcement

Each party's performance hereunder must comply with all applicable laws of the United States of America, the State of California, and the County of Los Angeles. This Agreement will be enforced and interpreted, as applicable, under the laws of the United States of America, the State of California and the County of Los Angeles.

If any part, term or provision of this Agreement is held void, illegal, unenforceable, or in conflict with any law of a Federal, State or Local Government having jurisdiction over this Agreement, the validity of the remainder of the Agreement will not be affected thereby.

Applicable Federal or State requirements that are more restrictive will be followed.

§403. Integrated Agreement

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for herein.

§404. Breach

If any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in all events, no party may recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

§405. Prohibition Against Assignment or Delegation

Subrecipient may not do any of the following, unless it has first obtained the written permission of the County of Los Angeles:

- A. Assign or otherwise alienate any of its rights hereunder, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

§406. Permits

Subrecipient and its officers, agents and employees must obtain and maintain all permits and licenses necessary for Subrecipient's performance hereunder and must pay any fees required therefor. Subrecipient further certifies that it will immediately notify the County of Los Angeles of any suspension, termination, lapse, non-renewal or restriction of licenses, certificates, or other documents.

§407. Nondiscrimination and Affirmative Action

Subrecipient must comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the County of Los Angeles. In performing this Agreement, Subrecipient must not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, mental disability, marital status, domestic partner status or medical condition. Subrecipient must comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

If required, Subrecipient must submit an Equal Employment Opportunity Plan to the Department of Justice Office of Civil Rights in accordance with guidelines listed at <https://www.justice.gov/crt>.

Any subcontract entered into by the Subrecipient relating to this Agreement, to the extent allowed hereunder, will be subject to the provisions of this §407 of this Agreement.

§408. Indemnification

Each of the parties to this Agreement is a public entity. This indemnity provision is written in contemplation of the provisions of Section 895.2 of the Government Code of the State of California, which impose certain tort liability jointly upon public entities, solely by reason of such entities being parties to an agreement, and the parties agree that this indemnity provision will apply and will be enforceable regardless of whether Section 895 et seq. is deemed to apply to this Agreement. The parties hereto, as between themselves, consistent with the authorization contained in Government Code Sections 895.4 and 895.6 agree to each assume the full liability imposed upon it or upon any of its officers, agents, or employees by law, for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above-stated purpose, each party agrees to indemnify and hold harmless the other party for any liability arising out of its own negligent acts or omissions in the performance of this Agreement (i.e., the Subrecipient agrees to indemnify and hold harmless the County of Los Angeles for liability arising out of the Subrecipient's negligent or wrongful acts or omissions and the County of Los Angeles agrees to indemnify and hold harmless the Subrecipient for liability arising out of the County of Los Angeles' negligent or wrongful acts or omissions). Each party further agrees to indemnify and hold harmless the other party for liability that is imposed on the other party solely by virtue of Government Code Section 895.2. The provisions of Section 2778 of the California Civil Code are made a part hereof as if fully set forth herein. Subrecipient certifies that it has adequate self-insured retention of funds to meet any obligation arising from this Agreement.

§409. Conflict of Interest

- A. The Subrecipient covenants that none of its directors, officers, employees, or agents may participate in selecting, or administering, any subcontract supported (in whole or in part) by Federal funds where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

1. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.

B. Definitions:

1. The term "immediate family" means domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father in law, mother in law, brother in law, sister in law, son in law, daughter in law.
2. The term "financial or other interest" means:
 - a. Any direct or indirect financial interest in the specific contract, including but not limited to, a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
 - b. Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.

- C. The Subrecipient further covenants that no officer, director, employee, or agent may solicit or accept gratuities, favors, or anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
- D. The Subrecipient may not subcontract with a former director, officer, or employee within a one-year period following the termination of the relationship between said person and the Subrecipient.
- E. Prior to obtaining the County of Los Angeles' approval of any subcontract, the Subrecipient must disclose to the County of Los Angeles any relationship, financial or otherwise, direct or indirect, of the Subrecipient or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.

- F. For further clarification of the meaning of any of the terms used herein, the parties agree that references are made to the guidelines, rules, and laws of the County of Los Angeles, State of California, and Federal regulations regarding conflict of interest.
- G. The Subrecipient warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement.
- H. The Subrecipient covenants that no member, officer or employee of Subrecipient may have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.
- I. The Subrecipient must incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this grant and must substitute the term "subcontractor" for the term "Subrecipient" and "sub subcontractor" for "Subcontractor".

§410. Restriction on Disclosures

Any reports, analyses, studies, drawings, information, or data generated as a result of this Agreement are to be governed by the California Public Records Act (California Government Code Sec. 6250 et seq.).

§411. Statutes and Regulations Applicable To All Grant Contracts

- A. Subrecipient must comply with all applicable requirements of State, Federal, and County of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. Subrecipient must comply with applicable State and Federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. Subrecipient must comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

- 1. CFR

Subrecipient must comply with Title 2 CFR Part 200.

- 2. Single Audit Act

Since Federal funds are used in the performance of this Agreement, Subrecipient must, as applicable, adhere to the rules and regulations of the Single Audit Act (31 USC Sec. 7501 et seq.), 2 CFR Part 200 and any administrative regulation or field memos implementing the Act.

- 3. Americans with Disabilities Act

Subrecipient hereby certifies that, as applicable, it will comply with the Americans with Disabilities Act 42, USC §§12101 et seq., and its implementing regulations. Subrecipient will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. Subrecipient will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by Subrecipient, relating to this Agreement, to the extent allowed hereunder, will be subject to the provisions of this paragraph.

4. Political and Sectarian Activity Prohibited

None of the funds, materials, property or services provided directly or indirectly under this Agreement may be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither may any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement may be used for any sectarian purpose or to support or benefit any sectarian activity.

Subrecipient must file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any Disclosure Form previously filed by Subrecipient. Subrecipient must require that the language of this Certification be included in the award documents for all sub-awards at all tiers and that all subcontractors certify and disclose accordingly.

5. Records Inspection

At any time during normal business hours and as often as either the County of Los Angeles, the U.S. Comptroller General or the Auditor General of the State of California may deem necessary, Subrecipient must make available for examination all of its records with respect to all matters covered by this Agreement. The County of Los Angeles, the U.S. Comptroller General and the Auditor General of the State of California have the authority to audit, examine and make excerpts or transcripts from records, including all Subrecipient's method of procurement, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

Subrecipient agrees to provide any reports requested by the County of Los Angeles regarding performance of this Agreement.

6. Records Maintenance

Records, in their original form, must be maintained in accordance with requirements prescribed by the County of Los Angeles with respect to all matters specified in this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Such records must be retained for a period five (5) years after termination of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records. The County of Los Angeles may, at its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, must at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the County of Los Angeles.

7. Subcontracts and Procurement

Subrecipient must, as applicable, comply with the Federal, State and County of Los Angeles standards in the award of any subcontracts. For purposes of this Agreement, subcontracts include but are not limited to purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.

Subrecipient must, as applicable, ensure that the terms of this Agreement with the County of Los Angeles are incorporated into all Subcontractor agreements. The Subrecipient must submit all Subcontractor agreements to the County of Los Angeles for review prior to the release of any funds to the Subcontractor. The Subrecipient must withhold funds to any Subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor agreement.

8. Labor

Subrecipient must, as applicable, comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed requirements for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System Personnel Administration (5 CFR 900, Subpart F).

Subrecipient must, as applicable, comply with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7); the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874); the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements; and the Hatch Act (5 USC §§1501-1508 and 7324-7328).

Subrecipient must, as applicable, comply with the Federal Fair Labor Standards Act (29 U.S.C. §201) regarding wages and hours of employment.

None of the funds may be used to promote or deter union/labor organizing activities. CA Gov't Code Sec. 16645 et seq.

9. Civil Rights

Subrecipient must, as applicable, comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352), which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681- 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of disabilities; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; (j) the requirements of any other nondiscrimination statute(s) that may apply to the application; and (k) P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

10. Environmental

Subrecipient must, as applicable, comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

Subrecipient must, as applicable, comply with environmental standards which may be prescribed pursuant to the following: (a) institution of

environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); and (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234).

Subrecipient must, as applicable, comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

Subrecipient must, as applicable, comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.), which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

Subrecipient must, as applicable, comply with the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), which restores and maintains the chemical, physical and biological integrity of the Nation's waters.

Subrecipient must, as applicable, ensure that the facilities under its ownership, lease or supervision that are utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

By signing this Agreement, Subrecipient warrants and represents that it will, as applicable, comply with the California Environmental Quality Act (CEQA), Public Resources Code §21000 et seq.

Subrecipient must, as applicable, comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

Subrecipient must, as applicable, comply with the provision of the Coastal Barrier Resources Act (P.L. 97-348) dated October 19, 1982 (16 U.S.C. 3501 et seq.) which prohibits the expenditure of most new Federal funds within the units of the Coastal Barrier Resources System.

11. Preservation

Subrecipient must, as applicable, comply with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

12. Suspension, Debarment, Ineligibility and Voluntary Exclusion

Subrecipient must, as applicable, comply with Title 2 CFR Part §3000, regarding Suspension and Debarment, and Subrecipient must submit a Certification Regarding Debarment, attached hereto as Exhibit B, required by Executive Order 12549 and any amendment thereto. Said Certification must be submitted to the County of Los Angeles concurrent with the execution of this Agreement and must certify that neither Subrecipient nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department head or agency. Subrecipient must require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors certify accordingly.

13. Drug-Free Workplace

Subrecipient must, as applicable, comply with the federal Drug-Free Workplace Act of 1988, 41 USC §701, Title 44 Code of Federal Regulations (CFR) Part §17; the California Drug-Free Workplace Act of 1990, CA Gov't Code §§8350-8357, and Subrecipient must complete the Certification Regarding Drug-Free Workplace Requirements, attached hereto as Exhibit C, and incorporated herein by reference. Subrecipient must require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors certify accordingly.

14. Lobbying Activities

Subrecipient must, as applicable, comply with 31 U.S.C.1352 and complete the Disclosure of Lobbying Activities, (OMB 0038-0046), attached hereto as Exhibit A, and incorporated herein by reference.

15. Miscellaneous

Subrecipient must, as applicable, comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 USC §§2131 et seq.).

B. Statutes and Regulations Applicable To This Particular Grant Agreement

Subrecipient must comply with all applicable requirements of State and Federal laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this particular grant program. Subrecipient must, as applicable, comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

Title 2 CFR Part 200; EO 12372; U.S. Department of Homeland Security, Office of State and Local Government Coordination and Preparedness, Office for Domestic Preparedness, ODP WMD Training Course Catalogue; and DOJ Office for Civil Rights.

Standardized Emergency Management System (SEMS) requirements as stated in the California Emergency Services Act, Government Code Chapter 7 of Division 1 of Title 2, §8607.1(e) and CCR Title 19, §§2445-2448.

Provisions of Title 2, 6, 28, 44 CFR applicable to grants and cooperative agreements, including Part 18, Administrative Review Procedures; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence Systems Operating Policies; Part 30, Intergovernmental Review of Department of Justice Programs and Activities; Part 35, Nondiscrimination on the Basis of Disability in State and Local Government Services; Part 38, Equal Treatment of Faith-based Organizations; Part 42, Nondiscrimination/Equal Employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; Part 64, Floodplain Management and Wetland Protection Procedures; Federal laws or regulations applicable to Federal Assistance Programs; Part 69, New Restrictions on Lobbying; Part 70, Uniform Administrative Requirements for Grants and Cooperative Agreements (including sub-awards) with Institutions of Higher Learning, Hospitals and other Non-Profit Organizations; and Part 83, Government-Wide Requirements for a Drug Free Workplace (grants).

Nondiscrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, 42 USC 3789(d), or the Juvenile Justice and Delinquency Prevention Act, or the Victims of Crime Act, as appropriate; the provisions of the current edition of the Office of Justice Programs Financial and Administrative Guide for Grants, M7100.1, and all other applicable Federal laws, orders, circulars, or regulations.

1. Travel Expenses

Subrecipient, as provided herein, will be compensated for Subrecipient's reasonable travel expenses incurred in the performance of this

Agreement, to include travel and per diem, unless otherwise expressed. Subrecipient's total travel for in-State and/or out-of-State and per diem costs must be included in the contract budget(s). All travel, including out-of-State travel, that is not included in the budget(s) will not be reimbursed without prior written authorization from the County of Los Angeles.

Subrecipient's administrative-related travel and per diem reimbursement costs will not be reimbursed. For programmatic-related travel costs, Subrecipient's reimbursement rates may not exceed the amounts established under the grant.

C. Compliance With Grant Requirements

To obtain the grant funds, the State required an authorized representative of the County of Los Angeles to sign certain promises regarding the way the grant funds would be spent. These requirements are included in Exhibit F and in the State's "Grant Assurances". By signing these Grant Assurances and accepting Exhibit F, the County of Los Angeles became liable to the State for any funds that are used in violation of the grant requirements. The State's Grant Assurances are incorporated into this Agreement through Exhibit D. Subrecipient will be liable to the Grantor for any funds the State determines the Subrecipient used in violation of these Grant Assurances.

Pursuant to this Agreement, Subrecipient shall execute the 2021 Certification of Grant Assurances in Exhibit D, accepting and agreeing to abide by all provisions, assurances, and requirements therein. Subrecipient agrees to indemnify and hold harmless the County of Los Angeles for any sums the State or Federal government determines Subrecipient used in violation of the Grant Assurances.

To the extent Exhibit D conflicts with language or provisions contained in this Agreement, or contains more restrictive requirements under Federal and State law, Exhibit D shall control.

D. Noncompliance With Grant Requirements

Subrecipient understands that failure to comply with any of the above assurances and requirements, including Exhibit D, may result in suspension, termination or reduction of grant funds, and repayment by the Subrecipient to the County of Los Angeles of any unauthorized expenditures.

§412. Federal, State and Local Taxes

Federal, State and local taxes are the responsibility of the Subrecipient as an independent party and not of the County of Los Angeles and must be paid prior to requesting reimbursement. However, these taxes are an allowable expense under the grant program.

§413. Inventions, Patents and Copyrights

A. Reporting Procedure for Inventions

If any project produces any invention or discovery ("Invention") patentable or otherwise under Title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Agreement, the Subrecipient must report the fact and disclose the Invention promptly and fully to the County of Los Angeles. The County of Los Angeles will report the fact and disclose the Invention to the State. Unless there is a prior agreement between the County of Los Angeles and the State, the State will determine whether to seek protection on the Invention. The State will determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of Title 35 U.S.C. Sections 200 et seq. (Pub. L. 95-517, Pub. L. 98-620, Title 37 CFR Part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983); and Executive Order 12591, 4/10/87, 52 FR 13414, Title 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, Title 3 CFR, 1987 Comp., p. 262). Subrecipient hereby agrees to be bound by the Policy, and will contractually require its personnel to be bound by the Policy.

B. Rights to Use Inventions

As applicable, County of Los Angeles will have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license to use, manufacture, improve upon, and allow others to do so for all government purposes, any Invention developed under this Agreement.

C. Copyright Policy

1. Unless otherwise provided by the State or the terms of this Agreement, when copyrightable material ("Material") is developed under this Agreement, the County of Los Angeles, at its discretion, may copyright the Material. If the County of Los Angeles declines to copyright the Material, the County of Los Angeles will have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement.
2. The State will have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement.
3. Subrecipient must comply with Title 24 CFR 85.34.

D. Rights to Data

The State and the County of Los Angeles will have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, *distribute* copies to the public, and perform and display publicly, or permit others to do so; as required by Title 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 U.S.C. Section 401 or 402, the State acquires the data under a copyright license as set forth in Title 48 CFR 27.404(f)(2) instead of unlimited rights. (Title 48 CFR 27.404(a)).

E. Obligations Binding on Subcontractors

Subrecipient must require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

§414. Child Support Assignment Orders

Under the terms of this Agreement, Subrecipient must, as applicable, comply with California Family Code Section 5230 et seq.

§415. Minority, Women, And Other Business Enterprise Outreach Program

It is the policy of the County of Los Angeles to provide Minority Business Enterprises, Women Business Enterprises and all other business enterprises an equal opportunity to participate in the performance of all Subrecipient's contracts, including procurement, construction and personal services. This policy applies to all of the Subrecipient's contractors and sub-contractors.

§416. Compliance with Fair Chance Employment Practices

Subrecipient shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Subrecipient's violation of this paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County of Los Angeles may, in its sole discretion, terminate the Agreement.

§417. Method of Payment and Required Information

The County of Los Angeles may, at its sole discretion, determine the most appropriate, efficient, secure, and timely form of payment provided under this Agreement. Subrecipient further agrees that the default form of payment shall be Electronic Funds Transfer (EFT) or Direct Deposit, unless an alternative method of payment is deemed appropriate by the A-C.

Subrecipient shall provide the A-C with electronic banking and related information for the Subrecipient and/or any other payee that the Subrecipient designates to receive payment pursuant to this Agreement at <https://directdeposit.lacounty.gov/>. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN, a working e-mail address capable of receiving remittance advices and other payment related correspondence, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or Direct Deposit shall supersede this requirement with respect to those payments. At any time during the duration of this Agreement, the Subrecipient may submit a written request for an exemption to this requirement and must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with CEO, shall decide whether to approve exemption requests.

SECTION V

DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

§501. Defaults

Should either party fail for any reason to comply with the contractual obligations of this Agreement within the time specified by this Agreement, the non-breaching party reserves the right to terminate the Agreement, reserving all rights under State and Federal law.

§502. Termination

This Agreement may be terminated, in whole or in part, from time to time, when such action is deemed by the County of Los Angeles, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Subrecipient specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

§503. Amendments

Except as otherwise provided in this paragraph, any change in the terms of this Agreement, including changes in the services to be performed by Subrecipient,

that are agreed to by the Subrecipient and the County of Los Angeles must be incorporated into this Agreement by a written amendment properly signed by persons who are authorized to bind the parties. Notwithstanding the foregoing, any increase or decrease of the grant amount specified in §301.A., above, or any extension of the performance period specified in §201, above, does not require a written amendment, but may be effectuated by a written notification by the County of Los Angeles to the Subrecipient.

SECTION VI

ENTIRE AGREEMENT

§601. Complete Agreement

This Agreement contains the full and complete Agreement between the two parties. Neither verbal agreement nor conversation or other communication with any officer or employee of either party will affect or modify any of the terms and conditions of this Agreement.

§602. Number of Pages and Attachments

This Agreement may be executed utilizing wet, scanned digital, and electronic signatures, each of which is deemed to be an original. This Agreement includes (26) pages and (8) Exhibits which constitute the entire understanding and agreement of the parties.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Subrecipient and County of Los Angeles have caused this Agreement to be executed by their duly authorized representatives.

COUNTY OF LOS ANGELES

BY _____
FESIA A. DAVENPORT
Chief Executive Officer

_____ Date

BY _____
CELIA ZAVALA
Executive Officer, Board of Supervisors

BY _____
ARLENE BARRERA
Auditor-Controller

APPROVED AS TO FORM

DAWYN R. HARRISON
Acting County Counsel

BY _____
Deputy County Counsel

CITY OF REDONDO BEACH

BY _____ William C. Brand, Mayor _____
City Representative/Title (Signature) (Print Name) Date

APPROVED AS TO FORM

BY _____ Michael W. Webb _____
City Attorney (Signature) (Print Name) Date

ATTEST

BY _____ Eleanor Manzano, CMC _____
City Clerk (Signature) (Print Name) Date

EXHIBITS

Exhibit A	Certification and Disclosure Regarding Lobbying
Exhibit B	Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions
Exhibit C	Certification Regarding Drug-Free Workplace
Exhibit D	Certification of Grant Assurances
Exhibit E	Final Grant Award Letter and Project Worksheet
Exhibit F	2021 Notice of Funding Opportunity
Exhibit G	Reimbursement Form and Instructions
Exhibit H	Monitoring Instrument

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to *Title 31 U.S.C. Section 1352*. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or sub-award recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; sub-grant announcement number; the contract, subgrant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a.) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b.) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

DISCLOSURE OF LOBBYING ACTIVITIES CONCONTINUATION SHEET

Continuation of 10 a-b: additional sheets may be added if necessary

Reporting Entity:

Last Name	First Name	MI
Address	City	Zip
Last Name	First Name	MI
Address	City	Zip
Last Name	First Name	MI
Address	City	Zip
Last Name	First Name	MI
Address	City	Zip

Continuation of 14: (additional sheets may be added if necessary)

Brief Description of Services and Payments indicated in item 11:

Authorized for Local Reproduction
Standard Form – LLL-A

**CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTIONS**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 24 CFR Part 24 Section 24.510, Participants' responsibilities.

**(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE
COMPLETING)**

1. The prospective recipient of Federal assistance funds certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

AGREEMENT NUMBER

City of Redondo Beach

CONTRACTOR/BORROWER/AGENCY

William C. Brand, Mayor

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation on this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

STATE OF CALIFORNIA

DRUG-FREE WORKPLACE CERTIFICATION

STD. 21

COMPANY/ORGANIZATION NAME:

The contractor or grant recipient named above hereby certifies compliance with *Government Code Section 8355* in matters relating to providing a drug-free workplace. The above-named contractor or recipient will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by *Government Code Section 8355(a)*.
2. Establish a Drug-Free Awareness Program as required by *Government Code Section 8355(b)*, to inform employees about all of the following:
 - (a) The dangers of drug abuse in the workplace,
 - (b) The person's or organization's policy of maintaining a drug-free workplace,
 - (c) Any available counseling, rehabilitation and employee assistance programs, and
 - (d) Penalties that may be imposed upon employees for drug abuse violations.
3. Provide as required by *Government Code Section 8355(c)*, that every employee who works on the proposed contract or subgrant:
 - (a) Will receive a copy of the company's drug-free policy statement, and
 - (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or subgrant.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized legally to bind the contractor or Recipient to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

William C. Brand

OFFICIAL'S NAME

DATE EXECUTED

Los Angeles

EXECUTED IN THE COUNTY OF

CONTRACTOR or RECEIPEINT SIGNATURE

Mayor

TITLE

95-6000813

FEDERAL I.D. NUMBER

STATEMENT ON THE DRUG-FREE WORKPLACE

To comply with the enactment of Senate Bill 1120, (*Chapter 1170, Statutes of 1990*), which established the Drug-Free Workplace Act of 1990, the City of Redondo Beach

(*your agency*)

accordingly provides this statement of compliance.

In order to maintain funding eligibility, state agencies, along with those in receipt of grant and contractual awards, must certify that they provide drug-free workplaces and have issued drug-free workplace statements to their employees [*Section 8355(a) of the Government Code*]. Consequently, in accordance with this directive, this statement is issued to meet this requirement.

The City of Redondo Beach (*your agency*), an agency within the State of California has adopted this statement in compliance with legislation which addresses issues to avoid the dangers arising from drug and alcohol abuse in the workplace. These dangers include death and injury to the employee, co-workers, or the public resulting from accidents, dereliction of duty, poor judgment and carelessness. Substance abuse also results in lost productivity, reduced efficiency, and increased absenteeism by the substance abuser and interferes with the job performance of employees who do not use illegal or unauthorized substances. [*Section 8355(b)(1)*]

California law prohibits the unlawful manufacture, dispensation, possession, or illegal use of a controlled substance. That prohibition extends to all places and includes the worksite of California state employees. [*Section 8355(a)*]

Employees convicted of a violation of criminal drug statute, when the violation occurred at an employee's worksite, shall report the conviction to the granting and monitoring State agency upon conviction. [*Section 8356(a)(1)(2)*]

In the event of the unlawful manufacture, distribution, dispensation, possession or illegal use of a controlled substance at a State worksite, the State may take disciplinary action pursuant to the law and/or require the satisfactory completion of a drug abuse assistance or rehabilitation program. [*Section 8355(b)(4)*]

The Employee Assistance Program (EAP) provides drug problem assessment and referral to appropriate counseling and rehabilitation services. The EAP is available to all agency employees. Procedures exist to ensure the confidentiality of EAP records. Contact your personnel office for further information.

It is the intent of the City of Redondo Beach (*your agency*) to ensure by execution of this statement of compliance that each employee shall abide by the terms of this drug-free workplace statement. [*Section 8355(c)*]



Standard Assurances For Cal OES Federal Non-Disaster Grant Programs

As the duly authorized representative of the Applicant, I hereby certify that the Applicant has the legal authority to apply for federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay any non-federal share of project cost) to ensure proper planning, management, and completion of the project described in this application, within prescribed timelines.

I further acknowledge that the Applicant is responsible for reviewing and adhering to all requirements within the:

- (a) Applicable Federal Regulations (see below);
- (b) Federal Program Notice of Funding Opportunity (NOFO);
- (c) Federal Preparedness Grants Manual;
- (d) California Supplement to the NOFO; and
- (e) Federal and State Grant Program Guidelines.

Federal Regulations

Government cost principles, uniform administrative requirements, and audit requirements for federal grant programs are set forth in Title 2, Part 200 of the Code of Federal Regulations (C.F.R.). Updates are issued by the [Office of Management and Budget \(OMB\)](http://www.whitehouse.gov/omb/) and can be found at <http://www.whitehouse.gov/omb/>.

State and federal grant award requirements are set forth below. The Applicant hereby agrees to comply with the following:

1. Proof of Authority

The Applicant will obtain proof of authority from the city council, governing board, or authorized body in support of this project. This written authorization must specify that the Applicant and the city council, governing board, or authorized body agree:

- (a) To provide all matching funds required for the grant project and that any cash match will be appropriated as required;
- (b) Any liability arising out of the performance of this agreement shall be the responsibility of the Applicant and the city council, governing board, or authorized body;
- (c) Grant funds shall not be used to supplant expenditures controlled by the city council, governing board, or authorized body;



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

- (d) Applicant is authorized by the city council, governing board, or authorized body to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project cost, if any) to ensure proper planning, management and completion of the project described in this application; and
- (e) Official executing this agreement is authorized by the Applicant.

This Proof of Authority must be maintained on file and readily available upon request.

2. Period of Performance

The period of performance is specified in the Award. The Applicant is only authorized to perform allowable activities approved under the award, within the period of performance.

3. Lobbying and Political Activities

As required by Section 1352, Title 31 of the United States Code (U.S.C.), for persons entering into a contract, grant, loan, or cooperative agreement from an agency or requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan, the Applicant certifies that:

- (a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

The Applicant will also comply with provisions of the Hatch Act (5 U.S.C. §§ 1501- 1508 and §§ 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

Finally, the Applicant agrees that federal funds will not be used, directly or indirectly, to support the enactment, repeal, modification or adoption of any law, regulation or policy without the express written approval from the California Governor's Office of Emergency Services (Cal OES) or the federal awarding agency.

4. Debarment and Suspension

As required by Executive Orders 12549 and 12689, and 2 C.F.R. § 200.213 and codified in 2 C.F.R. Part 180, Debarment and Suspension, the Applicant will provide protection against waste, fraud, and abuse by debarring or suspending those persons deemed irresponsible in their dealings with the federal government. The Applicant certifies that it and its principals, recipients, or subrecipients:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (2)(b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transaction (federal, state, or local) terminated for cause or default.

Where the Applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

5. Non-Discrimination and Equal Employment Opportunity

The Applicant will comply with all state and federal statutes relating to non-discrimination, including:



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

- (a) Title VI of the Civil Rights Act of 1964 (Public Law (P.L.) 88-352 and 42 U.S.C. § 2000d et. seq.) which prohibits discrimination on the basis of race, color, or national origin and requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services;
- (b) Title IX of the Education Amendments of 1972, (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex in any federally funded educational program or activity;
- (c) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794), which prohibits discrimination against those with disabilities or access and functional needs;
- (d) Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. §§ 12101- 12213), which prohibits discrimination on the basis of disability and requires buildings and structures be accessible to those with disabilities and access and functional needs;
- (e) Age Discrimination Act of 1975, (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age;
- (f) Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd—2), relating to confidentiality of patient records regarding substance abuse treatment;
- (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), relating to nondiscrimination in the sale, rental or financing of housing as implemented by the Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)— be designed and constructed with certain accessible features (See 24 C.F.R. § 100.201);
- (h) Executive Order 11246, which prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identification or national origin;
- (i) Executive Order 11375, which bans discrimination on the basis of race, color, religion, sex, sexual orientation, gender identification, or national origin in hiring and employment in both the United States federal workforce and on the part of government contractors;
- (j) California Public Contract Code § 10295.3, which prohibits discrimination based on domestic partnerships and those in same sex marriages;



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

- (k) DHS policy to ensure the equal treatment of faith-based organizations, under which all applicants and recipients must comply with equal treatment policies and requirements contained in 6 C.F.R. Part 19;
- (l) The Applicant will comply with California's Fair Employment and Housing Act (FEHA) (California Government Code §§ 12940, 12945, 12945.2), as applicable. FEHA prohibits harassment and discrimination in employment because of ancestry, familial status, race, color, religious creed (including religious dress and grooming practices), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, genetic information, medical condition, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave, military and veteran status, and/or retaliation for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions;
- (m) Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and
- (n) The requirements of any other nondiscrimination statute(s) that may apply to this application.

6. Drug-Free Workplace

As required by the Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.), the Applicant certifies that it will maintain a drug-free workplace and a drug-free awareness program as outlined in the Act.

7. Environmental Standards

The Applicant will comply with state and federal environmental standards, including:

- (a) California Environmental Quality Act (CEQA) (California Public Resources Code §§ 21000- 21177), to include coordination with the city or county planning agency;
- (b) CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, §§ 15000- 15387);
- (c) Federal Clean Water Act (CWA) (33 U.S.C. § 1251 et seq.), which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters;
- (d) Federal Clean Air Act of 1955 (42 U.S.C. § 7401) which regulates air emissions from stationary and mobile sources;



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

- (e) Institution of environmental quality control measures under the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190); the Council on Environmental Quality Regulations for Implementing the Procedural Provisions of NEPA; and Executive Order 12898 which focuses on the environmental and human health effects of federal actions on minority and low-income populations with the goal of achieving environmental protection for all communities;
- (f) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988;
- (g) Executive Order 11514 which sets forth national environmental standards;
- (h) Executive Order 11738 instituted to assure that each federal agency empowered to enter into contracts for the procurement of goods, materials, or services and each federal agency empowered to extend federal assistance by way of grant, loan, or contract shall undertake such procurement and assistance activities in a manner that will result in effective enforcement of the Clean Air Act and the Federal Water Pollution Control Act Executive Order 11990 which requires preservation of wetlands;
- (i) The Safe Drinking Water Act of 1974, (P.L. 93-523);
- (j) The Endangered Species Act of 1973, (P.L. 93-205);
- (k) Assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.);
- (l) Conformity of Federal Actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.);
- (m) Wild and Scenic Rivers Act of 1968 (16 U.S.C. § 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

The Applicant shall not be: 1) in violation of any order or resolution promulgated by the State Air Resources Board or an air pollution district; 2) subject to a cease and desist order pursuant to § 13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or 3) determined to be in violation of federal law relating to air or water pollution.



Standard Assurances For Cal OES Federal Non-Disaster Grant Programs

8. Audits

For subrecipients expending \$750,000 or more in federal grant funds annually, the Applicant will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and Title 2 of the Code of Federal Regulations, Part 200, Subpart F Audit Requirements.

9. Access to Records

In accordance with 2 C.F.R. § 200.336, the Applicant will give the awarding agency, the Comptroller General of the United States and, if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award. The Applicant will require any subrecipients, contractors, successors, transferees and assignees to acknowledge and agree to comply with this provision.

10. Conflict of Interest

The Applicant will establish safeguards to prohibit the Applicant's employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

11. Financial Management

False Claims for Payment - The Applicant will comply with 31 U.S.C §§ 3729-3733 which sets forth that no subrecipient, recipient, or subrecipient shall submit a false claim for payment, reimbursement or advance.

12. Reporting - Accountability

The Applicant agrees to comply with applicable provisions of the Federal Funding Accountability and Transparency Act (FFATA) (P.L. 109-282), specifically (a) the reporting of subawards obligating \$25,000 or more in federal funds and (b) executive compensation data for first-tier subawards. This includes the provisions of FFATA, which includes requirements for executive compensation, and also requirements implementing the Act for the non-federal entity at 2 C.F.R. Part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 C.F.R. Part 170 Reporting Subaward and Executive Compensation Information.

13. Whistleblower Protections

The Applicant also must comply with statutory requirements for whistleblower protections at 10 U.S.C. § 2409, 41 U.S.C. § 4712, and 10 U.S.C. § 2324, 41 U.S.C. § 4304 and § 4310.



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For Cal OES Federal Non-Disaster Grant Programs

14. Human Trafficking

The Applicant will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. § 7104) which prohibits grant award recipients or a subrecipient from: (1) engaging in trafficking in persons during the period of time that the award is in effect; (2) procuring a commercial sex act during the period of time that the award is in effect; (3) using forced labor in the performance of the award or subawards under the award.

15. Labor Standards

The Applicant will comply with the following federal labor standards:

- (a) The Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), as applicable, and the Copeland Act (40 U.S.C. § 3145 and 18 U.S.C. § 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally-assisted construction contracts or subcontracts, and
- (b) The Federal Fair Labor Standards Act (29 U.S.C. § 201 et al.) as they apply to employees of institutes of higher learning (IHE), hospitals and other non-profit organizations.

16. Worker's Compensation

The Applicant must comply with provisions which require every employer to be insured to protect workers who may be injured on the job at all times during the performance of the work of this Agreement, as per the workers compensation laws set forth in California Labor Code §§ 3700 et seq.

17. Property-Related

If applicable to the type of project funded by this federal award, the Applicant will:

- (a) Comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchase;
- (b) Comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires subrecipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more;



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

- (c) Assist the awarding agency in assuring compliance with Section 106 of the
- (d) National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), Executive Order 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §469a-1 et seq.); and
- (e) Comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4831 and 24 CFR Part 35) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

18. Certifications Applicable Only to Federally-Funded Construction Projects

For all construction projects, the Applicant will:

- (a) Not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with federal assistance funds to assure nondiscrimination during the useful life of the project;
- (b) Comply with the requirements of the awarding agency with regard to the drafting, review and approval of construction plans and specifications; and
- (c) Provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

19. Use of Cellular Device While Driving is Prohibited

Applicants are required to comply with California Vehicle Code sections 23123 and 23123.5. These laws prohibit driving motor vehicle while using an electronic wireless communications device to write, send, or read a text-based communication. Drivers are also prohibited from the use of a wireless telephone without hands-free listening and talking, unless to make an emergency call to 911, law enforcement, or similar services.



Standard Assurances For Cal OES Federal Non-Disaster Grant Programs

20. California Public Records Act and Freedom of Information Act

The Applicant acknowledges that all information submitted in the course of applying for funding under this program, or provided in the course of an entity's grant management activities that are under Federal control, is subject to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and the California Public Records Act, California Government Code section 6250 et seq. The Applicant should consider these laws and consult its own State and local laws and regulations regarding the release of information when reporting sensitive matters in the grant application, needs assessment, and strategic planning process.

EMERGENCY MANAGEMENT PERFORMANCE GRANT (EMPG) – PROGRAM SPECIFIC ASSURANCES / CERTIFICATIONS

21. Acknowledgment of Federal Funding from DHS

All recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

22. Activities Conducted Abroad

All recipients must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

23. Best Practices for Collection and Use of Personally Identifiable Information (PII)

DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. All recipients who collect PII are required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII they collect. Recipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template a useful resource respectively.

24. Copyright

All recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 and an acknowledgement of U.S. Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

25. Duplication of Benefits

Any cost allocable to a particular federal financial assistance award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other federal financial assistance awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions, or for other reasons. However, these prohibitions would not preclude recipients from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions.

26. Energy Policy and Conservation Act

All recipients must comply with the requirements of 42 U.S.C. § 6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

27. Federal Debt Status

All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

28. Fly America Act of 1974

All recipients must comply with Preference for U.S. Flag Air Carriers: (air carriers holding certificates under 49 U.S.C. § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

29. Hotel and Motel Fire Safety Act of 1990

In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990, all Applicants must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, as amended, 15 U.S.C. § 2225a.



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

30. Non-supplanting Requirement

All recipients who receive federal financial assistance awards made under programs that prohibit supplanting by law must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.

31. Patents and Intellectual Property Rights

Unless otherwise provided by law, recipients are subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 et seq. All recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14.

32. SAFECOM

All recipients who receive federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

33. Terrorist Financing

All recipients must comply with Executive Order 13224 and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible to ensure compliance with the Order and laws.

34. Reporting of Matters Related to Recipient Integrity and Performance

If the total value of the recipient's currently active grants, cooperative agreements, and procurement contracts from all federal assistance offices exceeds \$10,000,000 for any period of time during the period of performance of this federal financial assistance award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.



Standard Assurances

For Cal OES Federal Non-Disaster Grant Programs

35. USA Patriot Act of 2001

All recipients must comply with requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§ 175–175c.

36. Use of DHS Seal, Logo, and Flags

All recipients must obtain permission from their DHS Financial Assistance Office, prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.



Standard Assurances For Cal OES Federal Non-Disaster Grant Programs

IMPORTANT

The purpose of the assurance is to obtain federal and state financial assistance, including any and all federal and state grants, loans, reimbursement, contracts, etc. The Applicant recognizes and agrees that state financial assistance will be extended based on the representations made in this assurance. This assurance is binding on the Applicant, its successors, transferees, assignees, etc. Failure to comply with any of the above assurances may result in suspension, termination, or reduction of grant funds.

All appropriate documentation, as outlined above, must be maintained on file by the Applicant and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the subrecipient may be ineligible for award of any future grants if the Cal OES determines that any of the following has occurred: (1) the recipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

All of the language contained within this document must be included in the award documents for all subawards at all tiers. All recipients are bound by the [Department of Homeland Security Standard Terms and Conditions 2020, Version 10.1](https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions), hereby incorporated by reference, which can be found at:
<https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions>.

The undersigned represents that he/she is authorized to enter into this agreement for and on behalf of the Applicant.

Subrecipient: City of Redondo Beach

Signature of Authorized Agent: _____

Printed Name of Authorized Agent: William C. Brand

Title: Mayor Date: _____

GAVIN NEWSOM
GOVERNOR

MARK S. GHILARDUCCI
DIRECTOR



October 23, 2020

Fesia A. Davenport
Acting Chief Executive Officer
Los Angeles County
500 West Temple Street, Room 713
Los Angeles, CA 90012-0000

SUBJECT: NOTIFICATION OF SUBRECIPIENT SUBAWARD APPROVAL
Fiscal Year (FY) 2020 Homeland Security Grant Program (HSGP)
Subaward #2020-0095, Cal OES ID#037-00000
Subaward Period of Performance: 09/01/2020-05/31/2023

Dear Ms. Davenport:

We are pleased to announce the approval of your FY 2020 HSGP subaward in the amount of \$10,593,612. Once the completed application is received and approved, reimbursement of eligible subaward expenditures may be requested using the California Governor's Office of Emergency Services (Cal OES) Financial Management Forms Workbook. Failure to provide documentation in a timely manner could result in a hold on funding, pursuant to Title 2, Code of Federal Regulations (CFR), Sections 200.338(a) and 200.207(b)(1)-(2).

This subaward is subject to requirements in 2 CFR, Part 200, including the Notice of Funding Opportunity (NOFO), the Preparedness Grants Manual, the California Supplement to the NOFO, and all applicable federal, state, and local requirements. All activities funded with this subaward must be completed within the subaward period of performance.

Subrecipients must obtain additional written approval **prior** to incurring costs for activities such as aviation, watercraft, allowability request logs, noncompetitive procurement, and projects requiring Environmental Planning and Historic Preservation review. Additionally, all projects falling under the National Priority Investment Justifications must be reviewed and approved for effectiveness by the



3650 SCHRIEVER AVENUE, MATHER, CA 95655
www.CalOES.ca.gov

Fesia A. Davenport
October 23, 2020
Page 2 of 2

Federal Emergency Management Agency (FEMA), prior to the obligation, and expenditure of funds for those projects.

Your organization will be required to prepare and submit the Biannual Strategy Implementation Report (BSIR) to Cal OES via the FEMA Grants Reporting Tool (GRT) semi-annually for the duration of the subaward period of performance or until all activities are completed and the subaward is formally closed. Failure to submit required reports could result in subaward reduction, suspension, or termination. Throughout the subaward cycle, milestones set in the GRT will be used as indicators of project feasibility, performance, and grant management capacity. This information may also be used in assessing proposals in future grant opportunities.

A Conditional Hold has been placed on your subaward; five percent of the subaward must be allocated to each of the four National Priority Investment Justifications for a total of twenty percent of the award. To release this hold, additional information is required for the investments identified which must be submitted in the December 2020 BSIR in a manner consistent with Grants Program Directorate Information Bulletin No. 447.

Your dated signature is required on this letter. Please sign and return the original to your Cal OES Program Representative within 20 calendar days upon receipt and keep a copy for your records. For further assistance, please contact your Cal OES Program Representative.

Sincerely,



MARK S. GHILARDUCCI
Director



Fesia A. Davenport
Los Angeles County

10-9-2020

Date

Project Ledger

Redondo Beach

FY 2021 State Home Security Program (SHSP) Projects

Grant Subaward: 2021-0081

Cal OES ID: 037-00000

Ledger Type	Initial Application
Date	4/25/2021

POP Start Date	9/1/2021
POP End Date	5/31/2024

Project No.	Project Title	Funding Source	Discipline	Solution Area	Total Budgeted
025	NPA: LE SAS	HSGP-SHSP	LE	Equipment	\$ 72,000
056	LE Mobile Trailer	HSGP-SHSP	LE	Equipment	\$ 60,000
084	LE Waterway Cameras	HSGP-SHSP	LE	Equipment	\$ 59,354
088	LE Joint Terrorism Task Force	HSGP-SHSP	LE	Organization	\$ 100,000

Total \$ 291,354

Planning

Redondo Beach
FY 2021 State Home Security Program (SHSP) Projects
Grant Subaward: 2021-0081
Cal OES ID: 037-00000

Ledger Type	Initial Application
Date	4/25/2021
POP Start Date	9/1/2021
POP End Date	5/31/2024

Project No.	Planning Activity	Funding Source	Discipline	Solution Area Sub-Category	Expenditure Category	Final Product	Noncompetitive Procurement over \$250K	Budgeted Cost
								\$ -

Organization

Redondo Beach
FY 2021 State Home Security Program (SHSP) Projects
 Grant Subaward: 2021-0081
 Cal OES ID: 037-00000

Ledger Type	Initial Application
Date	4/25/2021

POP Start Date	9/1/2021
POP End Date	5/31/2024

Project No.	Organization	Funding Source	Discipline	Solution Area Sub-Category	Expenditure Category	Detail	Certification on File	Budgeted Cost
								\$ 100,000
88.00	LE Joint Terrorism Task Force	HSGP-SHSP	LE	Equip/Resource/Project Mgt	Staff	Staffing	N/A	\$ 100,000

Equipment

Redondo Beach
 FY 2021 State Home Security Program (SHSP) Projects
 Grant Subaward: 2021-0081
 Cal OES ID: 037-00000

Ledger Type	Initial Application
Date	4/25/2021

POP Start Date	9/1/2021
POP End Date	5/31/2024

Project No.	Equipment Description (Include Quantity)	AEL #	AEL Title	Funding Source	Discipline	Solution Area Sub-Category	Deployable / Shareable	Noncompetitive Procurement over \$250K	Hold Trigger	Budgeted Cost
										\$ 191,354
25.00	NPA: SAS Software	13IT-00-DACQ	Data Acquisition	HSGP-SHSP	LE	Information Technology	Both	No	No Hold Indicated	\$ 72,000
56.00	1 - Mobile Trailer (includes camera system, installation, Performance Bond)	15IN-00-XRAY 12TR-00-TEQP 14SW-01-VIDA; 21GN-00-INST	System, Mobile Search & Inspection; X-Ray Trailer, Equipment Security Camera Systems; Installation	HSGP-SHSP	LE	Inspection and Screening Equipment	Both	No	Performance Bond	\$ 60,000
84.00	2 - Video Camera System (cameras, software, installation) - Fixed	14SW-01-VIDA; 21GN-00-INST	Systems, Video Assessment, Security; Installation	HSGP-SHSP	LE	Information Technology	Deployable	No	EHP	\$ 59,354

Training

Redondo Beach
FY 2021 State Home Security Program (SHSP) Projects
 Grant Subaward: 2021-0081
 Cal OES ID: 037-00000

Ledger Type	Initial Application
Date	4/25/2021

POP Start Date	9/1/2021
POP End Date	5/31/2024

Project No.	Course Name	Funding Source	Discipline	Solution Area Sub Category	Expenditure Category	Feedback Number	Training Activity	Total # Trainee(s)	Identified Host	Noncompetitive Procurement	EHP Hold	EHP Approval Date	Budgeted Cost
													\$ -

Exercise

Redondo Beach
FY 2021 State Home Security Program (SHSP) Projects
Grant Subaward: 2021-0081
Cal OES ID: 037-00000

Ledger Type	Initial Application
Date	4/25/2021
POP Start Date	9/1/2021
POP End Date	5/31/2024

Project No.	Exercise Title	Funding Source	Discipline	Solution Area Sub-Category	Expenditure Category	Date of Exercise	Exercise Type	Identified Host	Date of AAR entered into HSEEP	Noncompetitive Procurement over \$250K	EHP Hold	Budgeted Cost
												\$ -

**The Department of Homeland Security (DHS)
Notice of Funding Opportunity (NOFO)
Fiscal Year 2021 Homeland Security Grant Program**

NOTE: If you are going to apply for this funding opportunity and have not obtained an Employer Identification Number (EIN), a Data Universal Numbering System (DUNS) number, are not currently registered in the System for Award Management (SAM), or your SAM registration is not active, please take immediate action to obtain an EIN and DUNS Number, if applicable, and then register immediately in SAM or, if applicable, renew your SAM registration. It may take four weeks or more after you submit your SAM registration before your registration is active in SAM, then an additional 24 hours for Grants.gov to recognize your information. Information on obtaining a DUNS number and registering in SAM is available from Grants.gov at:

<http://www.grants.gov/web/grants/register.html>. Detailed information regarding DUNS, EIN, and SAM is also provided in Section D of this NOFO under the subsection titled “How to Register to Apply.” Detailed information regarding the time required for each registration is also provided in Section D of this NOFO under the subsection titled “Other Key Dates.”

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A. Program Description**1. Issued By**

U.S. Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA)/Grant Programs Directorate (GPD)

2. Assistance Listings Number

97.067

3. Assistance Listings Title

Homeland Security Grant Program

4. Funding Opportunity Title

Fiscal Year 2021 Homeland Security Grant Program (HSGP)

- State Homeland Security Program (SHSP)
- Urban Area Security Initiative (UASI)
- Operation Stonegarden (OPSG)

5. Funding Opportunity Number

DHS-21-[GPD]-[067]-[00]-[02]

6. Authorizing Authority for Program

Section 2002 of the *Homeland Security Act of 2002* (Pub. L. No. 107-296, as amended) (6 U.S.C. § 603)

7. Appropriation Authority for Program

Department of Homeland Security Appropriations Act, 2021 (Pub. L. No. 116-260)

8. Announcement Type

Initial

9. Program Category

Preparedness: Community Security

10. Program Overview, Objectives, and Priorities**a. Overview**

The Fiscal Year (FY) 2021 Homeland Security Grant Program (HSGP) is one of three grant programs that constitute the DHS/FEMA focus on enhancing the ability of state, local, tribal, and territorial governments, as well as nonprofits, to prevent, protect against, respond to, and recover from terrorist attacks. These grant programs are part of a comprehensive set of measures authorized by Congress and implemented by DHS to help strengthen the Nation's communities against potential terrorist attacks. Among the five basic homeland security missions noted in the DHS Strategic Plan, HSGP supports the goal to Strengthen National Preparedness and Resilience.

In FY 2021, there are three components of HSGP:

- 1) ***State Homeland Security Program (SHSP)***: SHSP assists state, local, tribal, and territorial efforts to build, sustain, and deliver the capabilities necessary to prevent, prepare for, protect against, and respond to acts of terrorism.
- 2) ***Urban Area Security Initiative (UASI)***: UASI assists high-threat, high-density Urban Area efforts to build, sustain, and deliver the capabilities necessary to prevent, prepare for, protect against, and respond to acts of terrorism.
- 3) ***Operation Stonegarden (OPSG)***: OPSG supports enhanced cooperation and coordination among Customs and Border Protection (CBP), United States Border Patrol (USBP), and federal, state, local, tribal, and territorial law enforcement agencies to improve overall border security. OPSG provides funding to support joint efforts to secure the United States' borders along routes of ingress/egress to and from international borders, to include travel corridors in states bordering Mexico and Canada, as well as states and territories with international water borders. State, local, tribal, and territorial (SLTT) law enforcement agencies utilize their inherent law enforcement authorities to support the border security mission and do not receive any additional authority as a result of participation in OPSG.

The [2018-2022 FEMA Strategic Plan](#) creates a shared vision for reducing the risks posed by terrorism and sets an ambitious, yet achievable, path forward to unify and further professionalize emergency management across the country. HSGP supports the goals of Building a Culture of Preparedness and Ready the Nation for Catastrophic Disasters. We invite our stakeholders and partners to also adopt these priorities and join us in building a more prepared and resilient Nation, as preparedness is a shared responsibility and funding should support priorities that are most impactful and demonstrate the greatest return on investment.

For FY 2021, DHS is focused on the criticality of information sharing and collaboration to building a national culture of preparedness and protecting against terrorism and other emerging threats to our national security. DHS and its homeland security mission were born from the “failures among federal agencies and between the federal agencies and state and local authorities to share critical information related to the threat of terrorism” prior to the September 11, 2001, attacks.¹ The threat profile has changed in the past two decades – we now face continuous cyber threats by sophisticated actors, threats to soft targets and crowded places, threats from domestic violent extremists, and threats from new and emerging technologies. But information sharing and cooperation among state, local, and tribal authorities and federal agencies, including all DHS officials, is just as vital, and perhaps even more vital, today. Therefore, for FY 2021, we have identified five priority areas, tied to some of the most serious threats that DHS would like to see addressed by state and local

¹ Homeland Security Act of 2002: Report Together with Minority and Dissenting Views 222, Select Committee on Homeland Security: 107th Congress, U.S. House of Representatives (2002) (H. Rpt. 107-609).

governments, that recipients will need to address with their HSGP funds. Perhaps most importantly, we will be focused on forging partnerships to strengthen information sharing and collaboration in each of these priority areas and looking for recipients to remove barriers to communication and cooperation with DHS and other federal agencies.

b. *Objective*

The objective of the FY 2021 HSGP is to fund state, local, tribal, and territorial efforts to prevent terrorism and prepare the Nation for threats and hazards that pose the greatest risk to the security of the United States.

c. *Priorities*

Given the evolving threat landscape, it is incumbent upon DHS/FEMA to continuously evaluate the national risk profile and set priorities that help ensure appropriate allocation of scarce security dollars. In assessing the national risk profile for FY 2021, five priority areas attract the most concern. Due to the unique threats that the nation faces in 2021, DHS/FEMA has determined that these five priorities should be addressed by allocating specific percentages of SHSP and UASI funds to each of these five areas, for a total of 30 percent per award. The following are the five priority areas for FY 2021, along with the corresponding percentage of SHSP and UASI funds that each recipient will be required to designate to each priority area in order to obtain a full allocation of SHSP and UASI funds:

- 1) Enhancing cybersecurity – 7.5 percent
- 2) Enhancing the protection of soft targets/crowded places – 5 percent
- 3) Enhancing information and intelligence sharing and analysis, and cooperation with federal agencies, including DHS – 5 percent
- 4) Combating domestic violent extremism – 7.5 percent
- 5) Addressing emergent threats (e.g., transnational criminal organizations, unmanned aircraft systems [UASs], weapons of mass destruction [WMD], etc.) – 5 percent

Failure by a recipient to propose investments and projects that align with the five priority areas and spending requirements will result in a recipient having a portion of their SHSP and UASI funds (up to 30 percent) placed on hold until they provide projects that sufficiently align to the National Priority Areas, and total at least the minimum percentage identified above of total SHSP and UASI funds per National Priority Area.

A state or high-risk urban area must allocate the remaining 70 percent of their funding to gaps identified through their Threat and Hazard Identification and Risk Assessment (THIRA) and Stakeholder Preparedness Review (SPR) process.

Likewise, there are several enduring security needs that crosscut the homeland security enterprise to which recipients should consider allocating funding across core capability gaps and national priorities. The following are enduring needs that help recipients implement a comprehensive approach to securing communities:

- 1) Effective planning;
- 2) Training and awareness campaigns;

- 3) Equipment and capital projects; and
- 4) Exercises.

SHSP and UASI Funding Priorities

The table below provides a breakdown of the FY 2021 SHSP and UASI priorities (the focus of OPSG remains unique to border security), showing the core capabilities enhanced and lifelines supported, as well as examples of eligible project types for each area. A detailed description of allowable investments for each project type is included in the [Preparedness Grants Manual](#). DHS/FEMA anticipates that in future years, national priorities will continue to be included and will be updated as the threats evolve and as capability gaps are closed. Applicants are strongly encouraged to begin planning to sustain existing capabilities through funding mechanisms other than DHS preparedness grants.

FY 2021 SHSP & UASI Funding Priorities

Priority Areas	Core Capabilities	Lifelines	Example Project Types
National Priorities			
Enhancing Cybersecurity	<ul style="list-style-type: none"> • Cybersecurity • Intelligence and information sharing • Planning • Public information and warning • Operational coordination • Screening, search, and detection • Access control and identity verification • Supply chain integrity and security • Risk management for protection programs and activities • Long-term vulnerability reduction • Situational assessment • Infrastructure systems • Operational communications 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Cybersecurity risk assessments • Migrating online services to the “.gov” internet domain • Projects that address vulnerabilities identified in cybersecurity risk assessments <ul style="list-style-type: none"> ○ Improving cybersecurity of critical infrastructure to meet minimum levels identified by the Cybersecurity and Infrastructure Security Agency (CISA) ○ Cybersecurity training and planning
Enhancing the Protection of Soft Targets/ Crowded Places	<ul style="list-style-type: none"> • Operational coordination • Public information and warning • Intelligence and information sharing • Interdiction and disruption • Screening, search, and detection • Access control and identity verification • Physical protective measures • Risk management for protection programs and activities 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Operational overtime • Physical security enhancements <ul style="list-style-type: none"> ○ Closed-circuit television (CCTV) security cameras ○ Security screening equipment for people and baggage ○ Lighting ○ Access controls ○ Fencing, gates, barriers, etc.

Priority Areas	Core Capabilities	Lifelines	Example Project Types
Enhancing information and intelligence sharing and analysis, and cooperation with federal agencies, including DHS	<ul style="list-style-type: none"> • Intelligence and information sharing • Interdiction and disruption • Planning • Public information and warning • Operational coordination • Risk management for protection programs and activities 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Fusion center operations (Fusion Center project will be required under this investment, no longer as a stand-alone investment) • Information sharing with all DHS components; fusion centers; other operational, investigative, and analytic entities; and other federal law enforcement and intelligence entities • Cooperation with DHS officials and other entities designated by DHS in intelligence, threat recognition, assessment, analysis, and mitigation • Identification, assessment, and reporting of threats of violence • Joint intelligence analysis training and planning with DHS officials and other entities designated by DHS
Combating Domestic Violent Extremism	<ul style="list-style-type: none"> • Interdiction and disruption • Screening, search and detection • Physical protective measures • Intelligence and information sharing • Planning • Public information and warning • Operational coordination • Risk management for protection programs and activities 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Open source analysis of misinformation campaigns, targeted violence and threats to life, including tips/leads, and online/social media-based threats • Sharing and leveraging intelligence and information, including open source analysis • Execution and management of threat assessment programs to identify, evaluate, and analyze indicators and behaviors indicative of domestic violent extremists • Training and awareness programs (e.g., through social media, suspicious activity reporting [SAR] indicators and behaviors) to help prevent radicalization • Training and awareness programs (e.g., through social media, SAR indicators and behaviors) to educate the public on misinformation campaigns and resources to help them identify and report potential instances of domestic violent extremism
Addressing Emergent Threats, such as the activities of Transnational Criminal Organizations, open source threats, and threats from UAS and WMD	<ul style="list-style-type: none"> • Interdiction & disruption • Screening, search and detection • Physical protective measures • Intelligence and information sharing • Planning • Public Information and Warning • Operational Coordination 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Sharing and leveraging intelligence and information • UAS detection technologies • Enhancing WMD and/or improvised explosive device (IED) prevention, detection, response and recovery capabilities <ul style="list-style-type: none"> ◦ Chemical/Biological/Radiological/Nuclear/Explosive (CBRNE) detection, prevention, response, and recovery equipment
Enduring Needs			
Planning	<ul style="list-style-type: none"> • Planning 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Development of: <ul style="list-style-type: none"> ◦ Security Risk Management Plans

Priority Areas	Core Capabilities	Lifelines	Example Project Types
	<ul style="list-style-type: none"> • Risk management for protection programs and activities • Risk and disaster resilience assessment • Threats and hazards identification • Operational coordination • Community resilience 		<ul style="list-style-type: none"> ○ Threat Mitigation Plans ○ Continuity of Operations Plans ○ Response Plans • Efforts to strengthen governance integration between/among regional partners • Joint training and planning with DHS officials and other entities designated by DHS • Cybersecurity training and planning
Training & Awareness	<ul style="list-style-type: none"> • Long-term vulnerability reduction • Public information and warning • Operational coordination • Situational assessment • Community resilience 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Active shooter training • Intelligence analyst training • SAR and terrorism indicators/behaviors training • Security training for employees • Public awareness/preparedness campaigns • Joint training and planning with DHS officials and other entities designated by DHS • Cybersecurity training and planning
Equipment & Capital Projects	<ul style="list-style-type: none"> • Long-term vulnerability reduction • Infrastructure systems • Operational communications • Interdiction and disruption • Screening, search and detection • Access control and identity verification • Physical protective measures 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Protection of high-risk, high-consequence areas or systems that have been identified through risk assessments • Physical security enhancements <ul style="list-style-type: none"> ○ Security cameras (CCTV) ○ Security screening equipment for people and baggage ○ Lighting ○ Access Controls <ul style="list-style-type: none"> ▪ Fencing, gates, barriers, etc.
Exercises	<ul style="list-style-type: none"> • Long-term vulnerability reduction • Operational coordination • Operational communications • Community resilience 	<ul style="list-style-type: none"> • Safety and Security 	<ul style="list-style-type: none"> • Response exercises

For FY 2021, each SHSP and UASI recipient is required to submit an Investment Justification (IJ) for *each* of the five National Priority Areas identified above. Each of these five investments must also account for at least the relevant minimum percentage of the applicant's SHSP and UASI allocation. The fusion center project must be included under the Information and Intelligence Sharing IJ. State Administrative Agencies (SAAs) may submit complete project-level information at the time of application, including the five National Priority Area IJs, but are not required to do so. As a reminder, all SHSP- and UASI-funded projects must have a demonstrated nexus to preventing, preparing for, protecting against, and responding to acts of terrorism. However, such projects may simultaneously support enhanced preparedness for disasters unrelated to acts of terrorism.

DHS/FEMA also requires SHSP and UASI recipients (states, territories, and high-risk urban areas) to complete a THIRA/SPR and prioritize grant funding to support closing capability gaps or sustaining capabilities that address national priorities and/or support enduring needs.

Additional information on the THIRA/SPR process, including other National Preparedness System (NPS) tools and resources, can be found at <https://www.fema.gov/national-preparedness-system>. Detailed information on THIRA/SPR timelines and deadlines can be found in the [Preparedness Grants Manual](#).

OPSG Funding Priorities

The table below provides a breakdown of the FY 2021 OPSG funding priorities, which remain focused on and unique to border security.

FY 2021 OPSG Funding Priorities

Priority Areas	Core Capabilities	Lifelines	Example Project Types
National Priorities			
Enhancing information and intelligence sharing and analysis, and cooperation with federal agencies, including DHS	<ul style="list-style-type: none"> Intelligence and information sharing 	<ul style="list-style-type: none"> Safety and Security 	<ul style="list-style-type: none"> Participation in the DHS/ICE 287(g) training program Information sharing with all DHS components; fusion centers; other operational, investigative, and analytic entities; and other federal law enforcement and intelligence entities Cooperation with DHS officials and other entities designated by DHS in intelligence, threat recognition, assessment, analysis, and mitigation Identification, assessment, and reporting of threats of violence Joint intelligence analysis training and planning with DHS officials and other entities designated by DHS
Addressing Emergent Threats, such as the activities of Transnational Criminal Organizations	<ul style="list-style-type: none"> Interdiction & disruption Screening, search and detection Physical protective measures Intelligence and information sharing 	<ul style="list-style-type: none"> Safety and Security 	<ul style="list-style-type: none"> Operational overtime for border security operations as directed by the applicable, USBP-approved operations order Sharing and leveraging intelligence and information

For FY 2021, each OPSG applicant is required to clearly articulate and identify how the Concept of Operations addresses *each* of the two national priorities identified above.

11. Performance Metrics

Performance metrics for this program:

SHSP and UASI:

- Percentage of funding allocated by the recipient to core capabilities to build or sustain national priorities identified in the section above

OPSG:

- Number of contacts that occurred as a result of OPSG deployments
 - Number of arrests that resulted from OPSG contacts
 - Value of drug seizures that resulted from OPSG contacts

B. Federal Award Information

1. Available Funding for the NOFO: **\$1,120,000,000.00**

HSGP Programs	FY 2021 Allocation
SHSP	\$415,000,000
UASI	\$615,000,000
OPSG	\$90,000,000
Total	\$1,120,000,000

SHSP Allocations

For FY 2021, DHS/FEMA will award SHSP funds based on DHS/FEMA's relative risk methodology and statutory minimums pursuant to the *Homeland Security Act of 2002*, as amended. THIRA/SPR results do not impact grant allocation or award.

Each state and territory will receive a minimum allocation under the SHSP using thresholds established in the *Homeland Security Act of 2002*, as amended. All 50 States, the District of Columbia, and the Commonwealth of Puerto Rico will receive 0.35 percent of the total funds allocated for grants under Section 2003 and Section 2004 of the *Homeland Security Act of 2002*, as amended. Each of the four territories (American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands) will receive a minimum allocation of 0.08 percent of the total funds allocated for grants under Section 2003 and 2004 of the *Homeland Security Act of 2002*, as amended.

Each state must include a separate IJ for each of the five National Priority Areas identified in the Priorities section, above. **All projects related to the National Priority Area must be included in the IJ.** The funding level in each National Priority Area investment **must equal or exceed** the percentage for that respective National Priority Area, calculated as a percentage of the state's SHSP allocation in the table below.

FY 2021 SHSP ALLOCATIONS

State/Territory	FY 2021 Allocation	State/Territory	FY 2021 Allocation
Alabama	\$4,602,500	Montana	\$4,602,500
Alaska	\$4,602,500	Nebraska	\$4,602,500
American Samoa	\$1,052,000	Nevada	\$4,602,500
Arizona	\$4,602,500	New Hampshire	\$4,602,500
Arkansas	\$4,602,500	New Jersey	\$7,345,897
California	\$59,220,807	New Mexico	\$4,602,500
Colorado	\$4,602,500	New York	\$70,639,800

State/Territory	FY 2021 Allocation	State/Territory	FY 2021 Allocation
Connecticut	\$4,602,500	North Carolina	\$5,280,222
Delaware	\$4,602,500	North Dakota	\$4,602,500
District of Columbia	\$5,280,222	Northern Mariana Islands	\$1,052,000
Florida	\$9,701,894	Ohio	\$6,428,138
Georgia	\$5,491,278	Oklahoma	\$4,602,500
Guam	\$1,052,000	Oregon	\$4,602,500
Hawaii	\$4,602,500	Pennsylvania	\$8,447,973
Idaho	\$4,602,500	Puerto Rico	\$4,602,500
Illinois	\$14,427,260	Rhode Island	\$4,602,500
Indiana	\$4,602,500	South Carolina	\$4,602,500
Iowa	\$4,602,500	South Dakota	\$4,602,500
Kansas	\$4,602,500	Tennessee	\$4,602,500
Kentucky	\$4,602,500	Texas	\$18,908,141
Louisiana	\$4,602,500	U.S. Virgin Islands	\$1,052,000
Maine	\$4,602,500	Utah	\$4,602,500
Maryland	\$7,345,897	Vermont	\$4,602,500
Massachusetts	\$6,428,138	Virginia	\$8,447,973
Michigan	\$5,280,222	Washington	\$6,428,138
Minnesota	\$4,602,500	West Virginia	\$4,602,500
Mississippi	\$4,602,500	Wisconsin	\$4,602,500
Missouri	\$4,602,500	Wyoming	\$4,602,500
Total			\$415,000,000

UASI Allocations

Eligible candidates for the FY 2021 UASI program are identified in the table below. Eligibility has been determined through an analysis of relative risk of terrorism faced by the 100 most populous Metropolitan Statistical Areas (MSAs) in the United States, in accordance with the *Homeland Security Act of 2002*, as amended. Detailed information on MSAs is publicly available from the United States Census Bureau at <https://www.census.gov/programs-surveys/metro-micro.html>. THIRA/SPR results do not impact grant allocation or award.

The following table identifies the UASI allocations for each high-risk urban area based on DHS/FEMA's relative risk methodology pursuant to the *Homeland Security Act of 2002*, as amended.

In its application, each high-risk urban area, through the state, must include a separate IJ for each of the five National Priority Areas identified in the Priorities section, above. **All projects related to the National Priority Area must be included in the IJ.** The funding level in each National Priority Area investment **must equal or exceed** the percentage for that respective National Priority Area, calculated as a percentage of the urban area's UASI allocation in the table below.

2021 UASI ALLOCATIONS

State/Territory	Urban Area	FY 2021 UASI Allocation
Arizona	Phoenix Area	\$5,250,000
California	Anaheim/Santa Ana Area	\$5,250,000
	Bay Area	\$37,500,000
	Los Angeles/Long Beach Area	\$68,000,000
	Riverside Area	\$3,900,000
	Sacramento Area	\$3,800,000
	San Diego Area	\$16,900,000
Colorado	Denver Area	\$3,900,000
District of Columbia	National Capital Region	\$51,750,000
Florida	Miami/Fort Lauderdale Area	\$14,750,000
	Orlando Area	\$3,800,000
	Tampa Area	\$3,800,000
Georgia	Atlanta Area	\$6,250,000
Hawaii	Honolulu Area	\$3,800,000
Illinois	Chicago Area	\$68,000,000
Maryland	Baltimore Area	\$4,250,000
Massachusetts	Boston Area	\$16,900,000
Michigan	Detroit Area	\$5,250,000
Minnesota	Twin Cities Area	\$5,250,000
Missouri	St. Louis Area	\$3,800,000
Nevada	Las Vegas Area	\$5,250,000
New Jersey	Jersey City/Newark Area	\$19,050,000
New York	New York City Area	\$178,750,000
North Carolina	Charlotte Area	\$3,800,000
Oregon	Portland Area	\$3,800,000
Pennsylvania	Philadelphia Area	\$16,900,000
Texas	Dallas/Fort Worth/Arlington Area	\$16,900,000
	Houston Area	\$24,600,000
	San Antonio Area	\$3,800,000
Virginia	Hampton Roads Area	\$3,800,000
Washington	Seattle Area	\$6,250,000
Total		\$615,000,000

OPSG Allocations

For FY 2021, DHS/FEMA will award OPSG funds based on risk and the anticipated effectiveness of the proposed use of grant funds upon completion of the application review process. The FY 2021 OPSG risk assessment is designed to identify the risk to border security and to assist with the distribution of funds for the grant program. Funding under OPSG is distributed based on the risk to the security of the border and the effectiveness of the proposed projects. Entities eligible for funding are the state, local, and tribal law

enforcement agencies that are located along the border of the United States. DHS/FEMA will make final award determinations based upon a review of the anticipated effectiveness of the state's application as described in Section D, below. The THIRA/SPR process is not required for OPSG.

For the purposes of OPSG, the risk is defined as the potential for an adverse outcome assessed as a function of threats, vulnerabilities, and consequences associated with an incident, event, or occurrence.

Based upon ongoing intelligence analysis and extensive security reviews, DHS/CBP continues to focus the bulk of OPSG funds based upon risk analyses. The risk model used to allocate OPSG funds considers the potential risk that certain threats pose to border security and estimates the relative risk faced by a given area. In evaluating risk, DHS/CBP considers intelligence, situational awareness, criminal trends, and statistical data specific to each of the border sectors, and the potential impacts that these threats pose to the security of the border area. For vulnerability and consequence, DHS/CBP considers the expected impact and consequences of successful border events occurring in specific areas.

Threat and vulnerability are evaluated based on specific operational data from DHS/CBP. Threat components present in each of the sectors are used to determine the overall threat score. These components are terrorism, criminal aliens, drug trafficking organizations, and alien smuggling organizations.

Effectiveness of the proposed investments will be evaluated based on the recipient's investment strategy, budget, collaboration, and past performance.

2. Projected Number of Awards: **56**
3. Period of Performance: **36 months**

Extensions to the period of performance are allowed. For additional information on period of performance extensions, please refer to Section H of this NOFO and the [Preparedness Grants Manual](#).

FEMA awards under this program only include one budget period, so it will be same as the period of performance. *See* 2 C.F.R. § 200.1 for definitions of "budget period" and "period of performance."

4. Projected Period of Performance Start Date(s): **10/01/2021**
5. Projected Period of Performance End Date(s): **09/30/2024**
6. Funding Instrument Type: **Grant**

C. Eligibility Information

1. Eligible Applicants

The SAA is the only entity eligible to submit HSGP applications to DHS/FEMA, including

those applications submitted on behalf of UASI and OPSG applicants. All 56 states and territories, including any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, are eligible to apply for SHSP funds. Tribal governments may not apply directly for HSGP funding; however, funding may be available to tribes under the SHSP and OPSG through the SAA.

2. Applicant Eligibility Criteria

Eligible high-risk urban areas for the FY 2021 UASI program have been determined through an analysis of relative risk of terrorism faced by the 100 most populous MSAs in the United States. Subawards will be made by the SAAs to the designated high-risk urban areas.

In FY 2021, OPSG eligible subrecipients are local units of government at the county level or equivalent level of government and federally recognized tribal governments in states bordering Canada or Mexico and states and territories with international water borders. All applicants must have active ongoing USBP operations coordinated through a CBP sector office to be eligible for OPSG funding.

In FY 2021, OPSG subrecipients eligible to apply for and receive a subaward directly from the SAAs are divided into three Tiers. Tier 1 entities are local units of government at the county level or equivalent and federally recognized tribal governments that are on a physical border in states bordering Canada, states bordering Mexico, and states and territories with international water borders. Tier 2 eligible subrecipients are those not located on the physical border or international water but are contiguous to a Tier 1 county. Tier 3 eligible subrecipients are those not located on the physical border or international water but are contiguous to a Tier 2 eligible subrecipient. The tier structure is only applicable with regard to eligibility. OPSG funding allocations are based on the assessed border security risks as determined by the USBP.

An application submitted by an otherwise eligible non-federal entity (i.e., the applicant) may be deemed ineligible when the person that submitted the application is not: 1) a ***current employee, personnel, official, staff, or leadership*** of the non-federal entity; and 2) ***duly authorized to apply*** for an award on behalf of the non-federal entity at the time of application.

Further, the Authorized Organization Representative (AOR) must be a duly authorized current employee, personnel, official, staff, or leadership of the recipient and ***provide an email address unique to the recipient at the time of application and upon any change in assignment during the period of performance. Consultants or contractors of the recipient are not permitted to be the AOR of the recipient.***

3. Other Eligibility Criteria

a. *National Incident Management System (NIMS) Implementation*

Prior to allocation of any federal preparedness awards, recipients must ensure and maintain adoption and implementation of NIMS. The list of objectives used for progress and

achievement reporting is on FEMA's website at <https://www.fema.gov/emergency-managers/nims/implementation-training>.

Please see the [Preparedness Grants Manual](#) for more information on NIMS.

b. *Emergency Management Assistance Compact (EMAC) Membership*

In support of the National Preparedness Goal (the Goal), SHSP recipients must belong to, be in, or act as a temporary member of EMAC, except for American Samoa and the Commonwealth of the Northern Mariana Islands, which are not required to belong to EMAC at this time. All assets supported in part or entirely with FY 2021 HSGP funding must be readily deployable and NIMS-typed when possible to support emergency or disaster operations per existing EMAC agreements. In addition, funding may be used for the sustainment of core capabilities that, while they may not be physically deployable, support national response capabilities, such as Geographic/Geospatial Information Systems (GIS), interoperable communications systems, capabilities as defined under the Mitigation Mission Area of the Goal, and fusion centers.

c. *Law Enforcement Terrorism Prevention Activities (LETPA)*

Per section 2006 of the *Homeland Security Act of 2002*, as amended (6 U.S.C. § 607), DHS/FEMA is required to ensure that at least 25 percent of grant funding appropriated for grants awarded under HSGP's authorizing statute are used for LETPAs. DHS/FEMA meets this requirement, in part, by requiring all recipients allocate at least 25 percent of the combined HSGP funds allocated under SHSP and UASI towards LETPAs, as defined in 6 U.S.C. § 607. The LETPA allocation can be from SHSP, UASI, or both. The 25 percent LETPA allocation may be met by funding projects in any combination of the five National Priority Areas identified above and any other investments. The 25 percent LETPA allocation requirement is in addition to the 80 percent pass-through requirement to local units of government and tribes, referenced below.

The [National Prevention Framework](#) describes those activities that should be executed upon the discovery of intelligence or information regarding an imminent threat to the homeland, to thwart an initial or follow-on terrorist attack and provides guidance to ensure the Nation is prepared to identify, prevent, avoid, or stop a threatened or actual act of terrorism. Activities outlined in the National Prevention Framework are eligible for use as LETPA-focused funds. Also, where capabilities are shared with the protection mission area, the National Protection Framework activities are also eligible. All other terrorism prevention activities proposed for funding under LETPA must be approved by the FEMA Administrator.

4. Cost Share or Match

There is no cost share or match requirement for the FY 2021 HSGP.

D. Application and Submission Information

1. Key Dates and Times

a. *Application Start Date:* 02/25/2021

b. *Application Submission Deadline:* 05/14/2021 at 05 PM ET

All applications **must** be received by the established deadline.

The Non-Disaster (ND) Grants System has a date stamp that indicates when an application is submitted. Applicants will receive an electronic message confirming receipt of their submission. For additional information on how an applicant will be notified of application receipt, see the subsection titled “Timely Receipt Requirements and Proof of Timely Submission” in Section D of this NOFO.

FEMA will not review applications that are received after the deadline or consider these late applications for funding. FEMA may, however, extend the application deadline on request for any applicant who can demonstrate that good cause exists to justify extending the deadline. Good cause for an extension may include technical problems outside of the applicant’s control that prevent submission of the application by the deadline, other exigent or emergency circumstances, or statutory requirements for FEMA to make an award.

Applicants experiencing technical problems outside of their control must notify FEMA as soon as possible and before the application deadline. Failure to timely notify FEMA of the issue that prevented the timely filing of the application may preclude consideration of the award. “Timely notification” of FEMA means: prior to the application deadline and within 48 hours after the applicant became aware of the issue.

A list of FEMA contacts can be found in Section G of this NOFO, “DHS Awarding Agency Contact Information.” For additional assistance using the ND Grants System, please contact the ND Grants Service Desk at (800) 865-4076 or NDGrants@fema.dhs.gov. The ND Grants Service Desk is available Monday through Friday, 9:00 AM – 6:00 PM Eastern Time (ET). For programmatic or grants management questions, please contact your Program Analyst or Grants Specialist. If applicants do not know who to contact or if there are programmatic questions or concerns, please contact the Centralized Scheduling and Information Desk (CSID) by phone at (800) 368-6498 or by e-mail at askcsid@fema.dhs.gov, Monday through Friday, 9 AM – 5 PM ET.

c. *Anticipated Funding Selection Date:* No later than 07/16/2021

d. *Anticipated Award Date:* No later than 09/30/2021

e. *Other Key Dates:*

Event	Suggested Deadline for Completion
Obtaining DUNS Number	Four weeks before actual submission deadline
Obtaining a valid EIN	Four weeks before actual submission deadline
Creating an account with login.gov	Four weeks before actual submission deadline
Registering in SAM or Updating SAM registration	Four weeks before actual submission deadline
Registering in Grants.gov	Four weeks before actual submission deadline

Starting application in Grants.gov	One week before actual submission deadline
Submitting the final application in ND Grants	By the submission deadline

2. Agreeing to Terms and Conditions of the Award

By submitting an application, applicants agree to comply with the requirements of this NOFO and the terms and conditions of the award, should they receive an award.

3. Address to Request Application Package

See the [Preparedness Grants Manual](#) for requesting and submitting an application.

Initial applications are processed through the [Grants.gov](#) portal. Final applications are completed and submitted through FEMA's ND Grants System. Application forms and instructions are available at Grants.gov. To access these materials, go to <http://www.grants.gov>.

Hard copies of the NOFO can be downloaded at [Grants.gov](#) or obtained via email from the Awarding Office points of contact listed in Section G of this NOFO, "DHS Awarding Agency Contact Information" or by TTY (800) 462-7585.

4. Steps Required to Obtain a Unique Entity Identifier, Register in the System for Award Management (SAM), and Submit an Application

Applying for an award under this program is a multi-step process and requires time to complete. Applicants are encouraged to register early as the registration process can take four weeks or more to complete. Therefore, registration should be done in sufficient time to ensure it does not impact your ability to meet required submission deadlines.

Please review the table above for estimated deadlines to complete each of the steps listed. Failure of an applicant to comply with any of the required steps before the deadline for submitting an application may disqualify that application from funding.

To apply for an award under this program, all applicants must:

- a. Apply for, update, or verify their Data Universal Numbering System (DUNS) number from Dun & Bradstreet and Employer Identification Number (EIN) from the Internal Revenue Service;
- b. In the application, provide a valid DUNS number, which is currently the unique entity identifier;
- c. Have an account with [login.gov](#);
- d. Register for, update, or verify their SAM account and ensure the account is active before submitting the application;
- e. Create a Grants.gov account;
- f. Add a profile to a Grants.gov account;
- g. Establish an AOR in Grants.gov;
- h. Register in ND Grants
- i. Submit an initial application in Grants.gov;

- j. **Submit the final application in ND Grants, including electronically signing applicable forms; and**
- k. Continue to maintain an active SAM registration with current information at all times during which it has an active federal award or an application or plan under consideration by a federal awarding agency. As part of this, applicants must also provide information on an applicant's immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded federal contracts or federal financial assistance within the last three years, if applicable.

Specific instructions on how to apply for, update, or verify a DUNS number or SAM registration or establish an AOR are included below in the steps for applying through Grants.gov.

Applicants are advised that FEMA may not make a federal award until the applicant has complied with all applicable DUNS and SAM requirements. Therefore, an applicant's SAM registration must be active not only at the time of application, but also during the application review period and when FEMA is ready to make a federal award. Further, as noted above, an applicant's or recipient's SAM registration must remain active for the duration of an active federal award. If an applicant's SAM registration is expired at the time of application, expires during application review, or expires any other time before award, FEMA may determine that the applicant is not qualified to receive a federal award and use that determination as a basis for making a federal award to another applicant.

Per 2 C.F.R. § 25.110(c)(2)(ii), if an applicant is experiencing exigent circumstances that prevents it from receiving a DUNS number and completing SAM registration prior to receiving a federal award, the applicant must notify FEMA as soon as possible by contacting askcsid@fema.dhs.gov and providing the details of the circumstances that prevent completion of these requirements. If FEMA determines that there are exigent circumstances and FEMA has decided to make an award, the applicant will be required to obtain a DUNS number and complete SAM registration within 30 days of the federal award date.

5. Electronic Delivery

DHS is participating in the Grants.gov initiative to provide the grant community with a single site to find and apply for grant funding opportunities. DHS encourages or requires applicants to submit their applications online through Grants.gov, depending on the funding opportunity.

For this funding opportunity, FEMA requires applicants to submit initial applications through Grants.gov and a final application through ND Grants.

6. How to Register to Apply through Grants.gov

For information on how to register to apply through Grants.gov, please see the [Preparedness Grants Manual](#).

7. How to Submit an Initial Application to FEMA via Grants.gov

Standard Form 424 (SF-424) is the initial application for this NOFO.

Grants.gov applicants can apply online using a workspace. A workspace is a shared, online environment where members of a grant team may simultaneously access and edit different web forms within an application. For each Notice of Funding Opportunity, you can create individual instances of a workspace. Applicants are encouraged to submit their initial applications in Grants.gov at least seven days before the application deadline.

In Grants.gov, applicants need to submit the following forms:

- SF-424, Application for Federal Assistance
- Grants.gov Lobbying Form, Certification Regarding Lobbying

For further information on how to submit an initial application via Grants.gov, please see the [Preparedness Grants Manual](#).

8. Submitting the Final Application in ND Grants

After submitting the initial application in Grants.gov, eligible applicants will be notified by FEMA and asked to proceed with submitting their complete application package in ND Grants. Applicants can register early with ND Grants and are encouraged to begin their ND Grants registration at the time of this announcement or, at the latest, seven days before the application deadline. Early registration will allow applicants to have adequate time to start and complete their applications.

Applicants needing assistance registering for the ND Grants system should contact ndgrants@fema.dhs.gov or (800) 865-4076. For step-by-step directions on using the ND Grants system and other guides, please see <https://www.fema.gov/grants/guidance-tools/non-disaster-grants-management-system>.

In ND Grants, applicants will be prompted to submit the standard application information and any program-specific information required as described in Section D.10 of this NOFO, “Content and Form of Application Submission.”. The Standard Forms (SF) are auto generated in ND Grants, but applicants may access these forms in advance through the Forms tab under the [SF-424 family on Grants.gov](#). Applicants should review these forms before applying to ensure they have all the information required.

For additional application submission requirements, including program-specific requirements, please refer to the subsection titled “Content and Form of Application Submission” under Section D of this NOFO.

9. Timely Receipt Requirements and Proof of Timely Submission

As application submission is a two-step process, the applicant with the AOR role who submitted the application in Grants.gov will receive an acknowledgement of receipt and a tracking number (GRANTXXXXXXXX) from Grants.gov with the successful transmission of its initial application. **This notification does not serve as proof of timely submission, as the application is not complete until it is submitted in ND Grants.** Applicants can also view the ND Grants Agency Tracking Number by accessing the Details tab in the submitted workspace section in Grants.gov, under the Agency Tracking Number column. Should the Agency Tracking Number not appear, the application has not yet migrated from Grants.gov

into the ND Grants System. Please allow 24 hours for your ND Grants application tracking number to migrate.

All applications must be received in ND Grants by **5 PM ET** on the application deadline. Proof of timely submission is automatically recorded by ND Grants. An electronic date/time stamp is generated within the system when the application is successfully received by ND Grants. Additionally, the applicant(s) listed as contacts on the application will receive a system-generated email to confirm receipt.

10. Content and Form of Application Submission

a. *Standard Required Application Forms and Information*

I. GRANTS.GOV

- **SF-424, Application for Federal Assistance**, initial application submitted through Grants.gov
- **Grants.gov Lobbying Form, Certification Regarding Lobbying**, submitted through Grants.gov

II. ND GRANTS

- **SF-424A, Budget Information (Non-Construction)**, submitted via the forms generated by ND Grants
 - **For construction under an award, submit SF-424C, Budget Information (Construction)**, submitted via the forms generated by ND Grants, in addition to or instead of SF-424A
- **SF-424B, Standard Assurances (Non-Construction)**, submitted via the forms generated by ND Grants
 - **For construction under an award, submit SF-424D, Standard Assurances (Construction)**, submitted via the forms generated by ND Grants, in addition to or instead of SF-424B
- **SF-LLL, Disclosure of Lobbying Activities**, submitted via the forms generated by ND Grants
- **Indirect Cost Agreement or Proposal**, submitted as an attachment in ND Grants if the budget includes indirect costs and the applicant is required to have an indirect cost rate agreement or proposal. If the applicant does not have or is not required to have an indirect cost rate agreement or proposal, please see Section D.13 of this NOFO, “Funding Restrictions and Allowable Costs,” for further information regarding allowability of indirect costs and whether alternatives to an indirect cost rate agreement or proposal might be available, or contact the relevant FEMA staff identified in Section G of this NOFO, “DHS Awarding Agency Contact Information” for further instructions.

Generally, applicants have to submit either the non-construction forms (i.e., SF-424A and SF-424B) or construction forms (i.e., SF-424C and SF-424D), meaning that applicants that only have construction work and do not have any non-construction work need only submit the construction forms (i.e., SF-424C and SF-424D) and not the non-construction forms (i.e., SF-424A and SF-424B), and vice versa. However, applicants who have both construction and non-construction work under this program need to submit both the construction and non-construction forms.

b. Program-Specific Required Forms and Information

i. IJ DEVELOPMENT: SHSP AND UASI

As part of the FY 2021 HSGP application process for SHSP and UASI funds, applicants must develop formal IJs that address the proposed investments. Failure to fulfill all of the terms contained in this section will be considered by DHS/FEMA in its evaluation of the effectiveness of the IJs submitted to meet the minimum percent spend requirement for each National Priority Area. Failure to sufficiently align projects to the National Priority Areas and meet the minimum percent spend requirement will result in funds being placed on hold until those issues are addressed.

FY 2021 SHSP and UASI applications must include one (1) IJ and at least one (1) respective project for each of the five National Priority Areas (Cybersecurity, Soft Targets/Crowded Places, Intelligence and Information Sharing, Countering Domestic Violent Extremism, and Emerging Threats) identified in this NOFO. Each of these five IJs must also meet or exceed the minimum percent spend requirement based on the applicant's SHSP and UASI allocation stated in this NOFO. **The SAA must submit one IJ per National Priority Area; all projects associated with a National Priority Area *must* be submitted in the same IJ and account for the relevant minimum spend requirement as a percentage of the SHSP or UASI allocation.** SAAs may submit complete project-level information at the time of application but are not required to do so at the time of application. However, any SHSP or UASI application that does not include an IJ for each National Priority Area that meets the minimum spend requirement will have that funding placed on hold (up to the National Priority Area, or up to 30 percent of the total award) until those IJs and project-level details that sufficiently address the National Priority Areas are received and approved by DHS/FEMA.

Each IJ must *demonstrate* how proposed investments:

- Support terrorism preparedness;
- Support closing capability gaps or sustaining capabilities identified in the community's THIRA/SPR process; and
- Support the overcoming of existing logistical, technological, legal, policy, and other impediments to collaborating, networking, sharing information, cooperating, and fostering a culture of national preparedness with federal, state, tribal, and local governments, as well as other regional, and nonprofit partners in efforts to prevent, prepare for, protect against, and respond to acts of terrorism, to meet its target capabilities, support the national security mission of DHS and other federal agencies, and to otherwise reduce the overall risk to the high-risk urban area, the state, or the Nation.

Each IJ must *explain* how the proposed investments will support the applicant's efforts to:

- Prevent a threatened or an actual act of terrorism;
- Prepare for all hazards and threats, while explaining the nexus to terrorism preparedness;
- Protect citizens, residents, visitors, and assets against the greatest threats and hazards, relating to acts of terrorism; and/or

- Respond quickly to save lives, protect property and the environment, and meet basic human needs in the aftermath of an act of terrorism or other catastrophic incidents.

If not included in the application, SHSP and UASI recipients must submit complete project-level information for each SHSP and UASI IJ as part of the Biannual Strategy Implementation Report (BSIR) due by January 30, 2022. This includes IJs for the five National Priority Areas.

DHS/FEMA will evaluate the effectiveness of the projects submitted in support of the National Priority Areas, either at the time of application or as part of the December 2021 BSIR. DHS/FEMA will not reduce FY 2021 HSGP awards based on the effectiveness review but will work with recipients to ensure compliance with the National Priority Area requirements based on the results of the effectiveness review. Recipients and subrecipients will not be permitted to expend funding under the National Priority Areas until the effectiveness of the proposed projects has been reviewed and confirmed by FEMA.

II. DEVELOPMENT OF INVESTMENTS AND PROJECTS: SHSP

- Applicants must propose at least five and may include up to ten investments.
- Within each investment, applicants must propose at least one project to describe the activities they plan to implement with SHSP funds. There is no limit to the number of projects that may be submitted.
- Required National Priority Area IJs must include the name of the priority in the investment name for easy identification.
- Of the proposed SHSP-funded investments, one single project, within the required Intelligence and Information Sharing National Priority Area IJ, must be in support of a designated fusion center. Recipients must coordinate with the fusion center when developing a fusion center project prior to submission. See additional information on how to develop the fusion center projects below and in the [Preparedness Grants Manual](#).
- All emergency communications investments must describe how such activities align with needs identified in their Statewide Communication Interoperability Plan (SCIP). Recipients must coordinate with their Statewide Interoperability Coordinator (SWIC) and/or Statewide Interoperability Governing Body (SIGB) when developing an emergency communications investment prior to submission to ensure the project supports the statewide strategy to improve emergency communications and is compatible and interoperable with surrounding systems. The investment name must include the words “emergency communications” to easily identify any emergency communications investments.
- All requested funding must be associated with specific projects. For each project, several pieces of information must be provided to submit the project for consideration in the application, including:
 - Project name;
 - Project description;
 - Subrecipient name, if applicable;
 - Recipient type (e.g., state or local);
 - Project location (zip code of the primary location of the project);
 - Primary core capability the project supports;

- Whether the project activities are shareable and deployable; and
- Which National Priority Area (if any) the project supports.
- Projects should describe how the proposed investment supports closing capability gaps or sustaining capabilities identified in the THIRA/SPR process.
- FEMA encourages states to use any DHS provided assessments, such as those performed by DHS's Protective Security Advisors and Cybersecurity Advisors, when developing their IJs.

III. **NATIONAL PRIORITY AREA INVESTMENTS: SHSP**

States are encouraged to review the [Strategic Framework for Countering Terrorism and Targeted Violence](#) when developing investments.

- **Cybersecurity IJ (7.5 percent)**

At least one investment must be in support of the state's cybersecurity efforts. The investment must meet or exceed the FY 2021 national priority percentage for cybersecurity and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Cybersecurity investments must support the security and functioning of critical infrastructure and core capabilities as they relate to preventing, preparing for, protecting against, or responding to acts of terrorism. Recipients and subrecipients of FY 2021 HSGP grant awards will be required to complete the 2021 [Nationwide Cybersecurity Review](#) (NCSR), enabling agencies to benchmark and measure progress of improving their cybersecurity posture. The Chief Information Officer (CIO), Chief Information Security Officer (CISO) or equivalent for each recipient should complete the NCSR. If there is no CIO or CISO, the most senior cybersecurity professional should complete the assessment. The NCSR is available at no cost to the user and takes approximately 2-3 hours to complete. The 2021 NCSR is estimated to be open from October – December 2021.

The NCSR is an annual requirement for recipients and subrecipients of HSGP funds. Additionally, FEMA recognizes that some subawards will not be issued until after the NCSR has closed. In such cases, such subrecipients will be required to complete the first available NCSR offered after the subaward has been issued by the pass-through entity. Although not required by SLTTs that did not receive HSGP funds, all SLTT agencies with preparedness responsibilities are highly encouraged to participate and complete the NCSR to evaluate their cybersecurity posture. For detailed information and background on the NCSR, please see [IB 439](#).

- **Soft Targets/Crowded Places IJ (5 percent)**

Soft targets and crowded places are increasingly appealing to terrorists and other extremist actors because of their relative accessibility and the large number of potential targets. This challenge is complicated by the prevalent use of simple tactics and less sophisticated attacks. Segments of our society are inherently open to the general public, and by nature of their purpose do not incorporate strict security measures. Given the increased emphasis by terrorists and other extremist actors to leverage less sophisticated methods to inflict harm in public areas, it is vital that the public and private sectors

collaborate to enhance security of locations such as transportation centers, parks, restaurants, shopping centers, special event venues, and similar facilities.

Given the increased risk to soft targets and crowded places, at least one investment must be in support of the state's efforts to protect soft targets/crowded places. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for soft targets/crowded places and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Additional resources and information regarding securing soft targets and crowded places are available through the [Cybersecurity and Infrastructure Security Agency](#). States are encouraged to engage DHS' Protective Security Advisors' security assessments of soft targets to ensure that recommendations from those assessments are taken into consideration when allocating grant funding.

- **Information and Intelligence Sharing and Cooperation IJ (5 percent)**

Effective homeland security operations rely on access to, analysis of, and the timely sharing of open source, unclassified, and classified information, suspicious activity reports, tips/leads, and actionable intelligence on indicators and behaviors to accurately identify, assess, and mitigate a wide array of threats against the United States, including terrorism, threats to life, targeted violence, and other threats within the DHS mission space. Accordingly, DHS works diligently to enhance intelligence collection, integration, analysis, and information sharing capabilities to ensure partners, stakeholders, and senior leaders receive actionable intelligence and information necessary to inform their decisions and operations. A critical and statutorily charged mission of DHS is to deliver intelligence and information to federal, state, local, and tribal governments and private sector partners. Cooperation and information sharing among state, federal, and local partners across all areas of the homeland security enterprise, including counterterrorism – including both international and domestic terrorism, cybersecurity, border security, transnational organized crime, immigration enforcement, economic security, and other areas is critical to homeland security operations and the prevention of, preparation for, protection against, and responding to acts of terrorism, and other threats to life and criminal acts of targeted violence.

Given the importance of information sharing and collaboration to effective homeland security solutions, at least one investment must be in support of the state's efforts to enhance information sharing and cooperation with DHS and other federal agencies. As noted above, this requirement must include at least one dedicated fusion center project. Additional instructions on development of the fusion center project can be found below. Applicants must justify persuasively how they will contribute to the information sharing and collaboration purposes of the investment and a culture of national preparedness. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for information sharing and cooperation with DHS and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Additional resources and information regarding collaboration and information sharing are available through the Department's [Office of Intelligence and Analysis](#).

- **Domestic Violent Extremism IJ (7.5 percent)**

As stated in the October 2020 DHS Homeland Threat Assessment, domestic violent extremists, including ideologically motivated lone offenders and small groups, present the most persistent and lethal terrorist threat to the Homeland. These violent extremists capitalize on social and political tensions, which have resulted in an elevated threat environment. They utilize social media platforms and other technologies to spread violent extremist ideologies that encourage violence and influence action within the United States. The COVID-19 pandemic has further created an environment that may lead to accelerated mobilization to targeted violence and/or radicalization to domestic terrorism, including driving lawful protests to incite violence, intimidate targets, and promote their violent extremist ideologies.

Given the rise of domestic violent extremism in recent years, at least one investment must be in support of the state's efforts to combat the rise, influence, and spread of domestic violent extremism. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for domestic violent extremism and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.

Please note that there currently is not a "Domestic Violent Extremism" Investment Type option in the Grant Reporting Tool (GRT). Instead applicants should select the "Standard" Investment Type and clearly name the IJ as "Domestic Violent Extremism Priority Area" to ensure it is appropriately accounted for during FEMA's administrative and effectiveness reviews.

- **Emerging Threats IJ (5 percent)**

The spread of rapidly evolving and innovative technology, equipment, techniques, and knowledge presents new and emerging dangers for homeland security in the years ahead. Terrorists, criminal actors, and foreign adversaries continue to utilize open source and other technologies to spread misinformation and sow discord in the United States. These actors also remain intent on acquiring WMD capabilities, and rogue nations and non-state actors are aggressively working to develop, acquire, and modernize WMDs that they could use against the Homeland. Meanwhile, biological and chemical materials and technologies with dual use capabilities are more accessible throughout the global market. Due to the proliferation of such information and technologies, rogue nations and non-state actors have more opportunities to develop, acquire, and use WMDs than ever before. Similarly, the proliferation of UASs, artificial intelligence, and biotechnology increase opportunities of threat actors to acquire and use these capabilities against the United States and its interests.

Given the increased risk of these emerging threats, at least one investment must be in support of the state's efforts to address emerging threats. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for emerging threats and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Additional resources and information regarding emerging threats are available through the [Countering Weapons of Mass Destruction Office](#) and the [Cybersecurity and Infrastructure Security Agency](#).

IV. DEVELOPMENT OF INVESTMENTS AND PROJECTS: UASI

- Applicants must propose at least five and may include up to ten investments.
- Within each investment, urban areas must propose at least one project to describe the activities they are planning to implement with UASI funds. There is no limit to the number of projects that may be submitted.
- Required National Priority Area IJs must include the name of the priority in the investment name for easy identification.
- Of the proposed projects, urban areas are required to propose one single project, as part of the required intelligence and information sharing IJ, in support of a designated fusion center within the urban area, if applicable. Recipients must coordinate with the fusion center when developing a fusion center project prior to submission. See additional information on how to develop fusion center investments below and in the [Preparedness Grants Manual](#).
- All emergency communications investments must describe how such activities align with the needs identified in their SCIP. Recipients must coordinate with their SWIC and/or SIGB when developing an emergency communications investment prior to submission to ensure the project supports the statewide strategy to improve emergency communications and is compatible and interoperable with surrounding systems. The investment name must include the words “emergency communications” to easily identify any emergency communications investments.
- All requested funding must be associated with specific projects. For each project, several pieces of information must be provided to submit the project for consideration in the application, including:
 - Project name;
 - Project description
 - Subrecipient name, if applicable;
 - Recipient type (e.g., state or local);
 - Project location (zip code of the primary location of the project);
 - Primary core capability the project supports;
 - Whether the project activities are shareable and deployable; and
 - Which National Priority Area (if any) the project supports.
- Projects should describe how the proposed investment supports closing capability gaps or sustaining capabilities identified in the THIRA/SPR process.
- FEMA encourages states to use any DHS provided assessments, such as those performed by DHS’s Protective Security Advisors and Cybersecurity Advisors, when developing their IJs.

V. PRIORITY INVESTMENTS: UASI

High-risk urban areas are encouraged to review the [Strategic Framework for Countering Terrorism and Targeted Violence](#) when developing investments.

- **Cybersecurity IJ (7.5 percent)**
At least one investment must be in support of the urban area’s cybersecurity efforts. The investment must meet or exceed the FY 2021 national priority percentage for cybersecurity and will also be subject to DHS/FEMA’s evaluation of the effectiveness of the proposed investments. Cybersecurity investments must support the security and

functioning of critical infrastructure and core capabilities as they relate to preventing, preparing for, protecting against, or responding to acts of terrorism. Recipients and subrecipients of FY 2021 HSGP awards will be required to complete the 2021 [Nationwide Cybersecurity Review](#), enabling agencies to benchmark and measure progress of improving their cybersecurity posture. The CIO, CISO or equivalent for each recipient should complete the NCSR. If there is no CIO or CISO, the most senior cybersecurity professional should complete the assessment. The NCSR is available at no cost to the user and takes approximately 2- 3 hours to complete. The 2021 NCSR is estimated to be open from October – December 2021.

The NCSR is an annual requirement for recipients and subrecipients of HSGP funds. Additionally, FEMA recognizes that some subawards will not be issued until after the NCSR has closed. In such cases, such subrecipients will be required to complete the first available NCSR offered after the subaward has been issued by the pass-through entity. Although not required by SLTTs that did not receive HSGP funds, all SLTT agencies with preparedness responsibilities are highly encouraged to participate and complete the NCSR to evaluate their cybersecurity posture. For detailed information and background on the NCSR, please see [IB 439](#).

- **Soft Targets/Crowded Places IJ (5 percent)**

Soft targets and crowded places are increasingly appealing to terrorists and other extremist actors because of their relative accessibility and the large number of potential targets. This challenge is complicated by the prevalent use of simple tactics and less sophisticated attacks. Segments of our society are inherently open to the general public, and by nature of their purpose do not incorporate strict security measures. Given the increased emphasis by terrorists and other extremist actors to leverage less sophisticated methods to inflict harm in public areas, it is vital that the public and private sectors collaborate to enhance security of locations such as transportation centers, parks, restaurants, shopping centers, special event venues, and similar facilities.

Given the increased risk to soft targets and crowded places, at least one investment must be in support of the urban area's efforts to protect soft targets/crowded places. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for soft targets/crowded places and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Additional resources and information regarding securing soft targets and crowded places are available through the [Cybersecurity and Infrastructure Security Agency](#).

- **Information and Intelligence Sharing and Cooperation IJ (5 percent)**

Effective homeland security operations rely on access to, analysis of, and timely sharing of open source, unclassified, and classified information, suspicious activity reports, tips/leads, and actionable intelligence on indicators and behaviors to accurately identify, assess, and mitigate a wide array of threats against the United States, including terrorism, threats to life, targeted violence, and other threats within the DHS mission space. Accordingly, DHS works diligently to enhance intelligence collection, integration, analysis, and information sharing capabilities to ensure partners, stakeholders, and senior

leaders receive actionable intelligence and information necessary to inform their decisions and operations. A critical and statutorily charged mission of DHS is to deliver intelligence and information to federal, state, local, and tribal governments and private sector partners. Cooperation and information sharing among state, federal, and local partners across all areas of the homeland security enterprise, including counterterrorism, – including both international and domestic terrorism, cybersecurity, transnational organized crime, economic security, border security, immigration enforcement, and other areas is critical to homeland security operations and the prevention of, preparation for, protection against, and responding to acts of terrorism, and other threats to life and criminal acts of targeted violence.

Given the importance of information sharing and collaboration to effective homeland security solutions, at least one investment must be in support of the urban area's efforts to enhance information sharing and cooperation with DHS and other federal agencies. As noted above, this requirement must include at least one dedicated fusion center project. Additional instructions on development of the fusion center project can be found below. Applicants must justify persuasively how they will contribute to the information sharing and collaboration purposes of the investment and a culture of national preparedness. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for information sharing and cooperation with DHS and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Additional resources and information regarding collaboration and information sharing are available through the Department's [Office of Intelligence and Analysis](#).

- **Domestic Violent Extremism IJ (7.5 percent)**

As stated in the October 2020 DHS Homeland Threat Assessment, domestic violent extremists, including ideologically motivated lone offenders and small groups, present the most persistent and lethal terrorist threat to the Homeland. These violent extremists capitalize on social and political tensions, which have resulted in an elevated threat environment. They utilize social media platforms and other technologies to spread violent extremist ideologies that encourage violence and influence action within the United States. The COVID-19 pandemic has further created an environment that may lead to accelerated mobilization to targeted violence and/or radicalization to domestic terrorism, including driving lawful protests to incite violence, intimidate targets, and promote their violent extremist ideologies.

Given the rise of domestic violent extremism in recent years, at least one investment must be in support of the urban area's efforts to combat the rise, influence, and spread of domestic violent extremism. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for domestic violent extremism and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments.

Please note that there currently is not a "Domestic Violent Extremism" Investment Type option in the GRT. Instead applicants should select the "Standard" Investment Type and clearly name the IJ as "Domestic Violent Extremism Priority Area" to ensure it is appropriately accounted for during FEMA's administrative and effectiveness reviews.

- **Emerging Threats IJ (5 percent)**

The spread of rapidly evolving and innovative technology, equipment, techniques, and knowledge presents new and emerging dangers for homeland security in the years ahead. Terrorists, criminal actors, and foreign adversaries continue to utilize open source and other technologies to spread misinformation and sow discord in the United States. These actors also remain intent on acquiring WMD capabilities, and rogue nations and non-state actors are aggressively working to develop, acquire, and modernize WMDs that they could use against the Homeland. Meanwhile, biological and chemical materials and technologies with dual use capabilities are more accessible throughout the global market. Due to the proliferation of such information and technologies, rogue nations and non-state actors have more opportunities to develop, acquire, and use WMDs than ever before. Similarly, the proliferation of UASs, artificial intelligence, and biotechnology increase opportunities of threat actors to acquire and use these capabilities against the United States and its interests.

Given the increased risk of these emerging threats, at least one investment must be in support of the urban area's efforts to address emerging threats. Additionally, the proposed investment must meet or exceed the FY 2021 national priority percentage for emerging threats and will also be subject to DHS/FEMA's evaluation of the effectiveness of the proposed investments. Additional resources and information regarding emerging threats are available through the [Countering Weapons of Mass Destruction Office](#) and the [Cybersecurity and Infrastructure Security Agency](#).

VI. DEVELOPMENT OF FUSION CENTER PROJECTS: SHSP AND UASI

If applicable, each applicant must identify a fusion center project that will:

- Indicate alignment to a designated Fusion Center;
- Provide both a brief narrative description and funding itemization for the proposed project activities that directly support the designated fusion center; and
- The descriptive narrative and the financial itemization should align improvement or sustainment requests with fusion center activities as they relate to the Fusion Center Performance Measures found in the [Preparedness Grants Manual](#).

Sample Fusion Center Funding Itemization

A sample project description and funding itemization are below. For the itemized projects, clearly identify the anticipated fusion center performance improvement or sustainment as a result of the proposed funding.

The X Fusion enhancement project will fund:

- *Salaries, benefits, and training for X number of Fusion Center intelligence analysts*
- *Travel costs associated with fusion center analyst training*
- *This project will directly sustain the Center's current capabilities and performance and directly aligns with performance measures 2021.XXX*
- *We anticipate seeing an improvement in the quality and quantity of analytic production and responses to requests for information as a direct result of the funding of this project*

The funding itemization for a fusion center project should include the amount and percent of each relevant solution area. As an example:

<i>Solution Area and Amount of Proposed Funding</i>	<i>Percent of Proposed Funding</i>
<i>Planning:</i> \$10,000	2%
<i>Organization:</i> \$200,000	48%
<i>Equipment:</i> \$200,000	48%
<i>Training:</i> \$10,000	2%
<i>Exercises:</i> \$0	0%
<i>Total:</i> \$420,000	100%

VII. COMPLETING IJS IN THE GRANT REPORTING TOOL (GRT): SHSP AND UASI

In the Related Documents section of the Grants.gov posting, applicants can find the IJ template and instructions for collecting the required information for investments and projects. Additionally, applicants should utilize the Project Worksheet located in Grants.gov posting to assemble the information required for each project, which will facilitate the input of that information into the GRT.

Applicants must ensure the appropriate National Priority Area “Investment Type” (*Overview Tab – Investment Information Section*) is selected for the corresponding National Priority Area (Cybersecurity, Soft Targets/Crowded Places, Information and Intelligence Sharing and Cooperation, and Emerging Threats). **Important note: there currently is not a “Domestic Violent Extremism” Investment Type option. Applicants should instead select the “Standard” Investment Type and clearly name the IJ as “Domestic Violent Extremism Priority Area” to ensure it is appropriately accounted for during FEMA’s administrative and effectiveness reviews.** All non-National Priority Area IJs should have the “Standard” Investment Type option selected.

VIII. DEVELOPMENT OF CONCEPT OF OPERATIONS FOR OPSG

As part of the FY 2021 OPSG application process, each eligible local unit of government at the county or federally recognized tribal government level must develop a strategic plan called a Concept of Operations (CONOP)/Application, which is a formal proposal of action to address a specific situation and forms the basis for Operations Orders, in coordination with state and federal law enforcement agencies, to include, but not limited to CBP/USBP. CONOPs that are developed at the county level should be inclusive of city, county, tribal, and other local law enforcement agencies that are eligible to participate in OPSG operational activities, and the CONOP/Application should describe participating agencies in the Executive Summary.

CONOP/Application details should include the names of the agencies, points of contact, and individual funding requests. All CONOPs/Applications must be developed in collaboration with the local USBP sector office, the SAA, and the local unit of government. Requests for funding in CONOPs/Applications must be based on risks and the operational enforcement support requirements of its corresponding USBP Sector, as well as the national priorities identified below. USBP Sector offices will forward the CONOPs to USBP Headquarters for

vetting and coordination. Applicants will forward corresponding OPSG Applications to the SAA for submission to FEMA. USBP Headquarters will reconcile all submitted CONOPs with the OPSG Applications. FEMA will review and evaluate all CONOPs and OPSG Applications and funding will be allocated based on the review and selection criteria identified in this NOFO.

OPSG Applicants will be required to clearly articulate and identify how the CONOPs will address the national priorities identified below.

- **Information and Intelligence Sharing and Cooperation**

Effective border security operations rely on access to, analysis of, and the timely sharing of open source, unclassified, and classified information, suspicious activity reports, tips/leads, and actionable intelligence on indicators and behaviors to accurately identify, assess, and mitigate a wide array of threats against the United States, including terrorism, threats to life, targeted violence, and other threats within the DHS mission space. Accordingly, DHS works diligently to enhance intelligence collection, integration, analysis, and information sharing capabilities to ensure partners, stakeholders, and senior leaders receive actionable intelligence and information necessary to inform their decisions and operations. One critical, statutorily required mission of DHS is to deliver intelligence and information to federal, state, local, and tribal governments and private sector partners. Cooperation and information sharing among state, federal, and local partners across all areas of the homeland security enterprise, including both international and domestic terrorism, cybersecurity, transnational organized crime, economic security, border security, immigration enforcement, and other areas is critical to homeland security operations and the prevention of, preparation for, protection against, and responding to acts of terrorism, and other threats to life and criminal acts of targeted violence.

Given the importance of information sharing and collaboration to effective homeland security solutions, the CONOP must support the recipient's efforts to enhance information sharing and cooperation with DHS and other federal agencies. Applicants must justify persuasively how they will contribute to the information sharing and collaboration purposes of the OPSG program and a culture of national preparedness. Additional resources and information regarding collaboration and information sharing are available through the Department's Office of Intelligence and Analysis.

- **Emerging Threats**

The spread of rapidly evolving and innovative technology, equipment, techniques, and knowledge presents new and emerging dangers for homeland security in the years ahead. Terrorists, criminal actors, and foreign adversaries continue to utilize open source and other technologies to spread misinformation and sow discord in the United States. These actors also remain intent on acquiring WMD capabilities, and rogue nations and non-state actors are aggressively working to develop, acquire, and modernize WMDs that they could use against the Homeland. Meanwhile, biological and chemical materials and technologies with dual use capabilities are more accessible throughout the global market. Due to the proliferation of such information and technologies, rogue nations and non-state actors have more opportunities to develop, acquire, and use WMDs

than ever before. Similarly, the proliferation of UASs, artificial intelligence, and biotechnology increase opportunities of threat actors to acquire and use these capabilities against the United States and its interests.

Given the increased risk of these emerging threats, the CONOP must be in support of the recipient's efforts to address emerging threats. Additional resources and information regarding emerging threats are available through the [Countering Weapons of Mass Destruction Office](#) and the [Cybersecurity and Infrastructure Security Agency](#).

IX. DETAILED Budget

Applicants must provide budget summary worksheets for all funds requested at the time of application. The budget summary worksheets must be complete, reasonable, and cost-effective in relation to the proposed project and should provide the basis of computation of all project-related costs (including management and administrative costs) and any appropriate narrative. FEMA must be able to thoroughly evaluate the projects being submitted based on the information provided. FEMA must be able to determine how much funding is being passed through to subrecipients for each sub-program (UASI, SHSP, OPSG). Consequently, applicants must provide an appropriate level of detail within the budget summary worksheets to clarify what will be purchased and spent. Sample budget summary worksheets are available on the grants.gov posting for the HSGP in the Related Documents tab and may be used as a guide to assist applicants in the preparation of budgets and budget narratives.

11. Other Submission Requirements

Emergency Communications Investments

If an entity uses HSGP funding to support emergency communications investments, the applicant must describe in the investment how proposed communications investments align to needs identified in their SCIP. Effective project alignment will require advance coordination with the SWIC and consultation with governing bodies such as the SIGB or Statewide Interoperability Executive Committee (SIEC), as they serve as the primary steering group for the statewide interoperability strategy. Additionally, recipients should consult subject matter experts serving on governance bodies, such as broadband experts, chief information officers, representatives from utilities, or legal and financial experts, when developing proposals.

12. Intergovernmental Review

An intergovernmental review may be required. Applicants must contact their state's Single Point of Contact (SPOC) to comply with the state's process under Executive Order 12372 (See <https://www.archives.gov/federal-register/codification/executive-order/12372.html>; <https://www.whitehouse.gov/wp-content/uploads/2020/04/SPOC-4-13-20.pdf>).

13. Funding Restrictions and Allowable Costs

All costs charged to awards covered by this NOFO must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements at 2 C.F.R. Part 200, unless otherwise indicated in the NOFO, the terms and conditions of the award, or the Preparedness Grants Manual. This includes, among other requirements, that costs must be

incurred, and products and services must be delivered, within the period of performance of the award. *See* 2 C.F.R. § 200.403(h) (referring to budget periods, which for FEMA awards under this program is the same as the period of performance).

Federal funds made available through this award may be used for the purpose set forth in this NOFO, the [Preparedness Grants Manual](#), and the terms and conditions of the award and must be consistent with the statutory authority for the award. Award funds may not be used for matching funds for any other federal awards, lobbying, or intervention in federal regulatory or adjudicatory proceedings. In addition, federal funds may not be used to sue the Federal Government or any other government entity. See the [Preparedness Grants Manual](#) for more information on funding restrictions and allowable costs.

a. *Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services*

Recipients and subrecipients of FEMA federal financial assistance are subject to the prohibitions described in section 889 of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\)](#), Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.326, 200.471, and Appendix II to 2 C.F.R. Part 200. Beginning August 13, 2020, the statute – as it applies to FEMA recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

Additional guidance is available in FEMA Policy #405-143-1 [Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services \(Interim\)](#).

Effective August 13, 2020, FEMA recipients and subrecipients **may not** use any FEMA funds under open or new awards to:

- (1) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
- (2) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; or
- (3) Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

I. REPLACEMENT EQUIPMENT AND SERVICES

FEMA grant funding may be permitted to procure replacement equipment and services impacted by this prohibition, provided the costs are otherwise consistent with the requirements of the NOFO and the [Preparedness Grants Manual](#).

II. DEFINITIONS

Per section 889(f)(2)-(3) of the FY 2019 NDAA and 2 C.F.R. § 200.216, covered telecommunications equipment or services means:

- i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities);
- ii. For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- iii. Telecommunications or video surveillance services provided by such entities or using such equipment; or
- iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the People's Republic of China.

Examples of the types of products covered by this prohibition include phones, internet, video surveillance, and cloud servers when produced, provided, or used by the entities listed in the definition of “covered telecommunications equipment or services.” *See* 2 C.F.R. § 200.471.

b. *Pre-Award Costs*

Pre-award costs are allowable only with the prior written approval of DHS/FEMA and as included in the award agreement. To request pre-award costs, a written request must be included with the application, signed by the AOR of the entity. The letter must outline what the pre-award costs are for, including a detailed budget break-out of pre-award costs from the post-award costs, and a justification for approval.

c. *Management and Administration (M&A) Costs*

Management and administration (M&A) activities are those directly relating to the management and administration of HSGP funds, such as financial management and monitoring. A maximum of up to five percent of HSGP funds awarded may be retained by the state, and any funds retained are to be used solely for M&A purposes associated with the HSGP award. Subrecipients may also retain a maximum of up to five percent of the funding passed through by the state solely for M&A purposes associated with the HSGP award.

Recipients or subrecipients may apply or credit M&A funding toward the recipient's requirement to allocate funding toward the five National Priority Areas. For example, if a recipient spends \$5,000 to manage or administer its funding dedicated toward its enhancing cybersecurity investment, the recipient may credit that funding toward its requirement to allocate at least 7.5 percent of its award to the enhancing cybersecurity National Priority Area.

A state's HSGP funds for M&A calculation purposes includes the total of its SHSP, UASI, and OPSG awards. While the SAA may retain up to five percent of this total for M&A, the state must still ensure that all subrecipient award amounts meet the mandatory minimum pass-through requirements that are applicable to each HSGP program. To meet this requirement, the percentage of SHSP and UASI funds passed through to local or tribal jurisdictions must be based on the state's total HSGP award prior to withholding any M&A.

In retaining these funds, states may retain a maximum of 2.5 percent of the OPSG allocation, which must be withheld from the pass-through to each subrecipient county or tribe in an equal percentage. The SAA may also retain additional funding from its SHSP award to manage and administer the OPSG award, but that additional amount is also capped at an amount equal to 2.5 percent of the OPSG award. Examples applying this principle:

SAA 1:

SHSP: \$1,000,000 OPSG: \$2,500,000 UASI: \$2,500,000

M&A Maximum: \$300,000 (5 percent of \$6,000,000)

Maximum M&A for SHSP = \$50,000

Maximum M&A for OPSG = \$125,000. Of that amount, \$62,500 (2.5 percent) may be retained from the OPSG allocation, and the other \$62,500 would come from the SHSP allocation. Any amount used to manage and administer OPSG that is charged to SHSP may be above and beyond the \$50,000 available to manage the SHSP allocation.

Maximum M&A for UASI = \$125,000

SAA 2:

SHSP: \$3,500,000 OPSG: \$1,000,000

M&A Maximum: \$225,000 (5 percent of \$4,500,000)

Maximum M&A for SHSP = \$175,000

Maximum M&A for OPSG = \$50,000. Of that amount, \$25,000 (2.5 percent) may be retained from the OPSG allocation, and the other \$25,000 would come from the SHSP allocation. Any amount used to manage and administer OPSG that is charged to SHSP may be above and beyond the \$175,000 available to manage the SHSP allocation.

HSGP recipients are also reminded that any M&A charged to a recipient's or subrecipient's UASI funding must be directly allocable to administration of the UASI grant program and cannot be used to cover M&A costs that are directly allocable to SHSP or OPSG funding. Similarly, any M&A charged to a recipient's or subrecipient's SHSP or OPSG funding cannot be used to cover M&A costs directly allocable to UASI funding.

Additionally, if a state/territory receives Nonprofit Security Grant Program (NSGP) funding, it may use SHSP M&A funding to cover M&A costs related to the management of NSGP-State awards, and UASI M&A funding to cover M&A costs related to the management of NSGP-Urban Area awards.

Please note, [IB 365: Management and Administration Costs in the Homeland Security Grant Program](#) and DHS/FEMA [Policy 207-087-1](#) **do not apply to awards made in FY 2021 under this NOFO**. Please also reference [IB 416](#) for additional clarification on OPSG M&A,

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but to the extent that there is any conflict between IB 416 and this NOFO, the requirements of this NOFO will apply to FY 2021 awards made under this NOFO.

d. *Indirect Facilities & Administrative (F&A) Costs*

Indirect costs are allowable under this program as described in 2 C.F.R. Part 200, including 2 C.F.R. § 200.414. Applicants with a current negotiated indirect cost rate agreement that desire to charge indirect costs to an award must provide a copy of their negotiated indirect cost rate agreement at the time of application. Not all applicants are required to have a current negotiated indirect cost rate agreement. Applicants that are not required by 2 C.F.R. Part 200 to have a negotiated indirect cost rate agreement but are required by 2 C.F.R. Part 200 to develop an indirect cost rate proposal must provide a copy of their proposal at the time of application. Applicants who do not have a current negotiated indirect cost rate agreement (including a provisional rate) and wish to charge the de minimis rate must reach out to the FEMA Grants Management Specialist for further instructions. Applicants who wish to use a cost allocation plan in lieu of an indirect cost rate must also reach out to the FEMA Grants Management Specialist for further instructions. Post-award requests to charge indirect costs will be considered on a case-by-case basis and based upon the submission of an agreement or proposal as discussed above or based upon on the de minimis rate or cost allocation plan, as applicable.

f. *Funds Transfer Restriction*

The recipient is prohibited from transferring funds between programs (includes SHSP, UASI, and OPSG). Recipients can submit an investment/project where funds come from multiple funding sources (e.g., SHSP and UASI), however, recipients are not allowed to divert funding from one program to another due to the risk-based funding allocations, which were made at the discretion of DHS/FEMA.

e. *Other Direct Costs*

I. PLANNING

Planning costs are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

II. ORGANIZATION

Organization costs are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

III. EQUIPMENT

Equipment costs are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

• General Purpose Equipment

HSGP allows expenditures on general purpose equipment if it aligns to and supports one or more core capabilities identified in the Goal and has a nexus to terrorism preparedness. General purpose equipment, like all equipment funded under the HSGP, must be sharable

through the EMAC² and allowable under 6 U.S.C. § 609, and any other applicable provision of the *Homeland Security Act of 2002*, as amended. Examples of such general-purpose equipment may include:

- Law enforcement vehicles;
- Emergency medical services (EMS) equipment and vehicles;
- Fire service equipment and vehicles, to include hose, pump accessories, and foam concentrate for specialized CBRNE response;
- Interoperability of data systems, such as computer aided dispatch (CAD) and record management systems (RMS); and
- Office equipment for staff³ engaged in homeland security program activity.

- **Controlled Equipment**

For decades, the federal government has provided equipment to state, local, and tribal law enforcement agencies (LEAs) through federal grants. Some federal grant programs have assisted LEAs as they carry out their critical missions to keep the American people safe. The equipment acquired by LEAs through these programs includes administrative equipment, such as office furniture and computers. Some federal grant programs also may include military and military-styled equipment, firearms, and tactical vehicles provided by the federal government, including property covered under 22 C.F.R. Part 121 and 15 C.F.R. Part 774 (collectively, "controlled equipment").

However, not all equipment that is considered controlled equipment is allowable under the HSGP. As discussed further below, there are certain "prohibited equipment" that are not allowable under HSGP. And for the procurement of certain controlled equipment that is allowable under the HSGP, there are additional submission requirements and reviews that must be met before DHS/FEMA will permit funding to be used for this purpose.

DHS/FEMA will continue to collaborate with federal agency partners to ensure that there is a consistent and reasonable approach to the restrictions placed on controlled equipment expenditures while continuing to support these investments when there is a justifiable need. Further, DHS/FEMA will continue to maintain an awareness of the evolving policy developments related to controlled equipment expenditures and keep grant recipients up to date on future developments.

Grant funds under this program may not be used for the purchase of equipment not approved by DHS/FEMA. The purchase of weapons and weapons accessories, including ammunition, is not allowed with HSGP funds. Grant funds under this program must also comply with [IB 426](#) and may not be used for the purchase of the following equipment: 1) firearms; 2)

² Except for American Samoa and the Commonwealth of the Northern Mariana Islands, which are not required to belong to EMAC at this time.

³ This applies to all homeland security personnel and is not limited to M&A staff, and costs are to be captured outside the cap on M&A costs

ammunition; 3) grenade launchers; 4) bayonets; or 5) weaponized aircraft, vessels, or vehicles of any kind with weapons installed.

IV. TRAINING

Training costs are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

V. EXERCISES

Exercise costs are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

VI. PERSONNEL

Personnel hiring, overtime, and backfill expenses are permitted under this grant to perform allowable HSGP planning, organization, training, exercise, and equipment activities. Under OPSG, overtime costs are allowable only in so far as they meet the intent of the program. All recipients and subrecipients of HSGP funds, including SHSP, UASI, and OPSG allocations, may not use more than 50 percent of their awards to pay for personnel activities unless a waiver is approved by FEMA. For more information on the 50 percent personnel cap, please see FEMA [IB 421b](#), Clarification on the *Personnel Reimbursement for Intelligence Cooperation and Enhancement of Homeland Security Act of 2008* (Public Law 110-412) – the PRICE Act. Please see the [Preparedness Grants Manual](#) for more information.

VII. OPERATIONAL OVERTIME

Operational overtime costs are allowed under this program. Prior to use of funds for operational overtime, recipients must receive approval from DHS/FEMA. Operational overtime costs are also subject to the 50 percent personnel cap. Please see the [Preparedness Grants Manual](#) for more information.

VIII. TRAVEL

Domestic travel costs are allowed under this program, as provided for in this NOFO and in the [Preparedness Grants Manual](#). International travel is not an allowable cost under this program unless approved in advance by DHS/FEMA.

IX. CONSTRUCTION AND RENOVATION

Construction and renovation costs to achieve capability targets related to preventing, preparing for, protecting against, or responding to acts of terrorism are allowed under this program. For construction and renovation costs to be allowed, they must be specifically approved by DHS/FEMA in writing prior to the use of any program funds. Applicants must use the Environmental Planning and Historical Preservation (EHP) approval process. Limits on the total amount of grant funding that may be used for construction or renovation may apply. Additionally, recipients are required to submit [SF-424C and SF-424D](#). Please see the [Preparedness Grants Manual](#) for more information.

X. MAINTENANCE AND SUSTAINMENT

Maintenance- and sustainment-related costs, such as maintenance contracts, warranties, repair or replacement costs, upgrades, and user fees, are allowable. Please see the

[Preparedness Grants Manual](#) for more information.

XI. CRITICAL EMERGENCY SUPPLIES

Critical emergency supplies are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

XII. SECURE IDENTIFICATION

Secure Identification costs are allowed under this program. Please see the [Preparedness Grants Manual](#) for more information.

Allowable Cost Matrix

The following matrix provides allowable cost activities that fall under each of the cost categories noted above. Recipients and subrecipients must follow all applicable requirements in 2 C.F.R. Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. HSGP funds may be used to cover the costs for evaluating the impact of these grants on the state or urban area's core capabilities and capability gaps. This list is not exhaustive, therefore, if there are any questions regarding allowable costs, please contact the appropriate HQ FEMA Preparedness Officer. For additional information on allowable costs, see the [Preparedness Grants Manual](#).

Allowable Program Activities	SHSP	UASI	OPSG
Allowable Planning Costs			
Developing hazard/threat-specific annexes	Y	Y	N
Developing and implementing homeland security support programs and adopting ongoing DHS/FEMA national initiatives	Y	Y	N
Developing related terrorism and other catastrophic event prevention activities	Y	Y	N
Developing and enhancing plans and protocols	Y	Y	N
Developing or conducting assessments	Y	Y	N
Hiring of full- or part-time staff or contract/consultants to assist with planning activities	Y	Y	N
Materials required to conduct planning activities	Y	Y	N
Travel/per diem related to planning activities	Y	Y	Y
Overtime and backfill costs (in accordance with operational Cost Guidance)	Y	Y	Y
Issuance of Western Hemisphere Travel Initiative-compliant Tribal identification cards	Y	N	N
Activities to achieve planning inclusive of people with disabilities and others with access and functional needs and limited English proficiency.	Y	Y	N
Coordination with Citizen Corps Councils for public information/education and development of volunteer programs	Y	Y	N
Update governance structures and processes and plans for emergency communications	Y	Y	N
Development, and review and revision of continuity of operations plans	Y	Y	N
Development, and review and revision of the THIRA/SPR continuity of operations plans	Y	Y	N
Allowable Organizational Activities			
Note: Personnel hiring, overtime, and backfill expenses are permitted under this grant only to the extent that such expenses are for the allowable activities within the scope of the grant.			
Program management	Y	Y	N
Development of whole community partnerships	Y	Y	N
Structures and mechanisms for information sharing between the public and private sector	Y	Y	N

Allowable Program Activities	SHSP	UASI	OPSG
Implementing models, programs, and workforce enhancement initiatives	Y	Y	N
Tools, resources, and activities that facilitate shared situational awareness between the public and private sectors	Y	Y	N
Operational support	Y	Y	N
Utilization of standardized resource management concepts	Y	Y	N
Responding to an increase in the threat level under the National Terrorism Advisory System (NTAS), or needs in resulting from a National Special Security Event	Y	Y	N
Reimbursement for select operational expenses associated with increased security measures at critical infrastructure sites incurred (up to 50 percent of the allocation)	Y	Y	Y
Overtime for information, investigative, and intelligence sharing activities (up to 50 percent of the allocation)	Y	Y	Y
Hiring of new staff positions/contractors/consultants for participation in information/intelligence analysis and sharing groups or fusion center activities (up to 50 percent of the allocation).	Y	Y	Y
Cost of migrating online services to the “.gov” domain	Y	Y	N
Allowable Equipment Categories			
Personal Protective Equipment	Y	Y	Y
Allowable Equipment Categories			
Explosive Device Mitigation and Remediation Equipment	Y	Y	N
CBRNE Operational Search and Rescue Equipment	Y	Y	N
Information Technology	Y	Y	Y
Cybersecurity Enhancement Equipment	Y	Y	N
Interoperable Communications Equipment	Y	Y	Y
Detection	Y	Y	Y
Decontamination	Y	Y	N
Medical countermeasures	Y	Y	Y
Power (e.g., generators, batteries, power cells)	Y	Y	Y
CBRNE Reference Materials	Y	Y	N
CBRNE Incident Response Vehicles	Y	Y	N
Terrorism Incident Prevention Equipment	Y	Y	Y
Physical Security Enhancement Equipment	Y	Y	Y
Inspection and Screening Systems	Y	Y	Y
Animal Care and Foreign Animal Disease	Y	Y	N
CBRNE Prevention and Response Watercraft	Y	Y	N
CBRNE Prevention and Response Unmanned Aircraft	Y	Y	N
CBRNE Aviation Equipment	Y	Y	N
CBRNE Logistical Support Equipment	Y	Y	N
Intervention Equipment (e.g., tactical entry, crime scene processing)	Y	Y	Y
Critical emergency supplies	Y	Y	N
Vehicle acquisition, lease, and rental	N	N	Y
Other Authorized Equipment	Y	Y	Y
Allowable Training Costs			
Overtime and backfill for emergency preparedness and response personnel attending DHS/FEMA-sponsored and approved training classes	Y	Y	N
Overtime and backfill expenses for part-time and volunteer emergency response personnel participating in DHS/FEMA training	Y	Y	N
Training workshops and conferences	Y	Y	Y
Activities to achieve training inclusive of people with disabilities and others with access and functional needs and limited English proficiency	Y	Y	N
Full- or part-time staff or contractors/consultants	Y	Y	Y
Travel	Y	Y	Y

Allowable Program Activities	SHSP	UASI	OPSG
Supplies	Y	Y	N
Instructor certification/re-certification	Y	Y	N
Coordination with Citizen Corps Councils in conducting training exercises	Y	Y	N
Interoperable communications training	Y	Y	N
Activities to achieve planning inclusive of people with limited English proficiency	Y	Y	N
Immigration enforcement training	Y	Y	Y
Allowable Exercise Related Costs			
Design, Develop, Conduct, and Evaluate an Exercise	Y	Y	N
Full- or part-time staff or contractors/consultants	Y	Y	N
Overtime and backfill costs, including expenses for part-time and volunteer emergency response personnel participating in DHS/FEMA exercises	Y	Y	N
Implementation of HSEEP	Y	Y	N
Activities to achieve exercises inclusive of people with disabilities and others with access and functional needs	Y	Y	N
Travel	Y	Y	N
Supplies	Y	Y	N
Interoperable communications exercises	Y	Y	N
Allowable Exercise Related Costs			
Activities to achieve planning inclusive of people with limited English proficiency	Y	Y	N
Allowable M&A Costs			
Hiring of full- or part-time staff or contractors/consultants to assist with the management of the respective grant program, application requirements, and compliance with reporting and data collection requirements	Y	Y	Y
Development of operating plans for information collection and processing necessary to respond to DHS/FEMA data calls	Y	Y	Y
Overtime and backfill costs	Y	Y	Y
Travel	Y	Y	Y
Meeting related expenses	Y	Y	Y
Authorized office equipment	Y	Y	Y
Recurring expenses such as those associated with cell phones and faxes during the period of performance of the grant program	Y	Y	N
Leasing or renting of space for newly hired personnel during the period of performance of the grant program	Y	Y	N
LETPA Costs			
Integration and interoperability of systems and data, such as CAD and RMS, to facilitate the collection,	Y	Y	N
Maturation, enhancement, and sustainment of designated state and major Urban Area fusion centers	Y	Y	N
Coordination between fusion centers and other operational analytic, and investigative efforts	Y	Y	N
Implementation, maintenance, and sustainment of the Nationwide Suspicious Activity Reporting Initiative	Y	Y	N
Implementation of the "If You See Something, Say Something®" campaign	Y	Y	N
Increase physical security, through law enforcement personnel and other protective measures, by implementing preventive and protective measures at critical	Y	Y	N
Building and sustaining preventive radiological and nuclear detection capabilities	Y	Y	N

E. Application Review Information

1. Application Evaluation Criteria

a. *Programmatic Criteria*

I. RISK METHODOLOGY

The risk methodology determines the relative risk of terrorism faced by a given area considering the potential risk of terrorism to people, critical infrastructure, and economic security. The analysis includes, but is not limited to, threats from violent domestic extremists, international terrorist groups, and individuals inspired by terrorists abroad. See the [Preparedness Grants Manual](#) for additional information on the risk methodology.

NOTE: The THIRA/SPR process is separate from the risk methodology and its results do not affect grant allocations.

The Risk Methodology is used to inform allocations under HSGP. For more information on the SHSP, UASI, and OPSG allocation processes, please see Section B.1 of this NOFO, “Available Funding for the NOFO.”

II. APPLICATION EVALUATION CRITERIA

FEMA will evaluate the FY 2021 HSGP applications for completeness, adherence to programmatic guidelines, and anticipated effectiveness of the proposed investments. FEMA’s review will include verification that each IJ and project:

- Aligns with at least one core capability identified in the Goal;
- Demonstrates how investments support closing capability gaps or sustaining capabilities identified in the THIRA/SPR process; and
- Supports a NIMS-typed resource and whether those assets are deployable/shareable to support emergency or disaster operations per existing EMAC agreements.

In addition to the above, FEMA will evaluate whether proposed projects are: 1) both feasible and effective at reducing the risks for which the project was designed; and 2) able to be fully completed within the three-year period of performance. FEMA will use the information provided in the application and after the submission of the first BSIR to determine the feasibility and effectiveness of a grant project. To that end, IJs should include:

- An explanation of how the proposed project(s) will achieve objectives as identified in the SPR, including expected long-term impact where applicable, and which core capability gap(s) it helps to close and how;
- A summary of the status of planning and design efforts accomplished to date (e.g., included in a capital improvement plan); and
- A project schedule with clear milestones.

Recipients are expected to conform, as applicable, with accepted engineering practices, established codes, standards, modeling techniques, and best practices, and participate in the development of case studies demonstrating the effective use of grant funds, as requested.

FEMA will also review any submitted National Priority Area-aligned IJs and projects to ensure they meet the minimum spend requirement. Further information on how the National Priority Area IJs and projects will be reviewed for effectiveness is included in the Review and Selection Process section below.

b. *Financial Integrity Criteria*

Prior to making a federal award, FEMA is required by 31 U.S.C. § 3354, as amended by the Payment Integrity Information Act of 2019, Pub. L. No. 116-117 (2020); 41 U.S.C. § 2313; and 2 C.F.R. § 200.206 to review information available through any Office of Management and Budget (OMB)-designated repositories of governmentwide eligibility qualification or financial integrity information, including whether the applicant is suspended or debarred. FEMA may also pose additional questions to the applicant to aid in conducting the pre-award risk review. Therefore, application evaluation criteria may include the following risk-based considerations of the applicant:

- i. Financial stability.
- ii. Quality of management systems and ability to meet management standards.
- iii. History of performance in managing federal award.
- iv. Reports and findings from audits.
- v. Ability to effectively implement statutory, regulatory, or other requirements.

c. *Supplemental Financial Integrity Criteria and Review*

Prior to making a federal award where the anticipated total federal share will be greater than the simplified acquisition threshold, currently \$250,000:

- i. FEMA is required to review and consider any information about the applicant, including information on the applicant's immediate and highest-level owner, subsidiaries, and predecessors, if applicable, that is in the designated integrity and performance system accessible through the System for Award Management (SAM), which is currently the [Federal Awardee Performance and Integrity Information System](#) (FAPIIS).
- ii. An applicant, at its option, may review information in FAPIIS and comment on any information about itself that a federal awarding agency previously entered.
- iii. FEMA will consider any comments by the applicant, in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by applicants as described in 2 C.F.R. § 200.206.

2. Review and Selection Process

a. *SHSP and UASI*

All proposed investments will undergo a federal review by DHS/FEMA to verify compliance with all administrative and eligibility criteria identified in the NOFO. The federal review will be conducted by FEMA HQ Preparedness Officers. FEMA HQ Preparedness Officers will use a checklist to verify compliance with all administrative and eligibility criteria identified in the NOFO. Recipients must be able to demonstrate how investments support closing capability gaps or sustaining capabilities identified in the THIRA/SPR process. IJs will be reviewed at both the investment and project level.

Emergency communications investments will be jointly reviewed by FEMA and the DHS Office of Emergency Communications (OEC) to verify compliance with SAFECOM guidance. FEMA and OEC will coordinate directly with the recipient on any compliance concerns and will provide technical assistance as necessary to help ensure full compliance.

Additional Effectiveness Evaluation Criteria for the National Priority Areas

FEMA will evaluate the FY 2021 HSGP IJs and projects submitted in support of the National Priority Areas for anticipated effectiveness. FEMA's review will include verification that each IJ or project meets the National Priority Area required spend percentages.

Cybersecurity investments will be reviewed by DHS/FEMA, CISA, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

Soft Targets/Crowded Places investments will be reviewed by DHS/FEMA, CISA, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

Information Sharing and Cooperation Investments will be reviewed by DHS/FEMA, DHS Office of Intelligence and Analysis, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

For additional information on Fusion Center requirements, please see the [Preparedness Grants Manual](#).

Domestic violent extremism investments will be reviewed by DHS/FEMA, DHS Office of Intelligence and Analysis, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the scoring criteria set forth in this NOFO.

Emerging threats investments will be reviewed by DHS/FEMA, DHS Countering Weapons of Mass Destruction Office, and other DHS components as appropriate, for compliance with purposes and requirements of the priority investment area. Proposed investments will be reviewed for effectiveness using the criteria set forth in this NOFO.

FEMA will determine whether the proposed approach is clear, logical, and reasonable to address the priority areas of interest and contribute to a culture of national preparedness. This part considers factors such as the objectives and strategies proposed to address the priority area, how the objectives and strategies overcome legal, political, or practical obstacles to reduce overall risk, the process and criteria to select additional relevant projects, and the approach to monitor awards to satisfy the funding percentage allocations.

For applicants that elect to submit IJs and project-level details for the National Priority Areas at the time of application, effectiveness will be evaluated prior to award. If the projects are found to not sufficiently align with the National Priority Area(s), applicants may have funds placed on hold (up to 30 percent) until the projects are revised to satisfactorily address the National Priority Areas.

For applicants that elect to submit IJs and project-level details for the National Priority Areas as part of the December 2021 BSIR, they will have funds placed on hold in the amount of 30 percent (the sum of all National Priority Area). The hold will be released only after their December 2021 BSIR submission has been reviewed, and projects related to the National Priority Areas deemed in alignment by DHS/FEMA.

SAAs are still required to meet pass-through requirements even if funds are on hold related to the National Priority Areas.

To that end, IJs should include:

- How the proposed investment addresses the National Priority Area;
- An explanation of how the proposed projects were selected and will achieve objectives and strategies to build or sustain the core capability gaps identified in the SPR, including expected long-term impact where applicable;
- A summary of laws, policies and practices that can be enhanced, eliminated, or otherwise changed in order to achieve the goals of the project and foster a culture of national preparedness; and
- A summary of the collaboration efforts to prevent, prepare for, protect against, and respond to acts of terrorism as well as anticipated outcomes of the project.

For FY 2021 SHSP and UASI investments and projects related to the National Priority Areas, effectiveness will be evaluated based on the following five factors:

- Investment Strategy (30%): Proposals will be evaluated based on the quality and extent to which applicants describe an effective strategy that demonstrates that proposed projects support the program objective of preventing, preparing for, protecting against, and responding to acts of terrorism, to meet its target capabilities, and otherwise reduce the overall risk to the high-risk urban area, the state, or the Nation.
- Budget (10%): Proposals will be evaluated based on the extent to which applicants describe a budget plan for each investment demonstrating how the applicant will maximize cost effectiveness of grant expenditures.
- Impact/Outcomes (30%): Proposals will be evaluated on how this investment helps the jurisdiction close capability gaps identified in its SPR and addresses the relevant National Priority Area outlined in this NOFO. Further, proposals will be evaluated on their identification and estimated improvement of core capability(ies), the associated standardized target(s) that align with their proposed investment, and the ways in which the applicant will measure and/or evaluate improvement.

- Collaboration (30%): Proposals will be evaluated based on the degree to which the proposal adequately details how the recipient will use investments and other means to overcome existing logistical, technological, legal, policy, and other impediments to collaborating, networking, sharing information, cooperating, and fostering a culture of national preparedness with federal, state, tribal, and local governments, as well as other regional and nonprofit partners. Collaboration should improve efforts to prevent, prepare for, protect against, and respond to acts of terrorism, to meet target capabilities, support the national security mission of DHS and other federal agencies, and to otherwise reduce the overall risk to the high-risk urban area, the state, or the Nation. In evaluating applicants under this factor FEMA will consider the information provided by the applicant and may also consider relevant information from other sources.
- Past Performance (additional consideration): Proposals will be evaluated based on the applicants demonstrated capability to execute the proposed investments. In evaluating applicants under this factor FEMA will consider the information provided by the applicant and may also consider relevant information from other sources.

b. *OPSG*

Applications will be reviewed by the SAA and USBP Sector Headquarters for completeness and adherence to programmatic guidelines and evaluated for anticipated feasibility, need, and impact of the Operations Orders. For more information on Operations Orders and other requirements of OPSG, see the [Preparedness Grants Manual](#).

DHS/FEMA will verify compliance with all administrative and eligibility criteria identified in the NOFO and required submission of Operations Orders and Inventory of Operations Orders by the established due dates. DHS/FEMA and USBP will use the results of both the risk analysis and the federal review by DHS/FEMA to make recommendations for funding to the Secretary of Homeland Security.

FY 2021 OPSG funds will be allocated competitively based on risk-based prioritization using the OPSG Risk Assessment described above. Final funding allocations are determined by the Secretary of Homeland Security, who may consider information and input from various law enforcement offices or subject-matter experts within the Department. Factors considered include, but are not limited to threat, vulnerability, miles of the border, and other border-specific law enforcement intelligence, as well as the feasibility of FY 2021 Operations Orders to designated localities within border states and territories.

F. Federal Award Administration Information

1. **Notice of Award**

Before accepting the award, the AOR and recipient should carefully read the award package. The award package includes instructions on administering the grant award and the terms and conditions associated with responsibilities under federal awards. **Recipients must accept all conditions in this NOFO and the [Preparedness Grants Manual](#) as well as any specific terms and conditions in the Notice of Award to receive an award under this program.**

See the [Preparedness Grants Manual](#) for information on Notice of Award.

2. Pass-Through Requirements

Awards made to the SAA for HSGP carry additional pass-through requirements. Pass-through is defined as an obligation on the part of the SAA to make funds available to local units of government, combinations of local units, tribal governments, or other specific groups or organizations. Four requirements must be met to pass-through grant funds:

- The SAA must make a firm written commitment to passing through grant funds to subrecipients;
- The SAA's commitment must be unconditional (i.e., no contingencies for the availability of SAA funds);
- There must be documentary evidence (i.e., award document, terms, and conditions) of the commitment; and
- The award terms must be communicated to the subrecipient.

Timing and Amount

The SAA must pass-through at least 80 percent of the funds awarded under the SHSP and UASI to local or tribal units of government within 45 calendar days of receipt of the funds. "Receipt of the funds" occurs either when the SAA accepts the award or 15 calendar days after the SAA receives notice of the award, whichever is earlier.

SAAs are sent notification of HSGP awards via the GPD's ND Grants system. If an SAA accepts its award within 15 calendar days of receiving notice of the award in the ND Grants system, the 45-calendar days pass-through period will start on the date the SAA accepted the award. Should an SAA not accept the HSGP award within 15 calendar days of receiving notice of the award in the ND Grants system, the 45-calendar days pass-through period will begin 15 calendar days after the award notification is sent to the SAA via the ND Grants system.

It is important to note that the period of performance start date does not directly affect the start of the 45-calendar days pass-through period. For example, an SAA may receive notice of the HSGP award on September 20, 2021, while the period of performance dates for that award are October 1, 2021, through September 30, 2024. In this example, the 45-day pass-through period will begin on the date the SAA accepts the HSGP award or October 5, 2021 (15 calendar days after the SAA was notified of the award), whichever date occurs first. The period of performance start date of October 1, 2021 would not affect the timing of meeting the 45-calendar day pass-through requirement.

Other SHSP and UASI Pass-Through Requirements

The signatory authority of the SAA must certify in writing to DHS/FEMA that pass-through requirements have been met. A letter of intent (or equivalent) to distribute funds is not considered sufficient. The pass-through requirement does not apply to SHSP awards made to the District of Columbia, Guam, American Samoa, the U.S. Virgin Islands, or the Commonwealth of the Northern Mariana Islands. The Commonwealth of Puerto Rico is required to comply with the pass-through requirement, and its SAA must also obligate at least 80 percent of the funds to local units of government within 45 calendar days of receipt of the funds.

Under SHSP, the SAA may retain more than 20 percent of funding for expenditures made by the state on behalf of the local unit(s) of government. This may occur only with the written consent of the local unit of government, specifying the amount of funds to be retained and the intended use of funds. States shall review their written consent agreements yearly and ensure that they are still valid. If a written consent agreement is already in place from previous fiscal years, DHS/FEMA will continue to recognize it for FY 2021, unless the written consent review indicates the local government is no longer in agreement. If modifications to the existing agreement are necessary, the SAA should contact their assigned FEMA HQ Preparedness Officer.

Additional OPSG Requirements

The recipient is prohibited from obligating or expending funds provided through this award until each unique and specific county-level or equivalent Operational Order/Fragmentary Operations Order budget has been reviewed and approved through an official electronic mail notice issued by DHS/FEMA removing this special programmatic condition.

3. Administrative and National Policy Requirements

In addition to the requirements of in this section and in this NOFO, FEMA may place specific terms and conditions on individual awards in accordance with 2 C.F.R. Part 200.

In addition to the information regarding DHS Standard Terms and Conditions and Ensuring the Protection of Civil Rights, see the [Preparedness Grants Manual](#) for additional information on administrative and national policy requirements, including the following:

- EHP Compliance
- FirstNet
- NIMS Implementation
- SAFECOM

a. *DHS Standard Terms and Conditions*

All successful applicants for DHS grant and cooperative agreements are required to comply with DHS Standard Terms and Conditions, which are available online at [DHS Standard Terms and Conditions](#).

The applicable DHS Standard Terms and Conditions will be those in effect at the time the award was made. What terms and conditions will apply for the award will be clearly stated in the award package at the time of award.

b. *Ensuring the Protection of Civil Rights*

As the Nation works towards achieving the [National Preparedness Goal](#), it is important to continue to protect the civil rights of individuals. Recipients and subrecipients must carry out their programs and activities, including those related to the building, sustainment, and delivery of core capabilities, in a manner that respects and ensures the protection of civil rights for protected populations.

Federal civil rights statutes, such as Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964, along with FEMA regulations, prohibit discrimination on the basis of race, color, national origin, sex, religion, age, disability, limited English proficiency, or economic status in connection with programs and activities receiving [federal financial assistance](#) from FEMA.

The DHS Standard Terms and Conditions include a fuller list of the civil rights provisions that apply to recipients. These terms and conditions can be found in the [DHS Standard Terms and Conditions](#). Additional information on civil rights provisions is available at <https://www.fema.gov/about/offices/equal-rights>.

Monitoring and oversight requirements in connection with recipient compliance with federal civil rights laws are also authorized pursuant to 44 C.F.R. Part 7.

c. *EHP Compliance*

As a federal agency, FEMA is required to consider the effects of its actions on the environment and historic properties to ensure that all activities and programs funded by FEMA, including grant-funded projects, comply with federal EHP laws, Executive Orders, regulations, and policies, as applicable.

Recipients and subrecipients proposing projects that have the potential to impact the environment, including, but not limited to, the construction of communication towers, modification or renovation of existing buildings, structures, and facilities, or new construction including replacement of facilities, must participate in the FEMA EHP review process. The EHP review process involves the submission of a detailed project description along with any supporting documentation requested by FEMA in order to determine whether the proposed project has the potential to impact environmental resources or historic properties.

In some cases, FEMA is also required to consult with other regulatory agencies and the public in order to complete the review process. Federal law requires EHP review to be completed before federal funds are released to carry out proposed projects. FEMA may not be able to fund projects that are not in compliance with applicable EHP laws, Executive Orders, regulations, and policies.

DHS and FEMA EHP policy is found in directives and instructions available on the [FEMA.gov EHP page](#), the FEMA website page that includes documents regarding EHP responsibilities and program requirements, including implementation of the National Environmental Policy Act and other EHP regulations and Executive Orders.

The GPD EHP screening form is located at <https://www.fema.gov/media-library/assets/documents/90195>. Additionally, all recipients under this funding opportunity are required to comply with the FEMA GPD EHP Policy Guidance, FEMA Policy #108-023-1, available at <https://www.fema.gov/media-library/assets/documents/85376>.

d. *NIMS Implementation*

In expending funds under this program, recipients that are state, local, tribal, or territorial governments must ensure and maintain adoption and implementation of NIMS. The state, local, tribal, or territorial government must show adoption of NIMS during any point of the period of performance. The list of objectives used for progress and achievement reporting is at <https://www.fema.gov/emergency-managers/nims/implementation-training>.

Emergency management and incident response activities require carefully managed resources (personnel, teams, facilities, equipment, and/or supplies) to meet incident needs. Using standardized resource management concepts such as typing, credentialing, and inventorying, promote a strong national mutual aid capability needed to support delivery of core capabilities. Additional information on resource management, NIMS resource typing definitions, job titles, and position qualifications is on FEMA's website at <https://www.fema.gov/emergency-managers/nims/components>.

FEMA developed the [National Incident Management System Guideline for the National Qualification System](#) to describe national credentialing standards and to provide written guidance regarding the use of those standards. This guideline describes credentialing and typing processes and identifies tools which Federal Emergency Response Officials and emergency managers at all levels of government may use both routinely and to facilitate multijurisdictional coordinated responses.

Although state, local, tribal, and private sector partners (including nongovernmental organizations) are not required to credential their personnel in accordance with these guidelines, FEMA strongly encourages them to do so to leverage the federal investment in the Federal Information Processing Standards 201 infrastructure and to facilitate interoperability for personnel deployed outside their home jurisdiction.

Additional information about NIMS in general is available at <https://www.fema.gov/emergency-managers/nims>.

e. *Emergency Communications Investments*

If an entity uses HSGP funding to support emergency communications investments, the following requirements shall apply to all such grant-funded communications investments in support of the emergency communications priorities and recognized best practices:

- The signatory authority for the SAA must certify in writing to DHS/FEMA their compliance with the *SAFECOM Guidance*. The certification letter should be coordinated with the SWIC for each state and must be uploaded to ND Grants at the time of the first Program Performance Report (PPR) submission.
- All states and territories must designate a full-time SWIC who has the authority and resources to actively improve interoperability with emergency management and response agencies across all levels of government, to include establishing statewide plans, policies, and procedures, and coordinating decisions on communications investments funded through federal grants. Note that the designated full-time SWIC may also be the state's or territory's cybersecurity point of contact. SWIC status

information will be maintained by CISA and will be verified by FEMA GPD through programmatic monitoring activities.

- By the period of performance end date, all states and territories must update the SCIP, with a focus on communications resilience/continuity, to include assessment and mitigation of all potential risks identified in the SCIP: natural disasters, accidental damage (human failures), intentional damage (sabotage, terrorism), cybersecurity, etc. Following the initial update, the SCIP should be updated on an annual basis. SCIP status information will be maintained by CISA and will be verified by FEMA GPD through programmatic monitoring activities.

All states and territories must test their emergency communications capabilities and procedures (as outlined in their operational communications plans) in conjunction with regularly planned exercises (separate/addition emergency communications exercises are not required) and must submit an After Action Report/Improvement Plan (AAR/IP) to the Homeland Security Exercise and Evaluation Program's (HSEEP) electronic message inbox at hseep@fema.gov within 90 days of exercise completion. Exercises should be used to both demonstrate and validate skills learned in training and to identify gaps in capabilities. Resilience and continuity of communications should be tested during training and exercises to the greatest extent possible. Further, exercises should include participants from multiple jurisdictions, disciplines, and levels of government and include emergency management, emergency medical services, law enforcement, interoperability coordinators, public health officials, hospital officials, officials from colleges and universities, and other disciplines and private sector entities, as appropriate. Findings from exercises should be used to update programs to address gaps in emergency communications as well as emerging technologies, policies, and partners. Recipients are encouraged to increase awareness and availability of emergency communications exercise opportunities across all levels of government.

States, territories, and other eligible grant recipients are advised that HSGP funding may be used to support communications planning (including the cost of hiring a SWIC, participation in governance bodies and requirements delineated above), training, exercises, and equipment costs. Costs for transitioning to the FirstNet network may also be eligible. More information regarding FirstNet can be found in the [Preparedness Grants Manual](#).

4. Reporting

Recipients are required to submit various financial and programmatic reports as a condition of award acceptance. Future awards and funds drawdown may be withheld if these reports are delinquent.

See the [Preparedness Grants Manual](#) for information on reporting requirements, as well as the above section, "Emergency Communications Investments," specific reporting requirements for emergency communications investments.

5. Monitoring and Oversight

Per 2 C.F.R. § 200.337, FEMA, through its authorized representatives, has the right, at all reasonable times, to make site visits or conduct desk reviews to review project accomplishments and management control systems to review award progress and to provide

any required technical assistance. During site visits or desk reviews, FEMA will review recipients' files related to the award. As part of any monitoring and program evaluation activities, recipients must permit FEMA, upon reasonable notice, to review grant-related records and to interview the organization's staff and contractors regarding the program. Recipients must respond in a timely and accurate manner to FEMA requests for information relating to the award.

See the [Preparedness Grants Manual](#) for information on monitoring and oversight.

G. DHS Awarding Agency Contact Information

1. Contact and Resource Information

a. *Program Office Contact*

FEMA has assigned state-specific Preparedness Officers for the HSGP. If you do not know your Preparedness Officer, please contact CSID by phone at (800) 368-6498 or by email at askcsid@fema.dhs.gov, Monday through Friday, 9:00 AM – 5:00 PM ET.

b. *Centralized Scheduling and Information Desk (CSID)*

CSID is a non-emergency comprehensive management and information resource developed by FEMA for grants stakeholders. CSID provides general information on all FEMA grant programs and maintains a comprehensive database containing key personnel contact information at the federal, state, and local levels. When necessary, recipients will be directed to a federal point of contact who can answer specific programmatic questions or concerns. CSID can be reached by phone at (800) 368-6498 or by e-mail at askcsid@fema.dhs.gov, Monday through Friday, 9 AM – 5 PM ET.

c. *GPD Award Administration Division*

GPD's Award Administration Division (AAD) provides support regarding financial matters and budgetary technical assistance. Additional guidance and information can be obtained by contacting the AAD's Help Desk via e-mail at ASK-GMD@fema.dhs.gov.

d. *Equal Rights*

The FEMA Office of Equal Rights (OER) is responsible for compliance with and enforcement of federal civil rights obligations in connection with programs and services conducted by FEMA and recipients of FEMA financial assistance. All inquiries and communications about federal civil rights compliance for FEMA grants under this NOFO should be sent to FEMA-CivilRightsOffice@fema.dhs.gov.

e. *Environmental Planning and Historic Preservation*

GPD's EHP Team provides guidance and information about the EHP review process to recipients and subrecipients. All inquiries and communications about GPD projects under this NOFO or the EHP review process, including the submittal of EHP review materials, should be sent to gpdehpinfo@fema.dhs.gov.

2. Systems Information**a. *Grants.gov***

For technical assistance with [Grants.gov](https://www.grants.gov), call the customer support hotline 24 hours per day, 7 days per week (except federal holidays) at (800) 518-4726 or e-mail at support@grants.gov.

b. *Non-Disaster (ND) Grants*

For technical assistance with the ND Grants system, please contact the ND Grants Helpdesk at ndgrants@fema.gov or (800) 865-4076, Monday through Friday, 9:00 AM – 6:00 PM ET. User resources are available at <https://www.fema.gov/grants/guidance-tools/non-disaster-grants-management-system>

c. *Payment and Reporting System (PARS)*

FEMA uses the [Payment and Reporting System \(PARS\)](#) for financial reporting, invoicing, and tracking payments. FEMA uses the Direct Deposit/Electronic Funds Transfer (DD/EFT) method of payment to recipients. To enroll in the DD/EFT, recipients must complete a Standard Form 1199A, Direct Deposit Form. If you have questions about the online system, please call the Customer Service Center at (866) 927-5646 or email ask-GMD@fema.dhs.gov.

d. *Supplemental Information: Reporting Systems*

In addition to ND Grants, the following information systems are used for the submission of required reports:

- **GRT:** Information on the GRT can be found in the [Preparedness Grants Manual](#).
- **Unified Reporting Tool (URT):** Information on the URT can be found in the [Preparedness Grants Manual](#).

H. Additional Information

GPD has developed the [Preparedness Grants Manual](#) to guide applicants and recipients of grant funding on how to manage their grants and other resources. Recipients seeking guidance on policies and procedures for managing preparedness grants should reference the Preparedness Grants Manual for further information. Examples of information contained in the [Preparedness Grants Manual](#) include:

- Actions to Address Noncompliance
- Audits
- Case Studies and Use of Grant-Funded Resources During Real-World Incident Operations
- Community Lifelines
- Conflicts of Interest in the Administration of Federal Awards and Subawards
- Disability Integration
- National Incident Management System
- Payment Information
- Period of Performance Extensions
- Procurement Integrity

- Record Retention
- Whole Community Preparedness
- Other Post-Award Requirements

1. Termination Provisions

FEMA may terminate a federal award in whole or in part for one of the following reasons. FEMA and the recipient must still comply with closeout requirements at 2 C.F.R. §§ 200.344-200.345 even if an award is terminated in whole or in part. To the extent that subawards are permitted under this NOFO, pass-through entities should refer to 2 C.F.R. § 200.340 for additional information on termination regarding subawards.

a. *Noncompliance*

If a recipient fails to comply with the terms and conditions of a federal award, FEMA may terminate the award in whole or in part. If the noncompliance can be corrected, FEMA may first attempt to direct the recipient to correct the noncompliance. This may take the form of a Compliance Notification. If the noncompliance cannot be corrected or the recipient is non-responsive, FEMA may proceed with a Remedy Notification, which could impose a remedy for noncompliance per 2 C.F.R. § 200.339, including termination. Any action to terminate based on noncompliance will follow the requirements of 2 C.F.R. §§ 200.341-200.342 as well as the requirement of 2 C.F.R. § 200.340(c) to report in FAPIIS the recipient's material failure to comply with the award terms and conditions. See also the section on Actions to Address Noncompliance in this NOFO or in the [Preparedness Grants Manual](#).

b. *With the Consent of the Recipient*

FEMA may also terminate an award in whole or in part with the consent of the recipient, in which case the parties must agree upon the termination conditions, including the effective date, and in the case of partial termination, the portion to be terminated.

c. *Notification by the Recipient*

The recipient may terminate the award, in whole or in part, by sending written notification to FEMA setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. In the case of partial termination, FEMA may determine that a partially terminated award will not accomplish the purpose of the federal award, so FEMA may terminate the award in its entirety. If that occurs, FEMA will follow the requirements of 2 C.F.R. §§ 200.341-200.342 in deciding to fully terminate the award.

2. Period of Performance Extensions

Extensions to the period of performance (POP) for this program are allowed. Extensions to the POP identified in the award will only be considered through formal, written requests to the recipient's FEMA Preparedness Officer and must contain specific and compelling justifications as to why an extension is required. Recipients are advised to coordinate with the FEMA Preparedness Officer as needed when preparing an extension request. Please see the [Preparedness Grants Manual](#) for more information.



LOS ANGELES COUNTY/DEPARTMENT OF AUDITOR-CONTROLLER

SHARED SERVICES DIVISION

GRANT PAYMENT REQUEST

SECTION A: SUBMITTING YOUR REQUEST

Please submit Grant Payment Request Form along with legible supporting documents to:

Grants@auditor.lacounty.gov

In the event e-mail is not available, you can mail your Grant payment request to (please do **not** fax or send duplicates):

Department of Auditor-Controller
Shared Services Division / Attn: Grants Unit
3470 Wilshire Blvd., Suite 812
Los Angeles, CA 90010

1. Grant Name & Year:

SECTION B: SUB-RECIPIENT'S INFORMATION

1. Sub-recipient's Name: (reimbursement check will be made payable to a payee entered here)	3. Taxpayer ID #:	4. Contact's Name:
2. Mailing Address (please let us know where you want your check delivered, including attention line if necessary):		4. Contact's phone:
		4. Contact's e-mail:

SECTION C: DETAIL PAYMENT REQUEST INFORMATION

1. SOLUTION AREA (e.g. equipment, training, planning, exercise, organization)	2. PROJECT # (e.g. 011.22)	4. EHP required? (Environmental & Historic Preservation)		5. VENDOR'S INVOICE # (Maximum of 5 invoices)	6. PURCHASE METHOD (including Training)			7. CLAIM AMOUNT (indicate the amount per each line)
		No	Yes (attach State Approval)		If Competitive, indicate the # of bids.	Non-Competitive Bid	Sole Source	
8. TOTAL								\$ -

SECTION D: SUB-RECIPIENT'S CERTIFICATION

SECTION E: FOR SSD USE ONLY

I certify that (please use the checkbox):

- ☐ 1. I am the duly authorized officer of the claimant herein and this claim is in all respect true and correct. All expenditures were made in accordance with applicable laws, rules, regulations and grant conditions and assurances.
- ☐ 2. All instructions for this form were followed and all the supporting documentation (per instructions) is included with this claim.

3. _____
AUTHORIZED SIGNATURE

DATE

4. _____
AUTHORIZED PRINTED NAME

AUTHORIZED TITLE

5. AUTHORIZED CONTACT INFORMATION (If different from Section B):

PHONE # _____

E-MAIL: _____

STAMP WITH RECEIVED DATE HERE:

ASSIGNED INVOICE NO.:

NOTE: This Form is intended for Internal SSD review purpose only.

Revised on December 2019

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER / SHARED SERVICES DIVISION
INSTRUCTIONS TO COMPLETE THE GRANT PAYMENT REQUEST**

Purpose of these instructions:

To assist sub-recipients in completing the Grant Payment Request. We appreciate your participation in this program, for questions or suggestions please use our e-mail below to contact us. **Please do not send these instructions to us, they are to be used for your guidance only.**

SECTION A: GENERAL INSTRUCTIONS FOR SUBMISSION OF GRANT PAYMENT REQUEST

In numeral **1** of this section, please enter the name and year of the grant program that you are submitting for payment. In addition, please help us expedite the process of your Homeland Security claims by:

- Completing the Grant payment request correctly and according to these instructions.
- Submitting your Grant payment request using our e-mail --> **Grants@auditor.lacounty.gov** (please do **not** fax documents).
- Sending your Grant payment request only once (we do not require original documents and duplicates will slow down our process).
- Using the checkboxes to ensure all the required supporting documents and files accompany your Grant payment request. Supporting documents are flagged for your convenience with a checkbox within the corresponding areas.
- Ensuring that all documents attached to your Grant payment requests are legible.
- Submitting Grant payment request timely. We do **not** guarantee the process of Grant payment requests that are submitted late or too close to the final due date. Reimbursable expenditures need to be charged within the performance period of the grant and submitted to us as soon as they are incurred.

SECTION B: SUB-RECIPIENT'S INFORMATION

The following numerals provide the instructions to fill in the corresponding numeral in the form:

1. Please enter the name of the agency requesting for payment. The name of the agency should be typed according to its signed agreement and as you need it to appear in the payee line of the reimbursement check.
2. Please enter the complete address (street number and name, city, zip code) and attention line where you will need to receive the reimbursement check. Please note that this is not necessary for L.A. County departments.
3. Please enter the tax ID of the governmental entity requesting payment. Please leave blank for L.A. County departments.
4. Please enter the information of the person that can assist us with detail claim questions.

SECTION C: DETAIL PAYMENT REQUEST INFORMATION:

In order to expedite your Grant payment request, in this area's grid, include a **maximum of five (5) invoices or reimbursements charges (one charge or one invoice per line)**. The invoices or charges need to share the same solution area, project #.

The following numerals provide the instructions to fill in the corresponding numeral in the form:

1. Enter the solution area corresponding to the claim. This information is found in the latest budget of the grant. Examples of solution areas are: equipment, training, planning or exercise.
2. Enter the project # corresponding to the claim. This information is found in the latest budget of the grant. An example of Item # is 17.020.
4. Check with an X under either yes or no according to the claim's Environmental & Historical Preservation (EHP) requirements from the State. EHP approval needs to be obtained from the State **prior** to the start of the project on certain equipment items (see AEL description) or training/exercise projects. Please attach the following:
 - a) ☐ **State EHP Approval:** if required by the state for your claim.

SECTION C: (Continued)

5. If the expenditures that you are claiming were purchased thru a vendor or contractor, please enter the invoice # in the grid area. Please note that you are responsible for following acceptable purchasing policies and for documenting your procurement process. Additionally please include the following documentation with your claim:
- a) ☐ **Copy of the invoice:** Please attach an invoice that provides sufficient information to be used as a cross reference with the items described in your grant line item and AEL #. When the invoice includes items that are not being claimed or that belong to different claims or grants, please circle and designate on the invoice the items that you are requesting for reimbursement. Each item circled must have a project #, a funding source, and a total. Purchase orders and price quotes will not be accepted in the place of the invoice.
 - b) ☐ **Copy of the purchase order**
 - c) ☐ **Print out of the corresponding AEL # (Authorized Equipment List number).** The AEL listing can be found at:
https://www.rkb.us/fema_grants.cfm
 - d) ☐ **Proof of payment of the invoice:** The proof of payment for L.A. County Departments is the printout from e-CAPS showing that the check cleared the bank. The proof of payment for **other** than L.A. County Department is the corresponding copy of the bank's cleared check .
 - e) ☐ **Calculations for use tax paid:** When use tax is paid, clearly show the calculations of the use tax in the invoice included in your claim.
 - f) ☐ **Proof of payment of the use tax:** Please provide official documents which authenticate the remittance of the use tax to the state, the amount and the reference to the invoice being claimed.
 - g) ☐ **Federal Debarment Listing:** Please provide a screen print out of the queried Federal Debarment Listing at <http://www.sam.gov/portal/public/SAM>. (you will need a username and a password; if you don't please create an account) . The listing needs to be queried **prior** to the selection of the vendor.
6. If you are claiming services, supplies, training related costs, or any other type of items purchased thru a vendor or contractor or government agency, please indicate with an X the method that you used to acquire the items (do **not** leave blank or mark more than one). Please note that competitive bid, non-competitive bid or sole source are the only valid purchasing methods.
- a) ☐ **Competitive Bid:** for projects that received more than one bid. Please indicate number of bids received (must be more than one).
 - b) ☐ **Non-Competitive Bid:** for single bid purchases of \$250,000 or more (effective June 21, 2018) to a single vendor or a single project, please attach the approval from the State. The approval needs to be requested from the State **prior** to the start of the project.
 - c) ☐ **Sole Source:** for non-bid purchases of \$250,000 or more effective (June 21, 2018) to a single vendor or a single project, please attach the approval from the State. The approval needs to be requested from the State **prior** to the start of the project.
7. Enter the amount of your claim after you verify that your budget is sufficient to cover your request. When the amount of the budget is not sufficient, please let your Program Coordinator know of the possible need for budget modification.
8. Enter the "Total Amount" by adding the subtotal claims included in each line.

SECTION D: SUB-RECIPIENT'S CERTIFICATION

The following numerals provide the instructions to fill in the corresponding numeral in the form:

1. Please read and check the box provided if you are an authorized signor.
2. Please read and check the box provided if you are an authorized signor.
3. Please sign the Grant payment request if you are an authorized signor of your agency.
- 4 & 5. When the authorized person is the same as the contact person in Section B you do not need to enter the authorized contact information. If the authorized person and the contact person in Section B are different, please enter all the fields in this area as requested.

ADDITIONAL ITEMS THAT YOU NEED TO ATTACH TO YOUR GRANT PAYMENT REQUEST:

For Equipment Claims:

- a) ☐ **Equipment Inventory Listing (Print out & Excel File):** Please include both the printout of the listing and the corresponding excel file with your claim. The excel file is used to submit your claim with the state and the printout as backup document for audits. If there is no serial # for your equipment please assign a valid ID tag, or write "Consumable" (if it applies) or write N/A. please do NOT leave the corresponding space blank. ^{*1} Please refer to the **Instructions to Equip Inty Tab for completion procedures of Equipment Inventory.**

Additionally, please enter the appropriate CBRNE Mission (Chemical, Biological, Radiological, Nuclear, or Explosive) in the column titled "Equipment Description & Quantity". This only applies to vehicles with AEL # 12VE-00-MISS (Vehicle Specialized Mission: CBRNE).

You need to inform us of any changes on the items above ^{*1}. This applies to each piece of equipment added in the Inventory Listing, including when the items are disposed and/or no longer useful. We will update the master inventory listing (per grant requirement) according to the information you give us. Please make sure that you include all the attachments that are necessary to provide us with the requested information.

For Training Claims:

- a) ☐ **State Sole Source Approval:** If you are claiming training related costs thru a Non-Competitive Bid or Sole Source training provider, regardless the purchased amount, please attach the State's approval (effective December 03, 2018). The approval needs to be requested from the State prior to the start of the project.
- b) ☐ **State-Sponsored Training Reporting Form (with the tracking request #):** Please add this form along with the Training Request Form Training Officer (POC), which you completed at the website, to the claim's backup documentation. All the backup documentation submitted for the training claim needs to agree with the training period and the detail description on the Training Reporting Form and the line item of the Grant. Training request #'s must be obtained from the State prior to the start of the project.
- c) ☐ **Receipts and paid invoices:** please include the complete copy of the receipts and paid invoices with your claim for itemized costs such as air plane tickets, hotel stays, instructor's fees, workshop cost, facilities fees, consulting services, etc. Additionally, you will need to include the documents requested in numeral 5 under Section C.

If you are including **personnel cost** with your training claim, please add the following:

- d) ☐ **Personnel List (Print out & Excel File):** Please include both the printout of the listing and the corresponding excel file with your claim. The excel file is used to submit your claim with the state and the printout as backup document for audits.
- e) ☐ **Documents that certify completion of the training:** please attach supporting documents that show the class name, dates of training, # of hours of the training class, printed name and signature of individual taking the class and approval signature from supervisor or trainer (attach the information for backfilled positions also). Examples of documents that certify completion of training are:
- Attendance sheets (signed by employee and instructor)
 - Sign in sheets (same as above)
 - Signed training certificates
- f) ☐ **Summary Listing of Charges:** Please use the **Training Summary Sheet** form provided in this claim packet that **clearly** shows the breakdown of the training charges per employee and that match the total claimed. This form includes the following: employee name, assignment, job title, date, salary, hours claimed, regular rate, overtime rate, employee benefits rate, claim amount per employee, clear calculations of amount claimed per employee and total (equal to the amount claimed).

Please ensure that the Training Summary Sheet is verified/approved by an authorized signatory, with printed name and title, and dated.

- g) ☐ **Backup for the Benefits Rate:** If you are adding benefits to your claim, please make sure that you include the official calculation for the rate used.
- h) ☐ **Timecards:** Include a printout of the corresponding timecards. Manual timecards need to indicate the # of hours charged per day to the grant, supervisor's signature, employee name and signature. Automatic system generated timecards need to be approved and include the name of the employee and hours charged per day to the grant.
- i) ☐ **Explanation of timekeeping codes:** When the supporting documentation (timesheet, payroll register, etc.) includes timekeeping codes please provide a printout with the explanation of the usage as detailed as possible.

- j) ☐ **Payroll register:** The payroll register needs to clearly support and explain the amount claimed per employee. It also needs to show the salary, hourly rate, employee benefits and overtime rate.
- k) ☐ **Roster of backfilled positions:** When you are claiming overtime for a backfilled position, please attach the backfilled roster to your claim. The roster needs to include the name of the backfilling employees, a short description of duties performed, the corresponding employee whose duties were covered and the dates accordingly. Please make sure that the roster is signed and that you include documentation corresponding to the employee covered by the backfilling position.

For Planning Claims:

- a) ☐ **Deliverable (or final product):** Please include with your claim the final product of the planning activity (deliverable) that was identified in the grant award.
- b) ☐ **Signed Certificate of Completion:** The certificate of completion can be an e-mail confirming that the planning activity was completed.
- c) ☐ **Invoices:** If your planning claim includes charges invoiced by vendors, please see requirements and documents you need to attach to your claim form under Section C (numeral 5 and numeral 6).
- d) ☐ **Supporting Documentation for Personnel Cost:** When your planning claim includes personnel cost, please see d) to i) under Training Claim (supporting documents needed) and add to the documentation.

For Exercise Claims:

- a) ☐ **Proof of State Approval of After Action Report (AAR):** In order for your AAR to be approved you have to submit it to the State using the ODP Portal (see link below), within 90 days after completion of the exercise. You need to notify the State when the AAR is uploaded so they can proceed with the approval process.

https://hseep.dhs.gov/DHS_SSO/

- b) ☐ **Invoices:** If your exercise claim includes charges invoiced by vendors please see requirements and documents you need to attach to your claim form under Section C (numeral 5 and numeral 6).
- c) ☐ **Supporting Documentation for Personnel Cost:** When your exercise claim includes personnel cost, please see d) to i) under Training Claim (supporting documents needed) and add to the documentation.

For Organization Claims: Please see above b) and c) under Exercise Claims

GRANT PROPERTY AND EQUIPMENT INVENTORY LISTING

GRANT NAME: _____
SUB-RECIPIENT: _____
DATE OF REPORT: _____

P. ____ of ____

[illegible]

Equipment Inventory Listing Procedures for Completion

OBJECTIVE:

To provide an equipment inventory listing that links the State Homeland Security Workbook, to the Equipment Ledger and to the Equipment Listing to simplify the tracking and accountability; and to eliminate duplication and confusion.

<u>Field</u>	<u>Date Element</u>	<u>Procedure</u>
(1)	Grant Name	SHSP or EMPG
(2)	Sub-Recipient	Name of your agency
(3)	Date of Report	Date report completed {1}
(4)	Grant Year	Grant Year of funds used to purchase equipment
(5)	Project #	Project Number (from Grant Workbook Project Sheets)
(7)	AEL No.	Authorized Equip Listing No (from Grant Workbook)
(8)	Description	Description of the equipment
(9)	Serial # or Other ID #	Serial # or Other identification # used
(10)	Safecom consult	Fill out either by Yes, No, or N/A
(11)	Source of Property	Funding source, i.e, SHSP, EMPG, etc.
(12)	Title Holder	Name of agency (City/Department)
(13)	Vendor Name	Name of the vendor
(14)	Invoice Number	Invoice number
(15)	Acquisition Date	Date equipment acquired
(16)	Acquisition Cost	Cost of the individual equipment item
(17)	% of Fed Part	Fed participation in the cost of equipment
(18)	Location	Location of equipment
(19)	Use & Condition	Use & condition {2}
(20)	Disposition data	Date of disposition
(21)	Sale Price	Sale price, If applicable, or N/A for not applicable

The Equipment Inventory Listing must be completed in its entirety to meet the objective of the form.

Note {1}: This date should be the date the physical inventory of equipment was taken and the results reconciled with the equipment records (at least once every two years).

{2} Indicate: N = New, D = Deployed, O = Out of Service, L = Lost & S = Stolen

Distribution

Copy maintained in sub-recipient file

Copy forwarded to Shared Services Division

Training Summary Sheet

Grant Name	_____
Jurisdiction Name:	_____
Training Provider:	_____
OHS Approved Course Title:	_____
Non-SLGCP Course Title & OHS Tracking No. (requires pre-approval thru OEM)	_____
Date of Course:	_____
Class/ Exercise Duration/Hours:	_____

[illegible]

Approved by: _____
Authorized Signature

Print Name and Title

[illegible]

Date _____

[illegible]

Date _____

8. Notes on Personnel Cost:

In general, costs associated with:

- ☐ Work performed under contract for a specific deliverable DOES NOT count against the personnel cap, however,
- ☐ Work performed under contract for an undefined period, such as for personnel costs supporting operational activities, including general planning, training or exercise activities DO count against the personnel cap; and
- ☐ Work performed by all non-contractor personnel, including for full- or part-time staff and operational overtime DO count against the personnel cap.

The following examples would not count towards the personnel cap:

- ☐ Vendor installation of a radio tower;
- ☐ Vendor training on new equipment purchased;
- ☐ Contractor hired to create an Emergency Operations Plan;
- ☐ Contractor hired to provide deliveries of ICS 400; and
- ☐ Contractor hired to assist with planning, training, evaluating, and reporting the effectiveness of a specific exercise.

The following examples would count towards the personnel cap:

- ☐ Contractor hired to be the State's WMD training instructor with no specific deliverables under contract;
- ☐ Contractor hired to facilitate unidentified number of exercises throughout the performance period;
- ☐ Contractor hired to be the part-time auditor of Homeland Security Grants throughout the year; and
- ☐ Contractor hired to be an intelligence analyst.

834

Subrecipient Monitoring Instrument

Subrecipient Monitoring Instrument

PROJECT TITLE

Los Angeles County State Homeland Security Program
Monitoring Reports

A. FINANCIAL REPORTING REQUIREMENTS

Objective

To determine that the Subrecipient implemented corrective action to address findings noted in its Single Audit that is related to the Homeland Security Grant.

	<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comment</u>
1.	Was a Single Audit completed for Grant Year 2014-15 and 2015-16?			
2.	If yes, did the Subrecipient forward a copy to the Homeland Security Grant Administrator (HSGA) by March 30 th of the year following the audit?			
3.	Did the Single Audit(s) identify findings related to the Homeland Security Grant? If yes, please continue. If no, please mark N/A and continue to Section B.			
4.	Did the Subrecipient develop a corrective action plan that addresses the finding(s)?			
5.	Did the Subrecipient send a copy of a corrective action plan to the HSGA?			
6.	Did the Subrecipient implement the corrective action plan?			

B. TRAINING**Objective**

To determine that the Training expenditures were appropriately documented and that the activities aligned with the project's goals and objectives. If the Training activities involved employees, determine if the Subrecipient appropriately documented the Training expenditures using employee timecards, sign-in sheets, and certificates of training. If the Training activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement procedures to hire the consultants or contractors. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
1. Did the Subrecipient receive funding for Training expenditures? If yes, then continue. If no, continue to next section.			
2. Did the Subrecipient receive prior approval from the State either via email or other documentation and did it include the training course name and number?			
3. If the Training expenditures relate to the use of employees, did the Subrecipient appropriately document the Training expenditures using employee timecards, sign-in sheets and certificates of training?			
4. If Training expenditures relate to the use of consultants/contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
5. Did the Subrecipient accurately report the Training expenditures in their accounting records?			
6. For Projects with overtime expenditures for Training:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records?			

B. TRAINING (Continued)

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
7. For Projects with backfill expenditures for Training:			
a. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
b. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and sign-in sheets?			
c. Did the Subrecipient accurately report the expenditures in their accounting records?			
8. Were employee timecards utilized in Training activities signed and dated by the employee and direct supervisor?			
9. Were the Training expenditures consistent with the State approved grant award and/or post award modification(s)?			
10. Ensure the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports submitted by HSGA:			
a. If the Project prior Grant Year monitoring report finding was resolved, explain resolution, and indicate such in the current report as resolved.			
b. If the Project prior Grant Year report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

C. PLANNING**Objective**

To determine that the Planning expenditures were appropriately documented and that the activities aligned with the project's goals and objectives. If the Planning activities involved employees, determine if the Subrecipient appropriately documented the Planning expenditures using employee timecards and sign-in sheets. If the Planning activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement policies. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
1. Did the Subrecipient receive funding for Planning expenditures? If yes, continue. If no, continue to next section.			
2. Did the Subrecipient appropriately document the Planning expenditures providing copies of the support documentation that indicated the efforts made to produce the final product and a copy of the product produced?			
3. If Planning expenditures relate to the use of employees, did the Subrecipient use employee timecards and sign-in sheets?			
4. If Planning expenditures relate to the use of consultants/contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
5. Did the Subrecipient accurately report the Planning expenditures in their accounting records?			
6. For Projects with overtime expenditures for Planning:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			

C. PLANNING (Continued)

	<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
	b. Did the Subrecipient accurately report the overtime expenditures in their accounting records?			
7.	For Projects with backfill expenditures for Planning:			
	a. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
	b. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and sign-in sheets?			
	c. Did the Subrecipient accurately report the backfill expenditures in their accounting records?			
8.	Were the employee timecards utilized in Planning activities signed and dated by the employee and direct supervisor?			
9.	Were the Planning expenditures consistent with the State approved grant award and/or post award modification(s)?			
10.	Ensure the Subrecipient corrected area of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports submitted to HSGA:			
	a. If the project prior Grant Year monitoring report finding was resolved, explain resolution, and indicate such in the current report as resolved.			
	b. If the project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

D. EQUIPMENT**Objective**

To determine that the project Equipment expenditures are supported by invoices and that a listing of the Equipment/property is maintained by the Subrecipient. To determine that the purchases are aligned with the project's goals and objectives. Use Worksheets 2 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
1. Did the Subrecipient receive funding for Equipment expenditures? If yes, continue. If no, continue to next section.			
2. Did the Subrecipient maintain invoices to support the Equipment expenditures?			
3. Did the Subrecipient follow proper procurement procedures to purchase the Equipment and were the items listed in the federal "Authorized Equipment List" and/or "Standardized Equipment List"?			
4. Did the Subrecipient accurately report the Equipment expenditures in their accounting records?			
5. Did the Subrecipient maintain an Equipment inventory that listed the following:			
a) Description of Equipment,			
b) Serial number or other identification number,			
c) AEL number,			
d) Fund/source/grant year,			
e) Title holder,			
f) 100 percent of federal participation. If no, then identify percentage,			
g) Acquisition date,			
h) Acquisition cost,			
i) Quantity,			
j) Equipment location,			
k) Use and condition of Equipment,			
l) Disposal date and sale price of the Equipment			
6. Did the Subrecipient conduct an inventory of Equipment purchased with Cal/OES grant funds at least once every two years?			

D. EQUIPMENT (Continued)

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
7. Was the Equipment physically inspected to ensure:			
a. The Equipment existed and agreed to inventory listing?			
b. The Equipment worked and adequately trained staff are available to operate the Equipment?			
8. Did the Subrecipient maintain Equipment in a secure location?			
9. For property other than Equipment, i.e. supplies, did the Subrecipient have controls and accountability to safeguard and ensure that the items are used and solely for authorized purposes?			
10. For Equipment disposal, if any:			
a. Was the disposition consistent with federal regulations?			
b. What is the status of the proceeds received from the disposal?			
11. Did the Subrecipient have a policy for damaged, destroyed, lost or stolen Equipment including but not limited to informing the Cal/OES, steps to replace the Equipment and an investigative process?			
12. Were the Equipment expenditures consistent with State approval grant award and/or post award modification(s)?			
13. Ensure the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports maintained by HSGA:			
a. If the project prior Grant Year monitoring report finding was resolved, explain resolution, and indicate such in the current report as resolved.			
b. If the project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

E. EXERCISE**Objective**

To determine that the Exercise expenditures were appropriately documented and the activities align with project's goals and objectives. If the Exercise activities involved employees, determine if the Subrecipient appropriately documented the Exercise expenditures using timecards and sign-in sheets. If the Exercise activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement procedure. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

<u>Verification</u>	Yes	No	<u>Comments</u>
1. Did the Subrecipient receive funding for Exercise expenditures? If yes, continue. If no, continue to next section.			
2. Did the Subrecipient receive prior approval from the State either via email or other documentation and did it include the Exercise course name and number?			
3. If the Exercise expenditures relate to the use of employees, did the Subrecipient appropriately document the Exercise expenditures using employee timecards, sign-in sheets, and certificates for Exercise?			
4. If the Exercise expenditures relate to the use of consultants/contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
5. Did the Subrecipient accurately report the Exercise expenditures in their accounting records?			
6. For Projects with overtime expenditures for Exercise:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records?			
c. Did the Subrecipient accurately report the backfill expenditures in their accounting records?			
7. For Projects with backfill expenditures for Exercise:			
a. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?			
b. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and sign-in sheets?			

E. EXERCISE (Continued)

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
8. Were the employee timecards utilized in the Exercise activities signed and dated by the employee and direct supervisor?			
9. Were the Exercise expenditures consistent with the State approved grant award and/or post award modifications?			
10. Ensure the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports:			
a. If the Project prior Grant Year monitoring report finding was resolved, explain resolution and indicate such in the current report as resolved.			
b. If the Project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.			

F. ORGANIZATION

Objective

To determine that the Organization expenditures were appropriately documented and that the activities align with the project’s goals and objectives. If the Organization activities involved employees, determine if the Subrecipient appropriately documented the Organization expenditures using employee timecards and sign-in sheets. If the Organization activities involved using consultants or contractors, determine if the Subrecipient followed the appropriate procurement policies. Use Worksheets 1 and 3 (See Attachment E – Subrecipient Monitoring Worksheets).

<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
1. Did the Subrecipient receive funding for Organization expenditures? If so, continue. If no, continue to next section.			
2. If the Organization expenditures relate to the use of employees, did the Subrecipient document the expenditures using employee timecards, sign-in sheets, or with other support documentation that substantiated the expense?			
3. If the Organization expenditures relate to the use of consultants or contractors, did the Subrecipient follow proper procurement procedures to hire the consultants or contractors?			
4. Did the Subrecipient accurately report the Organization expenditures in their accounting records?			
5. For Projects with overtime expenditures for Organization:			
a. Did the Subrecipient maintain employee timecards to appropriately document the overtime expenditures?			
b. Did the Subrecipient accurately report the overtime expenditures in their accounting records.?			

F. ORGANIZATION (Continued)

	<u>Verification</u>	<u>Yes</u>	<u>No</u>	<u>Comments</u>
6. For Projects with backfill expenditures for Organization:				
b. Does the Subrecipient have documentation that the backfill expenditures were approved by the State?				
c. Did the Subrecipient appropriately document the backfill expenditures using employee timecards and other payroll documentation?				
7. Were employee timecards utilized in Organization activities signed and dated by the employee and direct supervisor?				
8. Were the Organization expenditures consistent with the State approved grant award and/or post award modification(s)?				
9. Ensure that the Subrecipient corrected areas of noncompliance that remain outstanding and were reported as findings in prior Grant Year monitoring reports maintained by HSGA:				
a. If the Project prior Grant Year monitoring report finding was resolved, explain resolution and indicate such in the current report as resolved.				
b. If the Project prior Grant Year monitoring report finding is not resolved, indicate why it has not been resolved and what the Subrecipient is doing to resolve the prior year finding and indicate such in the current report.				



Administrative Report

H.23., File # 22-4838

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: CAMERON HARDING, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE A MEMORANDUM OF UNDERSTANDING WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA) FOR EMERGENCY HOUSING VOUCHER (EHV) REFERRALS FROM JULY 1, 2021 THROUGH SEPTEMBER 30, 2023

EXECUTIVE SUMMARY

As part of the American Rescue Plan, the Department of Housing and Urban Development (HUD) allocated 70,000 Emergency Housing Vouchers (EHV) to public housing agencies throughout the nation to address homelessness. The Redondo Beach Housing Authority (RBHA) was granted an allocation of 29 Emergency Housing Vouchers. These vouchers were designed to provide assistance to individuals and families who are:

- Experiencing homelessness;
- At risk of homelessness;
- Fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault, or human trafficking.
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

The RBHA has been working with the Los Angeles Homeless Services Authority, LAHSA, to obtain EHV referrals. The initial contract with LAHSA allowed for referrals to be received through March 3, 2022. This new Agreement extends the referral timeframe to September 30, 2022. Furthermore, this Agreement allows the Housing Authority to disclose the status of an EHV application to program administrators outside of the City.

BACKGROUND

The American Rescue Plan allowed the HUD to allocate additional vouchers to public housing authorities (PHAs) operating in areas of greatest population need. EHV's are targeted to individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. HUD awarded the RBHA funding to administer 29 EHV's.

Since August 3, 2021, the Redondo Beach Housing Authority has been working with the Los Angeles

Homeless Services Authority (LAHSA) for referrals of program eligible families and individuals. Of the 30+ families LAHSA has referred to the RBHA for an EHV, only half of the families have been determined eligible. The Agreement with LAHSA allows for the RBHA to continue receiving referrals through the end of September 2022. This contract also allows for RBHA staff to communicate an applicant's voucher/housing status to program administrators.

EHVs are administered under the Housing Choice Voucher Program. Families accepted through the EHV program are subject to the same criminal background and income eligibility screening as families accepted through the waiting list. Additionally, EHV families are responsible for complying with the same program rules and federal regulations to maintain their housing assistance.

COORDINATION

The Memorandum of Understanding with LAHSA was prepared by and approved as to form by the City Attorney's Office.

FISCAL IMPACT

The Housing Authority will receive additional housing assistance funding and administrative fee funding to cover all costs associated with the administration of the EHV's.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Memorandum of Understanding with the Los Angeles Homeless Services Authority

**MEMORANDUM OF UNDERSTANDING –
EMERGENCY HOUSING VOUCHER PROGRAM**

BETWEEN

**THE CITY OF REDONDO BEACH, HOUSING AUTHORITY
1922 ARTESIA BLVD
REDONDO BEACH, CA 90278**

AND

**LOS ANGELES CONTINUUM OF CARE
LOS ANGELES HOMELESS SERVICES AUTHORITY
707 WILSHIRE BOULEVARD, 10TH FLOOR, LOS ANGELES, CA 90017**

This Memorandum of Understanding (“MOU”) is made and entered into by and between the City of Redondo Beach, Housing Authority (“RBHA”) and the Los Angeles Homeless Services Authority (“LAHSA”) as the Collaborative Applicant for the Los Angeles Continuum of Care (“CoC”) and will commence on the date of the execution of the last signatory.

I. Introduction and Goals:

- a. On behalf and as the lead agency of the CoC, LAHSA, and RBHA commit to administering the Emergency Housing Vouchers (“EHV”) Program (“Program”).
- b. The Program is authorized by the American Rescue Plan (“ARP”) Act of 2021 (Public Law No. 117-2), in accordance with applicable Housing Choice Voucher (“HCV”) program requirements, including the regulations of 24 CFR Part 982 and the EHV operating requirements as set forth in the May 5, 2021, PIH 2021-15 Notice found at <https://www.hud.gov/sites/dfiles/PIH/documents/PIH2021-15.pdf>, incorporated herein by reference.
- c. RBHA and LAHSA have shared goals and standards for success of the Program. The Program will be deemed successful if 3-5 EHV planned monthly referrals are processed beginning from July 1, 2021 through September 30, 2023.
- d. The names and staff positions at RBHA and LAHSA who will serve as the lead Program liaisons are as follows:

Name and title of RBHA staff position:

Angelica Zavala, Housing Supervisor

Name and title of LAHSA (CoC) staff position:

Klara Payne, Associate Director of Permanent Housing

II. Populations eligible for EHV assistance to be referred by CoC:

The following lists the eligible populations for the EHV program:

Eligible Households
<i>Individuals and families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking or another eligible category as applicable.</i>
<i>Recently Homeless and for whom providing rental assistance will prevent the individual's or family's homelessness or having high risk of housing instability, including households requesting a VAWA Emergency Transfer.</i>
<i>Homeless</i>
<i>At risk of homelessness</i>

Prioritization will be determined by the Coordinated Entry System.

III. Services Provided to Eligible EHV Households:

- a. Security Deposits: Security deposit fees will be provided by LAHSA to the extent possible.
- b. RBHA, LAHSA, and/or a partnering service provider will further assist individuals and families in the Program by providing the following services:
 - i. LAHSA will assist individuals and families with the completion of rental applications and forms, obtain necessary supporting documentation for referrals and applications for assistance, and assist with addressing or mitigating barriers to leasing.
 - ii. Housing search assistance for eligible individuals and families.
 - iii. Partnering service providers will support RBHA to ensure appointment notifications to eligible individuals and families, and assist eligible households in attending appointments with RBHA.
 - iv. RBHA will establish timeframes for applicants to complete intake appointments for EHV assistance.
 - v. RBHA and partnering service providers will provide counseling on compliance with lease requirements.
 - vi. Partnering service providers will assess and refer individuals and families to benefits and supportive services, where applicable.

IV. RBHA Roles and Responsibilities:

- a. RBHA will coordinate and consult with LAHSA in developing the Program services and assistance to be offered under the EHV services fee.

- b. RBHA will accept direct referrals for eligible individuals, families, and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking through the CoC Coordinated Entry System (“CES”) implemented by LAHSA.
- c. RBHA will notify LAHSA if a referral has been rejected.
- d. RBHA will establish a unit with dedicated employees to ensure that the application, certification, voucher issuance, unit inspection, and lease up processes are completed in accordance with the Program operating requirements.
- e. RBHA must receive documentation provided by LAHSA, which verifies that the individual or family meets one of the four eligible categories for EHV assistance.
- f. RBHA, with the support of partnering service providers, will ensure appointment notifications to eligible individuals and families, and assist eligible households in attending appointments with RBHA.
- g. RBHA will establish timeframes for applicants to complete intake appointments for EHV assistance.
- h. RBHA, along with partnering service providers, will provide counseling on compliance with lease requirements.
- i. RBHA will process 3-5 EHV planned monthly referrals from July 1, 2021 through September 30, 2023.
- j. RBHA will comply with the provisions of this MOU.

V. LAHSA Roles and Responsibilities:

- a. LAHSA will coordinate and consult with RBHA in developing the Program services and assistance to be offered under the EHV services fee.
- b. LAHSA will refer eligible individuals, families, and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking, to RBHA via the CES.
- c. LAHSA must provide documentation to RBHA, which verifies that the individual or family meets one of the four eligible categories for EHV assistance.
- d. LAHSA will support eligible applicants in completing applications and obtaining the necessary supporting documentation (self-certifications, birth certificate, social security card, etc.) to be submitted to RBHA.
- e. Information regarding survivors of domestic violence, sexual assault and human trafficking will be maintained and/or shared in compliance with federal, state, and local law to ensure confidentiality.
- f. LAHSA will attend EHV applicant briefings when needed.
- g. LAHSA will assess all applicants, who are referred for EHV assistance, for mainstream benefits and supportive services available to support eligible applicants through their transition.
- h. LAHSA will identify and provide supportive services to EHV participants, as needed. However, participants are not required to participate in supportive services.

- i. LAHSA will send to RBHA 3-5 EHV planned monthly referrals beginning from July 1, 2021 through September 30, 2023.
- j. LAHSA will comply with the provisions of this MOU.

VI. Program Evaluation:

- a. RBHA and LAHSA agree to cooperate with the U.S. Department of Housing and Urban Development (“HUD”), to provide any and all requested data to HUD or a HUD-approved contractor who has been delegated the responsibility of program evaluation, and follow all evaluation protocols established by HUD or the HUD-approved contractor, including possible random assignment procedures. All named agencies will communicate on an on-going and as needed basis to ensure that HUD receives any requested information.

VII. General MOU Provisions:

- a. *Counterparts.* This MOU may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Contract.
- b. *Hold harmless / Indemnity.* Government Code Section 895.2 imposes joint civil liability upon public entities solely by reason of such entities being parties to an agreement, as defined by Government Code Section 895. Pursuant to Government Code Section 895.4 and 895.6, LAHSA and RBHA shall each assume the full liability imposed upon them, or any of their respective officers, agents or employees, by law for injury caused by any negligent or wrongful act or omission occurring during the performance of this Agreement and any sub-agreements entered into pursuant thereto. LAHSA and RBHA indemnify and hold harmless one another for any loss, costs, or expenses that may be imposed upon such other party by virtue of Government Code Section 895.2. The parties’ covenants and obligations contained herein shall survive the expiration or termination of this Agreement.
- c. *Insurance.* The Parties represent that they maintain sufficient insurance coverages through self-insurance and third-party coverage to meet their respective indemnity and hold harmless obligations as set forth under this agreement.
- d. *Confidentiality and Data Security.* The Parties acknowledge that all Personally Identifiable Information will be held confidential in accordance with the Federal Privacy Act of 1974, and all applicable Federal and state laws. It is understood and agreed that the authorization allows the Housing Authority of the City of Redondo Beach to share and disclose information with the Los Angeles Homeless Services Authority, Los Angeles County Departments, and other agencies

affiliated with the Coordinated Entry System (CES). This only applies to the shared client's application status for EHV with providers to assist with any technical assistance and troubleshooting that may be needed with their support as the point of contact.

- e. *Modification and Termination.* This MOU may be modified by the mutual consent of the Parties by the issuance of a written amendment, signed and dated by the authorized representatives of the Parties. The MOU may be terminated for any reason by either party upon sixty (60) days written notice. Notwithstanding early termination, the term of this MOU shall end on September 30, 2023, unless extended by mutual agreement of the Parties.
- f. *Local Preferences Addendum.* The Local Preferences Addendum is attached hereto as Exhibit A and incorporated herein by this reference.

SIGNATURES FOLLOW

IN WITNESS WHEREOF, the RBHA and LAHSA have caused this MOU to be executed by their duly authorized representatives.

FOR: CITY OF REDONDO BEACH, HOUSING AUTHORITY

By: _____

Print Name: **William C. Brand**

Title: **Chairperson**

Executed on this: _____

APPROVED AS TO FORM FOR CITY OF REDONDO BEACH, HOUSING AUTHORITY

By: _____

Print Name: **Michael W. Webb**

Title: **General Counsel**

Executed on this: _____

ATTESTATION FOR CITY OF REDONDO BEACH, HOUSING AUTHORITY:

By: _____

Print Name: **Eleanor Manzano**

Title: **Secretary**

Executed on this: _____

FOR: LOS ANGELES HOMELESS SERVICES AUTHORITY

By: _____

Print Name: **Molly Rysman**

Title: Acting Co-Executive **Executive Director**

Executed on this: _____

Exhibit A

Local Preferences Addendum

The American Rescue Plan Act allows the U.S. Department of Housing and Urban Development (“HUD”) to waive provisions of any relevant statutes or regulations used to administer the Emergency Housing Voucher (“EHV”) Program (“Program”). Pursuant to the PIH 2021-15 Notice, the Secretary of HUD has waived § 982.204(f) to establish an alternative requirement under which the public housing authority (“PHA”) shall maintain a separate waiting list for EHV referrals/applicants to help expedite the leasing process, both at initial leasing and for any turnover vouchers that may be issued prior to the September 30, 2023 turnover voucher cut-off date.

The HUD Secretary also waived 24 CFR § 982.207(a), and established an alternative requirement that the local preferences established by the PHA for Housing Choice Voucher admissions do not apply to EHV. PHAs, in coordination with the Continuum of Care (“CoC”) and other referral partners, may choose separate local preferences for EHV waiting list. In establishing any local preferences for the EHV waiting list, the preference may not prohibit EHV admissions from any of the four qualifying categories of eligibility. The preference system prioritizes the order in which families on the EHV waiting list are assisted but does not allow the PHA to refuse to accept a referred family that meets one of the four EHV eligibility categories.

For purposes of this Program, the City of Redondo Beach Housing Authority has chosen to give local preference to the EHV waiting list, as follows:

Local Preference

1. Priority Level A - Group 1 – People affected by VAWA/DV - Fleeing DV, Human Trafficking
2. Priority Level A - Group 2 – People enrolled in Rental Assistance programs (RRH, Shallow Subsidy)
 - a. Interim Housing Sites that are closing (PRK/PHK), Long term enrollment in Interim Housing, Household enrolled in homeless programs that offer case management, housing navigation, Housing search & placement or retention services
3. Priority Level B – Recently Homeless
4. Priority Level C – At risk of homelessness - have received or are receiving prevention services



Administrative Report

J.1., File # 22-4912

Meeting Date: 10/4/2022

TITLE

For eComments and Emails Received from the Public



Administrative Report

L.1., File # 22-4795

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING FOR CONSIDERATION OF AN APPEAL OF THE HISTORIC PRESERVATION COMMISSION DECISION DENYING THE REQUEST FOR THE REMOVAL OF PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE

PROCEDURE:

The public hearing is to be structured in the following order, subject to the Rules of Conduct for City Council meetings:

1. Announcement and motion to the open public hearing;
2. Motion to receive and file affidavit of publication, case file, and written correspondence;
3. Staff presentation;
4. Public testimony and presentation of evidence;
 - a. Proponent maximum of 1 hour;
 - b. Appellant maximum of 1 hour
 - c. Public comment 3 minutes each;
 - d. Appellant rebuttal 20 minutes;
 - e. Proponent rebuttal 20 minutes.
5. City Council questions;
6. Motion to close public hearing;
7. City Council discussion and debate;
8. Motion and action.

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2210-076, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, OVERTURNING THE PRESERVATION COMMISSION TO DENY THE CERTIFICATE OF APPROPRIATENESS AND APPROVING THE REQUEST TO REMOVE THE PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE;

OR

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2210-077, A RESOLUTION OF THE CITY

COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, UPHOLDING THE PRESERVATION COMMISSION DECISION TO DENY THE CERTIFICATE OF APPROPRIATENESS REQUESTING THE REMOVAL OF PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORICAL RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE

EXECUTIVE SUMMARY

The owner of the property at 2501 Curtis Avenue requests that the City Council consider an appeal of the Preservation Commission decision denying the request for removal of the property from the list of Potential Historic Resources for the intent to demolish the existing residence at 2501 Curtis Avenue. The property is listed on the City's Historic Resources Survey/Inventory as a "B" rated Craftsman building, establishing it as a Potential Historic Resource per the City's Historic Resources Preservation regulations under Title 10, Chapter 4 of the Redondo Beach Municipal Code (RBMC).

City staff assessed the site in 2021 and found the property to be eligible for local landmark designation. The applicant submitted a Certificate of Appropriateness application, along with a detailed historic resource evaluation prepared by GPA Consulting, requesting that the property be removed from the Historic Resources Inventory so that property could be sold to a developer and the structure potentially demolished. The request was reviewed by the Preservation Commission at a public hearing on July 6, 2022. The Preservation Commission voted (4 to 1) to deny the request to remove the property from the Potential Historic Resources list. An appeal was filed by the applicant on July 18, 2022.

BACKGROUND

PRESERVATION COMMISSION CONSIDERATION: The City's Historic Preservation Ordinance distinguishes different types of potential historic resources in the Historic Resources Survey/Inventory through a rating system. A Potential Historic Resource is defined in RBMC 10-4.104 as "any improvement, building, structure, landscape, sign, feature, site, place or area that is: (1) listed in the City's Historic Resources Inventory with a National Register rating of 1-5 or a local survey rating of A or B; and/or (2) listed in the National Register of Historic Places or California Register; and/or (3) that has been evaluated pursuant to the California Environmental Quality Act and determined by the Community Development Director to meet the criteria listed in (1) and/or (2) above."

The subject property at 2501 Curtis Avenue is listed in the Historic Resources Survey/Inventory as a "B" rated Craftsman structure built in 1934, and therefore qualifies as a Potential Historic Resource per RBMC 10-4.104. Following an inquiry from the owner, staff requested that the applicant complete a Historic Inquiry Form to assess the property further. The applicant submitted the completed form to the Planning Division on September 9, 2021. Staff began to research the Planning, Building, and Library archives for historic information on the property. Staff performed a site inspection on September 23, 2021 to assess the character-defining features and general conditions of the property. The final staff assessment (see attached) was provided to the applicant on October 1, 2021. Staff noted the following conclusion within the assessment:

"While the property needs some maintenance and has unusual exterior stonework, the building overall is a good example of Craftsman architecture. The Craftsman style is the most prominent style in Redondo Beach and it could even be argued that the stonework makes it all the more unique. With the site hosting weekly services, it could also be argued that the property served as a religious center during the early development of this community. Lastly,

this site was home to one of the few local female engineers with ties to an industry that became very important to the growth of the northern portion of Redondo Beach. For the reasons noted above, it is staff's opinion that this property is most likely eligible for local landmark designation.

The current owners have the option to explore designation or to engage with a Preservation Consultant to obtain a formal Historic Resources Evaluation. The evaluation is a much more in-depth review of research beyond the City records. Please note that designating a property as a local historic landmark does not preclude the property from being expanded through the Certificate of Appropriateness (COA) application process. Through the COA review process, the owners could explore compatible floor area additions as well as accessory dwelling units. Likewise, the interior of the home can be further renovated to meet more modern standards."

The applicant disagreed with the findings noted within the assessment and requested information on how to pursue removing the property as a Potential Historic Resource. Per RBMC 10-4.311, a Certificate of Appropriateness would need to be approved by the Preservation Commission in order to remove a property as a Potential Historic Resource.

10-4.311 Removal of a property from the potential historic resource list.

The property owner of a property identified by the City as a potential historic resource may request that the property be removed from the list if he or she provides specific written and verifiable documentation refuting that the property meets the criteria for designation as a landmark as described herein. An example would be that documentation is discovered that an unknown architect designed a property that was thought to have been designed by a famous architect, or the structure has been altered to an extent that the historic integrity has been lost. The Commission shall review the request for removal following the same procedures identified in Sections 10-4.306, 10-4.308 and 10-4.309 herein.

Staff provided (via email) the Certificate of Appropriateness application and the Preservation Consultant list to the applicant on October 5, 2021.

The applicant hired GPA Consulting (GPA) to prepare a formal historic resource evaluation. The draft evaluation dated February 1, 2022 was submitted (see attached), along with the Certificate of Appropriateness application, to the Planning Division on May 10, 2022. It should be noted that the appeal includes an updated report dated April 4, 2022. The April 4, 2022 version of the report was not provided to or reviewed by the Preservation Commission.

In contrast to the City Historic Resources Survey/Inventory, the evaluation prepared by GPA indicates that the property is not eligible for designation on the Local, State, or National registers. Some of the key points include that the development of this property does not specifically have an important association with the early development patterns of this area. The home itself was constructed by an owner-builder and while it has some elements that are "reminiscent of the Craftsman style", the building "lacks some of the most important character-defining features." It is also noted that the stonework was applied to the building after its construction, in irregular patterns, and on top of the original exterior materials. Moreover, the report notes that the building has been "so substantially altered over the years" that it no longer maintains its original integrity. Lastly, the report indicated that none of the previous owners appear to have any local prominence.

The Preservation Commission reviewed the Certificate of Appropriateness application, which included the historic resource evaluation prepared by GPA, at a public hearing on July 6, 2022. The Preservation Commission also received the Staff assessment dated October 2, 2021 and the corresponding historic research. After receiving public testimony and deliberating, the Preservation Commission voted to deny the request (4-1, Jackson dissenting, Galassi and Taner absent) for removal from the list for the intent to demolish the existing residence. The following were the findings made by the Preservation Commission for denial (see attached Resolution):

1. The property is very distinctive and one-of-a-kind. The characteristics represent a certain method of construction.
2. The site is one of the first houses built in North Redondo Beach.

3. The owner that built the property was featured in the Los Angeles Times at least twice.
4. While modifications were made to the structure, the shape and form of the building remains intact.

APPEAL: The July 6, 2022 Preservation Commission's decision to deny the request to remove the property from the Potential Historic Resource list was appealed by the applicant on July 18, 2022. The appeal documents are included with this Administrative Report. The following points were noted within the appeal documents. Staff have provided responses to each of those points for clarification (in italics):

- The appeal states that the owner was told to hire a Preservation Consultant for the Certificate of Appropriateness application process and Staff provided a consultant list to him.

Per Municipal Code Section 10-4.311, applicants need to provide "specific written and verifiable documentation refuting" the eligibility of the property. Preservation Consultants are the subject matter experts and would analyze the property in greater detail with research that goes beyond the City records. Staff did provide the owner with a list of consultants; however, Staff does not formally recommend any one firm. The Preservation Consultant list aims to assist owners of potentially historic properties, though, any Preservationist may be chosen.

- The appeal states that the Preservation Commission did not ask any questions regarding the comprehensive analysis prepared by GPA at the public hearing. The appeal, therefore, claims that the Preservation Commission did not consider the findings in the historic resource evaluation and hiring GPA was merely "procedural."

The Preservation Commissioners, particularly Vice Chair Matsuno and Commissioner Jackson, did engage in dialogue with the applicant and the GPA representative at the meeting. Matsuno discussed the method and type of construction and he referenced various elements from the report, including a footnote regarding a newspaper article. Commissioner Jackson asked the applicant questions regarding the ownership history, the deferred maintenance, and exploring development alternatives. Staff included the key points from the GPA report in the main PowerPoint presentation at the beginning of the public hearing. The GPA representative also had the opportunity to further discuss their findings during the meeting. Therefore, the Preservation Commission was presented information from the City survey, the assessment from Staff, and the evaluation from GPA. All elements of research were considered by the Preservation Commission.

- The appeal indicates that the Preservation Commission "used the vague language of the ordinance to fulfill their personal views and personal objectives." The appeal further notes that the Preservation Commission "ignored" GPA's research.

As stated previously, the findings outlined in the GPA evaluation were presented and discussed at the public hearing in July. Vice Chair Matsuno referenced the GPA report in his comments and also spoke to the specific criteria outlined in the Preservation Ordinance.

- The appeal claims that staff's comments "clearly prejudiced the vote" when discussing the more impressive projects that GPA most likely assesses across the country. The appeal further states that these comments "rendered GPA's credentials irrelevant and findings worthless."

Staff explained that many of the locally designated structures were originally owned by working class families and are, therefore, modest in design. The more impressive landmarks, such as The Sweetser House at 417 Beryl Street and the Historic Library in Veteran's Park, are not as common in the City. The vast majority of the properties included in the Preservation Program are small in scale and are often "B" or "C"-rated. Staff assesses properties through the lens of Redondo Beach's humble history. GPA, and well-established Preservation Consultants like them, often evaluate historic properties that are grander and reflect greater architectural details with elevated craftsmanship. Celebrated properties like The Lummis House and the Gamble House would not be found in Redondo Beach.

At the July 6, 2022 Preservation Commission public hearing regarding this item, Staff noted that Preservation Consultants GPA analyzed the property in greater detail with research that goes beyond the City archives.

Staff did not provide a formal recommendation to the Preservation Commission on whether or not to approve the request. The recommendation was for the Commission to review the supporting materials, take public testimony,

and make a determination regarding the Certificate of Appropriateness. Two draft resolutions were prepared for consideration (one for approval and one for denial) for flexibility in the Preservation Commission's determination. Even when pressed during the public hearing, Staff remained neutral on this application.

- The appeal states that the Preservation Commission did not consider the physical condition of the house or the financial hardship. Furthermore, the property has been unsuccessful in obtaining offers for sale and it is "uneconomic to rent."

The property has not been maintained for some time. During the public hearing process, it was revealed that the current family has owned and lived at this property since 1972. The Preservation Commission noted that the neglect is truly the owner's neglect (often referred as "demolition by neglect" within the Preservation community). Staff noted that eligible properties often need maintenance and repairs. It is quite common for a site to be locally designated as a historic landmark, but still need restoration.

When Staff inspected the property in 2021, the interior spaces appeared to be in fairly good condition. The interior is outdated, but generally clean and visually appeared to be livable. It was unclear if the owners attempted to rent the property and were not successful, since this was not stated at the public hearing. The owner referenced financial hardship anecdotally at the hearing to do improvements to the property; however, no specific data regarding the economics of the property was provided. Again, the property has not been maintained for some time. The house needs maintenance and so does the landscaping around it. It is unclear if any efforts were made by the owners to make the property more palatable to potential buyers or renters.

- Alternatives to demolishing the home are not viable options and are cost-prohibitive. Additionally, the home is located in the middle of two underlying lots, making development around the existing structure challenging.

The residence is indeed located at the center of two underlying lots. If the house were to remain, the applicant (or future owner) could still explore architecturally compatible additions to the home. Additionally, the property could also accommodate detached Accessory Dwelling Units (ADU) on other portions of the lot (this was discussed as an alternative at the public hearing). The property could, ultimately, have three dwelling units even with the residence remaining. As discussed at the hearing, a creative developer could explore shifting the house location and developing the land behind it. The property at 124 S. Guadalupe Avenue was referenced by the Preservation Commission, where the land behind that designated structure was further developed.

To reiterate, the owner referenced financial hardship anecdotally at the hearing, but did not provide specific data regarding the economics of the property or how other options/alternatives for developing the property are cost-prohibitive. To clarify, the application to the Preservation Commission was for removal of the property from the Potential Historic Resources list; it was not to address economic hardship and the required materials for the latter were not submitted.

SUMMARY AND PROCESS FOR APPEAL: This report and the attachments have documented the appeal filed regarding the Preservation Commission denial (4-1) of the Certificate of Appropriateness requesting to remove the property at 2501 Curtis Avenue from the list of Potential Historic Resources for the intent to demolish the existing residence.

The original documents considered by the Preservation Commission, the adopted Preservation Commission resolution, and the public hearing minutes from the Preservation Commission at their July 6, 2022 meeting are available as part of this agenda item. The appeal documents are also included under this agenda item.

The original application to the Preservation Commission was for removal of a property from the Potential Historic Resource list. Upon acceptance of a completed application, a public hearing is scheduled before the Preservation Commission to study the request. Following the public hearing, the Commission is to decide to approve, in whole or in part, or disapprove/deny the request. The decision was done by resolution to deny the request to remove the property from the Potential Historic Resource list. The findings to deny were as follows:

1. The property is very distinctive and one-of-a-kind. The characteristics represent a certain method of construction.
2. The site is one of the first houses built in North Redondo Beach.
3. The owner that built the property was featured in the Los Angeles Times at least twice.
4. While modifications were made to the structure, the shape and form of the building remains intact.

The applicant appealed that decision to the City Council.

The notice of this public hearing was issued per RBMC requirements for City Council to consider an appeal of the decision of the Preservation Commission.

If the City Council agrees with the decision of the Preservation Commission, the Resolution to deny the appeal and uphold the decision of the Preservation Commission would be considered. Alternatively, if the City Council disagrees with the decision of the Preservation Commission, the Resolution to approve the appeal and overturn the decision of the Preservation Commission would be considered.

The decision of the City Council on all applications related to the Historic Resources Preservation regulations shall be final and conclusive.

The public hearing is to be structured in the following order, subject to the Rules of Conduct for City Council meetings:

1. Announcement and motion to open public hearing;
2. Motion to receive and file affidavit of publication, case file, and written correspondence;
3. Staff presentation;
4. Public testimony and presentation of evidence;
 - a. Proponent maximum of 1 hour;
 - b. Appellant maximum of 1 hour
 - c. Public comment 3 minutes each;
 - d. Appellant rebuttal 20 minutes;
 - e. Proponent rebuttal 20 minutes.
5. City Council questions;
6. Motion to close public hearing;
7. City Council discussion and debate;
8. Motion and action.

COORDINATION

The preparation of this administrative report and draft resolutions has been coordinated with the City Attorney's Office.

FISCAL IMPACT

Processing of development applications, including hearings before the Historic Preservation Commission and City Council are part of the Community Development Department's annual work program. Appeal fees have been collected for this matter as outlined in the Community Development Department Master Fee Schedule.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - Draft Denying Appeal
- Reso - Draft Granting Appeal
- Appeal Documents
- Preservation Commission Resolution, Adopted July 6, 2022
- Preservation Commission Public Hearing Documents, July 6, 2022 - link:
<https://redondo.legistar.com/LegislationDetail.aspx?ID=5713444&GUID=A83A3B39-FCAC-4386-92C5->
=
- Preservation Commission Staff Presentation, July 6, 2022
- Historic Assessment by Staff, October 1, 2022

- Historic Resources Evaluation by GPA, February 1, 2022
- Preservation Commission Public Comments, July 6, 2022
- Proof Legal Ad 2501 Curtis Appeal CC 100422, September 22, 2022

RESOLUTION NO. CC-2210-077

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH UPHOLDING THE PRESERVATION COMMISSION DECISION TO DENY THE CERTIFICATE OF APPROPRIATENESS REQUESTING THE REMOVAL OF PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE

WHEREAS, an application has been filed by the owners to remove the property located at 2501 Curtis Avenue from the List of Potential Historic Resources pursuant to Chapter 4, Title 10 of the Municipal Code; and

WHEREAS, notice of the time and place of the Preservation Commission public hearing was given according to the requirements of law; and

WHEREAS, on July 6, 2022, the Preservation Commission of the City of Redondo Beach held a public hearing to consider this application, at which time all interested parties were given an opportunity to be heard and to present evidence; and

WHEREAS, the Preservation Commission voted to deny (4-1, Jackson dissenting, Galassi and Taner absent) the Certificate of Appropriateness requesting the removal of the property at 2501 Curtis Avenue from the list of potential historic resources for the intent to demolish and redevelop the site; and

WHEREAS, the owners of 2501 Curtis Avenue filed an appeal of the Preservation Commission decision in the City Clerk's office on July 18, 2022; and

WHEREAS, notice of time and place of the City Council public hearing was given according to the requirements of law; and

WHEREAS, on October 4, 2022, the City Council of the City of Redondo Beach held a public hearing to consider the appeal, at which time all interested parties were given an opportunity to be heard and to present evidence.

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

SECTION 1. The building exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering or architectural history. The property is distinctive and one-of-a-kind. It was also one of the first houses built in North Redondo Beach.

SECTION 2. The property is connected to persons or events that are significant in local, state or national history. The owner that built the property was featured in the Los Angeles Times at least twice.

SECTION 3. The building embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship. The characteristics of the home represent a certain method of construction.

SECTION 4. While modifications were made to the structure, the shape and form of the building remains intact.

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

SECTION 1. Based on the findings contained herein, the City Council does hereby uphold the Preservation Commission decision to deny the Certificate of Appropriateness request to remove the property located at 2501 Curtis Avenue from the List of Potential Historic Resources.

FINALLY, BE IT RESOLVED, that the City Council forward a copy of this resolution to all appropriate City departments and any other interested governmental and civic agencies.

PASSED, APPROVED, AND ADOPTED this 4th day of October, 2022.

William C. Brand, Mayor

APPROVAL AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. CC-2210-077 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 4th day of October, 2022, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

Eleanor Manzano, CMC City Clerk

RESOLUTION NO. CC-2210-076

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH OVERTURNING THE PRESERVATION COMMISSION DECISION TO DENY THE CERTIFICATE OF APPROPRIATENESS AND APPROVING THE REQUEST TO REMOVE THE PROPERTY LOCATED AT 2501 CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC RESOURCES PURSUANT TO THE REQUIREMENTS OF CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL CODE

WHEREAS, an application has been filed by the owners to remove the property located at 2501 Curtis Avenue from the List of Potential Historic Resources pursuant to Chapter 4, Title 10 of the Municipal Code; and

WHEREAS, notice of the time and place of the Preservation Commission public hearing was given according to the requirements of law; and

WHEREAS, on July 6, 2022, the Preservation Commission of the City of Redondo Beach held a public hearing to consider this application, at which time all interested parties were given an opportunity to be heard and to present evidence; and

WHEREAS, the Preservation Commission voted to deny (4-1, Jackson dissenting, Galassi and Taner absent) the Certificate of Appropriateness requesting the removal of the property at 2501 Curtis Avenue from the list of potential historic resources for the intent to demolish and redevelop the site; and

WHEREAS, the owners of 2501 Curtis Avenue filed an appeal of the Preservation Commission decision in the City Clerk's office on July 18, 2022; and

WHEREAS, notice of time and place of the City Council public hearing was given according to the requirements of law; and

WHEREAS, on October 4, 2022, the City Council of the City of Redondo Beach held a public hearing to consider the appeal, at which time all interested parties were given an opportunity to be heard and to present evidence.

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

SECTION 1. The building does not exemplify or reflect special elements of the City's cultural, social, economic, political, aesthetic, engineering or architectural history.

SECTION 2. The property is not connected to persons or events that are significant in local, state or national history.

SECTION 3. The building does not embody distinctive characteristics of a style, type, period, or method of construction, and it is not a valuable example of the use of indigenous materials or craftsmanship.

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

SECTION 1. Based on the findings contained herein, the City Council does hereby overturn the Preservation Commission decision to deny the Certificate of Appropriateness request and the City Council hereby approves the request to remove the property located at 2501 Curtis Avenue from the List of Potential Historic Resources.

FINALLY, BE IT RESOLVED, that the City Council forward a copy of this resolution to all appropriate City departments and any other interested governmental and civic agencies.

PASSED, APPROVED, AND ADOPTED this 4th day of October, 2022.

William C. Brand, Mayor

APPROVAL AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

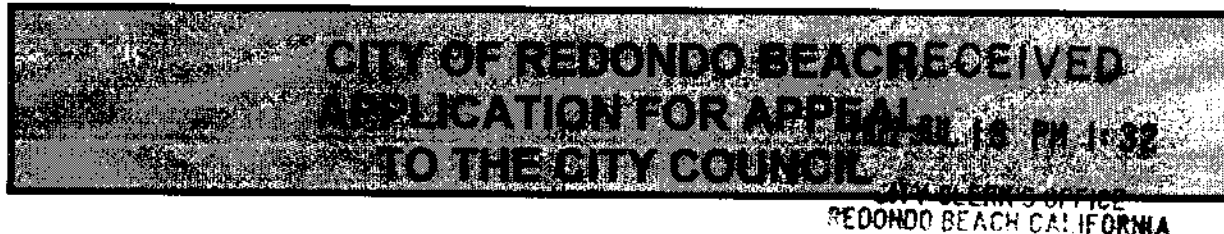
I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. CC-2210-076 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 4th day of October, 2022, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

Eleanor Manzano, CMC City Clerk



RE: 2501 Curtis Ave
(case number and name) 2501Curtis

Address/Location of Subject Property 2501 Curtis Ave Redondo Beach, Ca 90278
(if applicable)

Decision-making body that made the decision which is the subject of the appeal:

- ☐ Planning Commission
- ☐ Harbor Commission
- ☒ Preservation Commission
- ☐ Planning Director
- ☐ Board of Appeals/Uniform Code

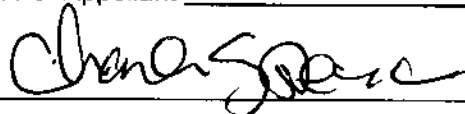
Date of decision: 07/06/2022 Appealing: ☐ Approval ☒ Denial

Name of Appellant Charles Spence
(type or print)

Address of Appellant 1940 Magnolia Ave Long Beach, Ca 90806

Telephone Number of Appellant (562) 713-2891

Email Address of Appellant charles_spence@yahoo.com

Signature 

For office use only:		
Appeal Fee Paid \$ _____	Date _____	Received by _____
Notice to: City Council _____ City Manager _____ City Attorney _____ Planning Department _____		
Harbor Department _____		
Other _____		

RETURN TO:
Office of the City Clerk
415 Diamond Street
Redondo Beach, CA 90277
(310) 318-0656

This appeal is made pursuant to the following Redondo Beach Municipal Code Section(s) (see page 3 for a partial listing of City's municipal code appeal provisions):

RBMC § 10-4.601 Certificate of Appropriateness by the Preservation Commission

Ground(s) for Appeal:

Please specify the grounds for this appeal. Where an approval /denial involves multiple entitlements/actions, please specify which entitlements/actions are contested in this appeal (e.g. Conditional Use Permit) and the specific grounds for contesting each entitlement/action.

Appellant is responsible for reviewing and complying with the relevant appeal procedures contained in the City's municipal code or state law, which may contain additional substantive and/or procedural requirements depending upon the nature of the appeal. It may be necessary for appellant to supplement this form with additional pages/information to fulfill these requirements. Issues not raised here will not be considered by City Council.

See Attached 4 pages which specify the grounds for this appeal

Also included GPA Historical Resource Evaluation Report 25 pages plus appendix

The following list provides a brief overview of some of the City's Municipal Code Appeals (to City Council) by topic area. This is not intended to be an exhaustive list. Potential appellants are advised to review the Municipal Code Sections to determine applicability of these sections and for additional appeal procedures and appeal content requirements.

For example, California Environmental Quality Act (CEQA) Appeal Procedures are contained within Redondo Beach Municipal Code, Title 10, Chapter 3, Section 10-3.901. CEQA Appeals (1) must be filed within ten [10] days of the decision-making body's action and contain specific information described in 10-3.901, (2) require the appellant to notify the project applicant of the appeal within ten [10] days of the City's action by certified mail (and provide the City a copy of the mail receipt), (3) require appellants to file any additional documentation (such as presentations) with the City Clerk no later than seven [7] days before the public hearing, and (4) require appellant to mail a copy of any additional documentation (such as presentations) to the applicant no later than seven [7] days before the public hearing by certified mail (and provide the City a copy of the mail receipt at the public hearing).

Redondo Beach Municipal Code Section	General Topic Area for Appeal
RBMC § 3-14.04	Encroachment permits
RBMC § 3-7.1906	Temporary Street Closure
RBMC § 4-11.146	Oil Wells-Notices to Comply
RBMC § 4-15.07	Registration of Canvassers, Solicitors, itinerant Merchants, Salesmen, and Peddlers
RBMC § 4-17.12	Amusement and Entertainment Permits
RBMC § 4-18.11	Removal of Abandoned, Wrecked, Dismantled, or Inoperative Vehicles from Private or Public Property
RBMC § 4-26.09	Bingo Games for Charitable purposes-Appeals of revocations to the Council
RBMC § 5-2.206	Weeds, Rubbish, and Stagnant Water
RBMC § 8-2.10	Uniform Transient Occupancy Tax
RBMC § 10-1.506	Subdivisions
RBMC §§ 10-1.906(a), 10-1.1011	Subdivisions
RBMC § 10-2.2500(g)	Administrative Design Review
RBMC § 10-2.2502(g)	Planning Commission Design Review
RBMC § 10-2.2504(f)	Zoning Amendments
RBMC § 10-2.2505(f)	General Plan and Specific Plan amendments
RBMC § 10-2.2506(g)	Conditional Use Permits
RBMC § 10-2.2507(f)	Administrative Use Permits
RBMC § 10-2.2508(l)	Modifications
RBMC § 10-2.2510(g)	Variances
RBMC § 10-2.2514(i)	Planned Development Review
RBMC § 10-2.2520(f)	Temporary Use Permits
RBMC § 10-3.901	California Environmental Quality Act
RBMC § 10-4.601	Certificate of Appropriateness by the Preservation Commission
RBMC § 10-5.2500(g)	Administrative Design Review [Coastal Zone]
RBMC § 10-5.2502(g)	Planning Commission Design Review [Coastal Zone]
RBMC § 10-5.2504(f)	Zoning Amendments [Coastal Zone]
RBMC § 10-5.2505(f)	General Plan and Specific Plan amendments [Coastal Zone]
RBMC § 10-5.2506(g)	Conditional Use Permits [Coastal Zone]
RBMC § 10-5.2507(f)	Administrative Use Permits [Coastal Zone]
RBMC § 10-5.2508(l)	Modifications [Coastal Zone]
RBMC § 10-5.2510(g)	Variances [Coastal Zone]
RBMC § 10-5.2514(i)	Planned Development Review [Coastal Zone]
RBMC § 10-5.2520(f)	Temporary Use Permits [Coastal Zone]
RBMC § 10-5.2222	Coastal Development Permit
RBMC § 11-2.10(d)	Public Utilities
RBMC § 11-3.608(b)	Cable TV-Liquidated damages
RBMC § 1-4.01	General Appeal Procedures* only applicable if there are no specific appeal procedures provided for the challenged action.
RBMC § 2-9.712	General Appeal Procedures [Harbor Commission]* only applicable if there are no specific appeal procedures provided for the challenged action.

Ground(s) for Appeal:

The following is the City of RB Historic ordinance section 10-4.201 , 10-4.404.and 10-4.311. will be referenced in the following reasons we are requesting an appeal.

Chapter 4 Historic Resources Preservation

10-4.201 Designation criteria.

For the purposes of this chapter, an historic resource may be designated a landmark and an area may be designated an historic district pursuant to Article 3 of this chapter, if it meets one or more of the following criteria:

- (a) It exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering, or architectural history; or
- (b) It is identified with persons or events significant in local, state or national history; or
- (c) It embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship; or
- (d) It is representative of the notable work of a builder, designer, or architect; or

10-4.404 Certificate of appropriateness for removal or demolition.

b. The denial of the proposed work will impose an immediate and substantial hardship on the applicant because of condition peculiar to the particular improvement; and

c. The property cannot be put to a reasonable use or the owner cannot obtain a reasonable economic return therefrom without approval of the proposed work.

10-4.311 Removal of a property from the potential historic resource list.

The property owner of a property identified by the City as a potential historic resource may request that the property be removed from the list if he or she provides specific written and verifiable documentation refuting that the property meets the criteria for designation as a landmark as described herein. An example would be that documentation is discovered that an unknown architect designed a property that was thought to have been designed by a famous architect, or the structure has been altered to an extent that the historic integrity has been lost. The Commission shall review the request for removal following the same procedures identified in Sections 10-4.306, 10-4.308 and 10-4.309 here in

I was told I would need to hire a Historical Preservationist to perform a Historical Resource Evaluation to file Certificate of Appropriateness for removal of 2501 Curtis house from Redondo Beach potential historic list. I was provided a list of preservationist consultants by Stacey Kinsella Associate Planner. I chose GPA Consulting from that list.

GPA did a comprehensive analysis to determine if the house meets the standard of historical significant resource. And as directed, GPA consultant was available to answer the commission questions. However, the historical commission asked no questions pertaining to GPA's report. One can only conclude that GPA's findings were not considered and the requirement of hiring a Historical Preservationist is just procedural.

The commission used the vague language of the ordinance to fulfill their personal views and personal objectives. They completely ignored GPA's research, This became undeniable when Stacey interjected *that we are not experts they GPS are experts that they are architect historians and that they probably look at big projects like the Lummis House or the Gabriel's House, but we are here to serve Redondo Beach and do what is best for Redondo Beach and its interesting people.* This caused Commissioner Caldwell to respond *that's a good point we need that community thought.* After these two comments, roll call was called and the vote finished the meeting. Stacey's comment clearly prejudiced the vote and rendered GPA's credentials irrelevant and findings worthless.

GPA Consulting findings clearly explain in detail why none of the required criteria (10-4.201) have been met to allow designating the house as a historical resource and that no historical significant persons are associated with the house. However the commission relies solely on Stacey Kinsella findings and their own feelings and personal interpenetration and agenda to make their decision. The commission completely disregard City of RB Historic ordinance 10-4.201 to come to their conclusion without discussing GPA's findings.

Pertaining to section 10-4.404

(a) It exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering, or architectural history; or

Pertaining to section 10-4.404

(b) It is identified with persons or events significant in local, state or national history; or

The commission did not directly mention **section (a)** However, GPA's has detailed why (a) 2501 Curtis does not exemplify or reflect these special elements.

Section (b) was brought up multiple times by the commission

Commissioner Matsumo interpretation seems to contradict any reasonable persons interpretation when he says that *the owner builder of the house was referenced in the Los Angeles Times at least twice and that this implies the person is historical significant*. Matsumo tried to present the article but was not able to locate the newspaper article that he referenced, but this did not deter him. Also Stacey in her assessment *says an early occupant had church meetings at the house and used this to claim that this person is historical significant*. GPS's report clearly explains why these church meetings do not rise to the level of significance. Stacey also states that another early occupant was one of the first female engineers in the area. None of these people referenced can be shown to be significant. GPA's analysis explains why these residents are not significant. Perhaps interesting but interesting does not rise to the level of historical significant.

Pertaining to section 10-4.404 Certificate of appropriateness for removal or demolition.

Substantial hardship related to the house physical condition and house location was basically deemed irrelevant. Commissioner Matsumu stated, "It's not our business to go into financial situation" and Commissioner McNearbey Stated "sell as is."

These statements are indirect contradiction to section 10-4-404

Reasonable economic return is not possible due to condition related to age (asset depletion) and location on lot unfortunately the house sits center of two lots.

Pertaining to section 10-4.311 Removal of a property from the potential historic resource list

GPA's report as required thoroughly explains and provides specific written and verifiable documentation refuting that the property meets the criteria for designation as a landmark. GPA's finds the house lacks the most defining characteristics of a Craftsman home. Craftsman homes are known for open porches and a low-pitched gable roof this house lacks these features. This house was built in 1933 outside the dates accepted as Craftsman Arts and Crafts period 1900-1920. Again, the commission chose to ignore GPA's findings. Stacey claims the house represents a good early example of a Craftsman House. Commissioner Matsumu says the house has a certain method of construction but failed to be specific. Instead he just takes his wording directly from the ordinance. Commissioner Jackson says "I want to save all these houses." Then he placed his focus on alternatives to demolishing. He suggested moving the house where it would not be in the center of the lot or placing accessory dwelling units on the lot. None of these suggesting's are viable options are cost prohibitive and have nothing to do with section 10-4.311 requesting removal from the potential historical resource list.

The house has been listed for sale with no offers or serious interest. The house is obsolete uneconomic to rent has unfinished stone siding. The location of house is problematic sitings on center of two lots. This house is a blighted impediment to redevelopment and is a severe economic hardship.

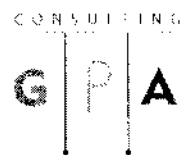
For all the reasons listed and all the reasons detailed in GPA's report which meet the criteria for not listing the house as a historical resource we are appealing the historical board decision and request the house be removed from the historical resource list.

**2501 Curtis Avenue
Redondo Beach, California**



Historical Resource Evaluation Report

Prepared by:



April 4, 2022

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Appendix A – Résumés

Appendix B – DPR Forms

EXECUTIVE SUMMARY

This report presents the results of a historical resource evaluation of the property located at 2501 Curtis Avenue in the City of Redondo Beach (City). The property is located on the southwest corner of Phelan Lane and Curtis Avenue. It consists of one legal parcel which corresponds with Assessor's Parcel Number (APN) 4153-015-010. The property is improved with a one-and-half-story single-family residence constructed in 1933.

GPA Consulting (GPA) was retained to complete this evaluation to determine whether the property is a historical resource as defined by the California Environmental Quality Act (CEQA). The property is not currently designated under any national, state or local landmark or historic district programs; however, it was identified in the 1996 *City of Redondo Beach Historic Resources Survey* as an unaltered Craftsman style building and given a "B"-rating; identified as individually eligible for local landmark designation.

After careful inspection, investigation, and evaluation, GPA concluded that, in our professional opinion, the property would not be eligible for listing in the National Register of Historic Places (National Register) and California Register of Historical Resources (California Register), or eligible for designation as a Redondo Beach Landmark due to a lack of significance and physical integrity. The recommended status code is 6Z, ineligible for national, state, and local designation through survey evaluation. Therefore, it is our professional opinion that the building on the property is not a historical resource as defined by CEQA.

1. INTRODUCTION

1.1 Purpose

The purpose of this report is to analyze whether the subject property in the City of Redondo Beach is considered to be a historical resource as defined by the California Environmental Quality Act (CEQA). The property at 2501 Curtis Avenue is located on the corner of Curtis Avenue and Phelan Lane in the North Redondo neighborhood of the City of Redondo Beach (see Figure 1). It encompasses one legal parcel associated with Los Angeles County Assessor Parcel Number (APN) 4153-015-010 and features a one-and-a-half story, single-family residence constructed in 1933.



Figure 1: Location of property.

1.2 Methodology

In preparing this report, GPA performed the following tasks:

1. Consulted the Built Environment Resources Directory (BERD) to determine whether or not the property is currently listed as a landmark or part of a historic district under national or state programs and whether or not the property has been previously identified or evaluated as a historical resource. The BERD, maintained by the State Office of Historic Preservation, includes information on cultural and historical resources reviewed for eligibility to the National Register of Historic Places and the California Historical Landmarks programs through federal and state environmental compliance laws, and resources nominated under federal and state registration programs. It replaces the California Historic Resources Inventory System (CHRIS). While the BERD may not include all mapped data on historical or cultural resources filed with the South Central Coastal Information Center (SCCIC), it includes information on previously evaluated properties. The review of the BERD revealed no prior evaluations of the property.

2. Consulted the findings of the 1986 and 1996 citywide historic resources surveys of Redondo Beach to determine if the building was identified as a potential historical resource. Structures on the Historic Resources Survey are classified into four categories of historical significance:

"A"- buildings which are obvious examples of historically significant or notable structures indicated by distinctive architectural characteristics or age; "B"- buildings which are somewhat less unusual or distinctive in terms of age or architecture; however these are well designed buildings which research may prove to have a relationship to important events or persons in history; "C"- buildings which reveal much of their original architectural style (not substantially altered) and are fairly modest in architectural style and are less likely to have historical significance. Most of these buildings are good candidates as contributing structures in historic district; "D"- buildings which are clearly not significant in terms of architectural style or have been substantially altered from the original style.¹

This research revealed that the property was given a "B"- rating and identified as individually eligible for local landmark designation as an example of an unaltered Craftsman style building (see **Appendix B**).

3. Conducted an intensive field inspection of the Property on December 29, 2021, during which GPA assessed the general condition and physical integrity of the building on the property. Digital photographs of the exterior of the building were taken during the field inspection.
4. Conducted research into the history of the property. Sources referenced included building permit records, city directories, historic aerial photographs, prior survey data, newspaper archives, and the *Redondo Reflex* newspaper archives, available through the City Redondo Beach website.
5. Consulted the *City of Redondo Beach Historic Context Statement* to identify the appropriate contexts and themes under which to evaluate the property.
6. Reviewed and analyzed ordinances, statutes, regulations, bulletins, and technical materials relating to national, state, and local historic preservation designations, and assessment processes and programs to evaluate the significance and integrity of the building as a potential historical resource.

1.3 Qualifications of Preparers

Emma Haggerty and Audrey von Ahrens, Associate Architectural Historians at GPA Consulting, were responsible for the preparation of this report and fulfill the qualifications for a historic preservation professional outlined in Title 36 of the Code of Federal Regulations, Part 61. Their résumés are included in **Appendix A**.

¹Thirteen Street Architects, Inc., *City of Redondo Beach Historic Context Statement* (Redondo Beach, CA: City of Redondo Beach, 1996). C.

2. REGULATORY FRAMEWORK

Generally, a lead agency must consider a property a historical resource under CEQA if it is eligible for listing in the California Register of Historical Resources (California Register). The California Register is modeled after the National Register of Historic Places (National Register). Furthermore, a property is presumed to be historically significant if it is listed in a local register of historical resources or has been identified as historically significant in a historic resources survey (provided certain statutory criteria and requirements are satisfied) unless a preponderance of evidence demonstrates that the property is not historically or culturally significant.² A lead agency may also treat a resource as historic if it meets statutory requirements and substantial evidence supports the conclusion. The National Register, California Register, and City of Redondo Beach local designation programs are discussed below.

2.1 National Register of Historic Places

The National Register is "an authoritative guide to be used by federal, state, and local governments, private groups, and citizens to identify the nation's cultural resources and to indicate what properties should be considered for protection from destruction or impairment."³

Criteria

To be eligible for listing in the National Register, a property must be at least 50 years of age (unless the property is of "exceptional importance") and possess significance in American history and culture, architecture, or archaeology. A property of potential significance must meet one or more of the following four established criteria:⁴

- A. Associated with events that have made a significant contribution to the broad patterns of our history; or
- B. Associated with the lives of persons significant in our past; or
- C. Embody the distinctive characteristics of a type, period, or method of construction or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- D. Yield, or may be likely to yield, information important in prehistory or history.

Context

To be eligible for listing in the National Register, a property must be significant within a historic context. "National Register Bulletin 15" states that the significance of a historic property can be judged only when it is evaluated within its historic context. Historic contexts are "those patterns, themes, or trends in history by which a specific...property or site is understood and its meaning...is

¹ Public Resources Code §5024.1 and 14 California Code of Regulations §4904.1 & §15004.5(a)(2).

² Title 36 Code of Federal Regulations Part 60.02.

³ Title 36 Code of Federal Regulations Part 60.04.

made clear.”⁵ A property must represent an important aspect of the area's history or prehistory and possess the requisite integrity to qualify for the National Register.

Integrity

In addition to possessing significance within a historic context, to be eligible for listing in the National Register a property must have integrity. Integrity is defined in “National Register Bulletin 15” as “the ability of a property to convey its significance.”⁶ Within the concept of integrity, the National Register recognizes the following seven aspects or qualities that in various combinations define integrity: feeling, association, workmanship, location, design, setting, and materials. Integrity is based on significance: why, where, and when a property is important. Thus, the significance of the property must be fully established before the integrity is analyzed.

2.2 California Register of Historical Resources

In 1992, Governor Wilson signed Assembly Bill 2881 into law establishing the California Register. The California Register is an authoritative guide used by state and local agencies, private groups, and citizens to identify historical resources and to indicate what properties are to be protected, to the extent prudent and feasible, from substantial adverse impacts.⁷

The California Register consists of properties that are listed automatically as well as those that must be nominated through an application and public hearing process. The California Register automatically includes the following:

- California properties listed in the National Register and those formally Determined Eligible for the National Register;
- State Historical Landmarks from No. 0770 onward; and
- Those California Points of Historical Interest that have been evaluated by the State Office of Historic Preservation (SOHP) and have been recommended to the State Historical Resources Commission for inclusion on the California Register.⁸

Criteria and Integrity

For those properties not automatically listed, the criteria for eligibility of listing in the California Register are based upon National Register criteria, but are identified as 1-4 instead of A-D. To be eligible for listing in the California Register, a property generally must be at least 50 years of age and must possess significance at the local, state, or national level, under one or more of the following four criteria:

1. It is associated with events that have made a significant contribution to the broad patterns of local or regional history, or the cultural heritage of California or the United States; or
2. It is associated with the lives of persons important to local, California, or national history; or

⁵ “National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation,” U.S. Department of the Interior, National Park Service, Cultural Resources, eds. Patrick Andrus and Rebecca Shingleton, accessed August 21, 2019, <https://www.dps.gov/subject/national-register/bulletin/NRS-15-words36.pdf>, 7-8.

⁶ “National Register Bulletin 15,” 44-45.

⁷ Public Resources Code §5024.1 (a).

⁸ Public Resources Code §5024.1 (d).



3. It embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values; or
4. It has yielded, or has the potential to yield, information important in the prehistory or history of the local area, California, or the nation.

Properties eligible for listing in the California Register may include buildings, sites, structures, objects, and historic districts. It is possible that properties may not retain sufficient integrity to meet the criteria for listing in the National Register, but they may still be eligible for listing in the California Register. An altered property may still have sufficient integrity for the California Register if it maintains the potential to yield significant scientific or historical information or specific data.⁹

A property less than 50 years of age may be eligible if it can be demonstrated that sufficient time has passed to understand its historical importance.¹⁰

The California Register may also include properties identified during historic resource surveys. However, the survey must meet all of the following criteria:¹¹

1. The survey has been or will be included in the State Historic Resources Inventory;
2. The survey and the survey documentation were prepared in accordance with office [SOHP] procedures and requirements;
3. The resource is evaluated and determined by the office [SOHP] to have a significance rating of Category 1 to 5 on a DPR Form 523; and
4. If the survey is five or more years old at the time of its nomination for inclusion in the California Register, the survey is updated to identify historical resources that have become eligible or ineligible due to changed circumstances or further documentation and those that have been demolished or altered in a manner that substantially diminishes the significance of the resource.

SOHP Survey Methodology

The evaluation instructions and classification system prescribed by the SOHP in its *Instructions for Recording Historical Resources* provide a Status Code for use in classifying potential historical resources. In 2003, the Status Codes were revised to address the California Register. These Status Codes are used statewide in the preparation of historical resource surveys and evaluation reports. The first code is a number that indicates the general category of evaluation. The second code is a letter that indicates whether the property is separately eligible (S), eligible as part of a district (D), or both (B). There is sometimes a third code that describes some of the circumstances or conditions of the evaluation. The general evaluation categories are as follows:

1. Listed in the National Register or the California Register.
2. Determined eligible for listing in the National Register or the California Register.

⁹ Title 14 California Code of Regulations §4802 (c).

¹⁰ Title 14 California Code of Regulations §4802 (d) (2).

¹¹ Public Resources Code §5024.1.

3. Appears eligible for listing in the National Register or the California Register through survey evaluation.
4. Appears eligible for listing in the National Register or the California Register through other evaluation.
5. Recognized as historically significant by local government.
6. Not eligible for listing or designation as specified.
7. Not evaluated or needs re-evaluation.

The specific Status Code referred to in this report is as follows:

- 6Z** Found ineligible for National Register, California Register, or local designation through survey evaluation.

2.3 Redondo Beach Historic Preservation Ordinance¹²

The City of Redondo Beach adopted its Historic Preservation Ordinance in 1989. The Ordinance (Title 10, Redondo Beach Municipal Code §2, Ord. 2554) outlines the purpose and intent of the City's Preservation Program, the responsibilities and qualifications of the Preservation Commission, and criteria and procedures for designation of landmarks and districts. Local landmarks are individual buildings or districts that are at least fifty (50) years of age¹³ and must reflect a special element of the city's history, be identified with special persons or events, represent the work of a noted architect or builder, embody a unique architectural character, or represent established and familiar landmarks within the community.

A property must meet one or more of five criteria for designation established in Chapter 4, Article 2, Section 10-4.201 of the City of Redondo Beach Municipal Code. The five criteria are as follows:

- (a) It exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering, or architectural history; or
- (b) It is identified with persons or events significant in local, state or national history; or
- (c) It embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship; or
- (d) It is representative of the notable work of a builder, designer, or architect; or
- (e) Its unique location or singular physical characteristic(s) represents an established and familiar visual feature or landmark of a neighborhood, community, or the City.¹⁴

¹² Redondo Beach Municipal Code, Title 10, Chapter 4, Article 2 – "Landmark and Historic District Designation Criteria."

¹³ A historic resource of at least thirty (30) years of age may be eligible if the preservation Commission determines that the resource is very exceptional, or that it is threatened by demolition, removal, relocation, or inappropriate alteration.

¹⁴ Redondo Beach Municipal Code, Title 10, Chapter 4, Article 2, Section 10-4.201.

3. ENVIRONMENTAL SETTING

2501 Curtis Avenue is in the North Redondo neighborhood of the City of Redondo Beach, located northeast of the intersection of Curtis Avenue and Phelan Lane (see **Figure 2**). These streets are two-lane residential streets with two-way traffic traveling north-south. The surrounding parcels are developed single- and multi-family residential buildings constructed between the 1930s and 2020s. Immediately east of the property is publicly owned land occupied by a steel transmission tower, part of the La Fresa Transmission Line, and the North Redondo Beach bike path (see **Figure 3**).

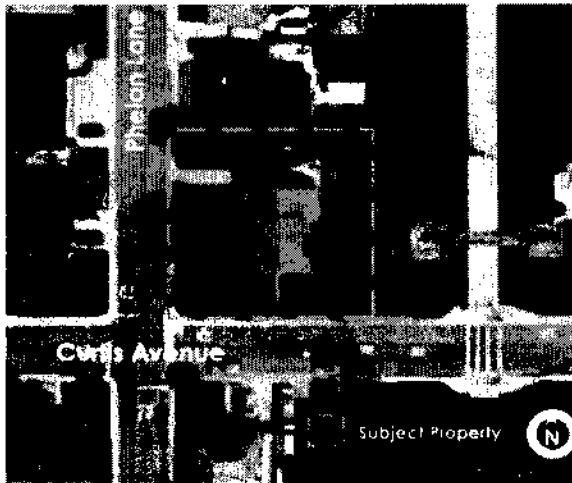


Figure 2: Location of Property.



Figure 3: View looking northeast, January 2022. Source: GPA.

3.1 Description and History of the Property

2501 Curtis Avenue comprises a rectangular-shaped parcel on a corner lot. The property is improved with a single-family residence. The residence is situated near the central of the parcel and is oriented to the south, overlooking Curtis Avenue (see **Figure 4**). Surrounding the residence are front, rear, and side yards, each similar in size. The rear (north) yard is improved with a scored concrete driveway that runs east-west in length and is accessed from Phelan Lane (see **Figure 5**). Pedestrian access is from Curtis Avenue via a narrow, concrete walkway in the front (south) yard. A metal chain-link fence surrounds the perimeter of the property.



Figure 4: South and east elevations, view looking northwest, January 2022. Source: GPA.

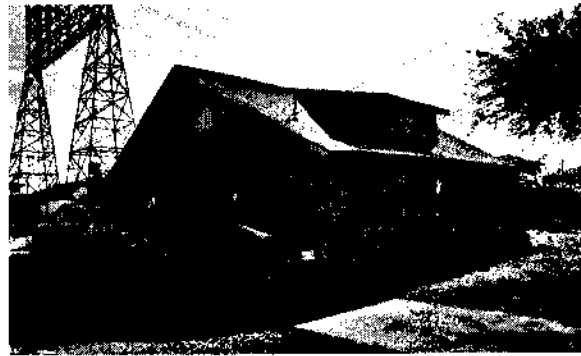


Figure 5: North and west elevations, view looking southeast, January 2022. Source: GPA.

Architectural Description

The single-family residence is one-and-half-stories in height and rectangular in plan. It has a front-gabled roof with shed roof extension on the northeast dormers on the east and west roof planes. The roof is clad in composition shingles and has open, overhanging eaves with exposed wood rafter tails and simple wood bargeboards. The exterior is clad in a combination of wood shingles, board-and-batten, and stone veneer. Fenestration on the south and west elevations is symmetrically arranged and evenly spaced while fenestration on the north and east elevations is asymmetrically arranged.

The south (primary) elevation faces Curtis Avenue (see **Figure 6**). The first story is clad in applied stone veneer and the upper story within the gable has wood shingles. The stone veneer consists of a combination of arroyo stones, fieldstone and various other larger stone types applied in no apparent pattern. The main entrance is centered on the elevation. A battened wood door and metal security screen are accessed by four stone and concrete steps with metal pipe railing. The entrance is flanked by large vinyl windows with simulated divided lights. Simple wood brackets are located at each end of the elevation beneath the roof eaves.

The west elevation faces Phelan Lane and is clad in stone veneer with visible differences in the type, shape, size, and color stone, similar to that of the south elevation (see **Figure 7**). Six recessed window openings are evenly spaced across the elevation, each with single-light wood casement sash with eight-light transoms behind aluminum screens. Centered on the west roof plane above is a shed dormer clad in board-and-batten siding with a tripartite window with wood, single-light casement sash.



Figure 6: South elevation, view looking north, January 2022. Source: GFA.



Figure 7: West elevation, view looking east, January 2022. Source: GFA.



Figure 8: North elevation, view looking south. January 2022. Source: GPA.

The north elevation overlooks the rear driveway and is primarily clad in wood shingles with a small portion on the west clad in stone veneer (see **Figure 8**). The stone veneer consists of arroyo stones and fieldstones applied in an irregular pattern. A rear entrance is located on the one-story, shed roof addition at the east end of the elevation. The wood paneled door is partially glazed with a one-over-one metal window. West of the entrance on the original portion of the residence, the elevation consists of evenly spaced window openings of various sizes and

window types. There are three windows on the ground floor including (from east to west): a wood picture window with single-light, a metal sliding sash window with single lights, and a wood single-light casement sash with eight-light transom. On the upper story is a tripartite window beneath the gable peak with center fixed single-light and single-light side casements. Each of the windows on this elevation have a simple wood surround.



Figure 9: East elevation, view looking west. January 2022. Source: GPA.

The east elevation overlooks the rear yard and is asymmetrically arranged (see **Figure 9**). It is predominately clad in stone veneer like that of the south and west elevations. Near the center of the elevation is an entrance opening with paired, multi-light, wood French doors. An exterior chimney is located on the south end of the elevation, clad in stone. The chimney stack tapers above the roofline and has a rounded arch cap made of stone. Flanking the chimney are recessed window openings. The southernmost window is a single-light casement with eight-light transom. The northernmost

consists of a jalousie window with eight-light transom obscured behind metal security bars. On the north end of the elevation is the one-story projection volume of an enclosed porch addition with shed roof. It is clad in wood shingles and has a grouping of wood windows with single-light casement sash. Above the ground floor, the east roof plane has a shed dormer the same as that of the west elevation.

Construction History

The property was first developed in 1933 by owner Claude C. Campbell, who constructed the existing single-family residence with a detached garage (demolished). No building permit records were available from the City of Redondo Beach. However, visual observations made during the site visit conducted by GPA in December 2021 provide evidence of alterations that have occurred since initial construction, listed below. Due to the lack of building permit records, the exact dates of these alterations are unknown. Estimate dates based on photographic and/or physical evidence are provided when possible.

G A

- Application of stone veneer cladding to all exterior elevations, covering the original wood shingle by 1945.¹⁵
- Demolition of original detached garage in north yard between 1960 and 1969.¹⁶
- Addition of a metal security door on the main entrance prior to 2012.
- Replacement of two original windows on the primary (south) elevation with incompatible, simulated divided light vinyl windows within original openings, c. 2014-2017.
- Modification of concrete steps at primary entrance with addition of stone and a metal pipe handrail at an unknown date.
- Replacement of all original multi-light windows on the north, east and west elevations with single-light windows and one jalousie window at an unknown date.
- Original window replaced with single-light square window in easternmost corner of first floor, north elevation at an unknown date.
- Addition of one-story volume with shed roof or enclosure of a porch on the north end of the east elevation at an unknown date.
- Addition of aluminum framed screens on most window openings at unknown dates.
- Replacement of original roof shingles with incompatible composition shingle roof at an unknown date.
- Addition of chain-link metal fence around perimeter of property at an unknown date.
- Alteration of roof eaves with plywood soffit at north and east elevations at an unknown date.

Ownership and Tenant History

The original owner was Claude C. Campbell, who resided at the property with his wife, Mae Campbell, from 1933 until 1942.¹⁷ Claude worked as a machinist for the Southern Pacific Railroad.¹⁸ Mae was a pastor and was ordained as a minister in 1937, after which she utilized the property as a meeting space for the Temple of the Holy Cross until the Campbell's sold the property in 1942.¹⁹ The second owners, Martin O. Landers and Lucille L. Landers, resided at the property from 1942 until at least 1960.²⁰ They both worked for Northrop, an aerospace and defense technology company based out of Redondo Beach.²¹ Martin was a machinist and Lucille was an engineer.²² No information regarding the names of the property owners between 1960 and 1971 was found. In 1971, Gloria Spence purchased the property and resided there until 2021.²³

¹⁵ "Starts Factory in Redondo," *Redondo Reflex*, May 25, 1945.

¹⁶ City of Redondo Beach Planning Commission Meeting Minutes, 1969.

¹⁷ City Directory, Redondo Beach, 1944.

¹⁸ "Starts Factory in Redondo."

¹⁹ "As We Heard It," *Redondo Reflex*, September 10, 1937, 5.

²⁰ Lucille Landers, *South Coast Press*, September 26, 1966, 2.

²¹ *Ibid.*

²² *Ibid.*, City Directory, Redondo Beach, 1944-1960 and notification from client.

²³ Los Angeles County Recorder's Office, February 27/13.

4. HISTORIC CONTEXTS

The significance of a property must be evaluated within its historic context(s). Historic contexts are those patterns or trends in history by which a specific property is understood. The most applicable contexts for evaluating the property at 2501 Curtis Avenue are the history of Redondo Beach and early residential development in North Redondo. Because previous surveys of the property identified the building as significant within the Craftsman style and as a stone building, the following contexts are included for clarification: the Arts & Crafts Movement including the Craftsman style and Craftsman bungalows, as well as Arroyo stone buildings.

4.1 Brief History of Redondo Beach²⁴

Redondo Beach lies on the western edge of the Peninsular Mountain Range which runs northwest and southeast along the coast of Southern California. It is approximately 17 miles from the City of Los Angeles, situated on the southern end of modern Santa Monica Bay. The incorporated city rests on portions of three historic ranchos: San Pedro, Los Palos Verdes, and Sausal Redondo. Several distinct sections make up the modern city of 6.35 square miles. The original city was established in 1887. The area of this original site covered 1,214.08 acres or approximately 2 square miles. A second section to the northeast, the Redondo Villa Tracts [of which 2501 Curtis Avenue is apart], was first subdivided in 1906 and became part of the city in 1927. This annexation brought an additional 2,252.6 acres (approximately 4 square miles) of rural territory to the original townsite and created a city structure reminiscent of two rectangles set side-by-side, one set slightly above the other, which overlap at one corner. Today, the area included in the 1927 annexation is generally referred to as "North Redondo." Clifton-by-the-Sea, adjoining the original city on the south, began in 1906. A portion of it annexed to the city in 1913, and other tracts within the area have annexed at different times since then. The final section, Hollywood Riviera, lies south of Clifton-by-the-Sea and is divided between Redondo Beach and Torrance. These latter areas, although originally distinct, today blend into the resort and residential ambiance of the original city. The original community of about 1,214 acres was planned in 1887 on a natural amphitheater above the beach. Because of the limited acreage, the land was devoted to residential resort living and wharf related industry. Only a few yards out to sea, the amphitheater continues into a deep-water canyon. Early promoters of the town pointed to the flat surface of the water and commented that oil deposits seeping up from the canyon helped to keep the water calm. Experience, however, has shown otherwise. The bay, while partially sheltered, is subject to severe storm action. The storms, and the first breakwater designed to protect the beach front changed the configuration of the shoreline even before construction of the present Southern California Edison plant in 1946 and King Harbor marina in the 1960s. In recent decades, Redondo Beach has undergone many changes, especially along the waterfront where the marina, King Harbor, has replaced most of the early industrial area and the associated small dwellings.

²⁴ The following, unless otherwise noted, is excerpted from Historical Resources Management and Assessment, Milkovich and Associates, *City of Redondo Beach Historic Context Statement* (Redondo Beach: City of Redondo Beach Community Development Department – Planning Division), 3-5 and 22-28.

Modern condominium developments, which now stand in place of the original downtown business district, have further altered the character of the area. Only one pre-1945 wharf, the Monstad Pier, remains to recall an earlier stage in the City's development. The northern section of the community, composed of approximately 3,000 acres and first known as the Redondo Villa Tracts, is entirely different. Here the land is gently rolling and dry. The soil, however, is productive. Over the years, many small farms and dairy-type operations prospered here. During the late 1920s, oil was discovered in this section, as well as in nearby Torrance, forming the Redondo-Torrance oil field. North Redondo, which was originally subdivided as an agricultural area in 1906 and later experienced further subdivision during the Depression and post-war era, is today defined by its dense population and a broad range of architectural styles. Because of the salt lake, transportation linkages between Redondo, San Pedro and Los Angeles formed very early. When the Santa Fe railroad entered the basin, it made Redondo Beach a terminus for shipping. Two electric railways followed, which served the tourists who flocked to the pleasant beach in good weather. Evidence of these early railway lines remains today and can be seen in street curvature, the location of major intersections and the location of the City's principal commercial centers.

4.2 Residential Development of North Redondo²⁵

Expansion of Commercial and Residential Development

One year after its failed attempt to annex to the city of Hermosa Beach, the Villa Tract Chamber of Commerce joined forces with several leading organizations in Redondo Beach and organized yet another annexation drive. Behind this new effort lay the threat of a million-dollar street paving program proposed by Los Angeles interests who owned 37 per cent of the area's property. Chamber representatives argued that the proposed program was a blatant attempt to recoup lost profits from unproductive oil land, rather than a genuine attempt to modernize the community. This argument succeeded, and on September 20, 1927, voters approved the annexation of the Redondo Villa Tracts to the City of Redondo Beach by a slim margin of thirteen votes.

More than 90% of the eligible voters cast their ballots. At the time of its annexation, the north Redondo area served as home for more than two thousand residents. "It is by far the greatest thing that has ever happened to this city," declared Henry Froude, president of the Redondo Beach Chamber of Commerce. Not all considered the annexation in such a positive light, however. In 1928, several Los Angeles commercial interests filed suit seeking a reversal of the annexation decision. These suits were followed by yet another in 1930. Finally in 1931, the last legal obstacle to the complete and definite annexation of the Villa Tract had been removed.

²⁵ Ibid.

Residential Development

Although the sub-division forces which were apparent during the early 1920s subsided somewhat during the Depression era, residential tract development continued in north Redondo. Most notable was the Shore Acres sub-division created by the Home Extension Association. Located near the junction of Mathews Avenue and Phelan Lane, this housing project attempted to strike a balance between the original rural identity associated with the Redondo Villa Tract and the more recent identity of residential sub-division. Included as a part of this housing project plan was a co-operative market site where residents of Shore Acres sold produce raised on their property. Each Saturday residents sold flowers, fresh vegetables, fruits, eggs chickens and even canaries to the surrounding communities from the community's market house. A parking area adjacent to the market house was also provided by the Home Extension Association in an effort to attract customers from the surrounding communities of Torrance, Manhattan Beach, Inglewood and Hermosa Beach.²⁶

In 1937, the Redondo Beach City Council formally recognized the increasing residential nature of north Redondo in its acceptance of a Planning Commission recommendation that the area known as Villa Tract No. 2 be rezoned from unlimited industrial to suburban uses.²⁷ Since its subdivision as rural farmland in 1905, north Redondo had experienced several shifts in its economic identity. The first shift occurred in the early 1920s when the land originally subdivided by Carlson for rural development suddenly became popular for its oil producing potential.

The annexation of the area in 1927 and its identification as the city's future industrial site, resulted in yet another shift. Following annexation, almost the entire eastern section of the original Villa Tracts was zoned for industrial purposes. The construction of the Golden State Fireworks Manufacturing Company on property adjacent to Villa Tract No. 2 in 1928 appeared to confirm this industrial trend.

By the early 1930s, however, dreams of unlimited oil production had faded and speculators who had purchased land during the oil boom were seeking opportunities to subdivide their property into residential sites. This move marked the third shift in the area's economy and set into motion a struggle between those seeking residential development and those who sought to perpetuate an industrial economy.

4.3 The Arts & Crafts Movement

The *City of Redondo Beach Historic Context Statement* as well as the City's 1986 and 1996 *Historic Resources Surveys* provide limited information on the Craftsman style, other than that the style was popular in Redondo Beach between 1900 and 1920. For a more in-depth analysis, the *SurveyLA Citywide Historic Context Statement* on the Craftsman style was applied. The most relevant portions were excerpted and adapted for the purposes of this report, below.

²⁶Ibid.

²⁷Today, this tract is defined by Inglewood, Vail, Robinson and Artesia avenues.

Craftsman Style²⁸

Craftsman architecture reflected the Arts and Crafts Movement's (from 1895 to 1930) conscious search for the supposed simplicity of a pre-industrial time when objects revealed the skill and craftsmanship of the laborer and, further, a rejection of the highly ornamented Victorian aesthetic. The Craftsman style applied to more than the building envelope; architects designed everything in harmony, from the furniture and fixtures to the landscape. The "ultimate bungalows" of the Craftsman style were usually two stories in height and custom designed by architects working closely with local artisans. Later (in the 1900s through the 1920s), the aesthetics of the Craftsman style would be adapted to single-story, mass-produced bungalows grouped in neighborhoods for the middle class.

Craftsman Bungalows²⁹

Although the term "bungalow" has been closely associated with the Arts and Crafts movement and the Craftsman style of architecture, it refers to a type of house rather than a style of architecture. As Craftsman style architecture reached the masses in the form of small homes described in catalogues as bungalows, the term became inextricably linked with the style.

The bungalow appeared in California during the first decade of the twentieth century. It was a house type ready made for the mild climate and profound demand brought about by the rapidly expanding population. While some bungalows were custom-designed by architects, most were selected from plan books or catalogues and were constructed by contractors or assembled from prefabricated pieces. The average price was \$3,000.

The Craftsman bungalow dates from the early 1900s through the 1920s. The bungalow's simplicity of form, informal character, direct response to site, and extensive use of natural materials – particularly wood – was a regional interpretation of the socio-economic and aesthetic reforms espoused by the Arts and Crafts Movement's founder, William Morris. Craftsman bungalows generally have rectangular or complex plans and are one to one-and-a-half stories tall. They have wood clapboard or shingle exteriors and are defined by their horizontality with broad front porches, often composed with stone, clinker brick, or stuccoed porch piers. Other character-defining features include low-pitched front-facing gabled roofs, and overhanging eaves with exposed rafter tails.

The *City of Redondo Beach Historic Context Statement* nor the City's 1986 or 1996 *Historic Resources Surveys* provide information on stone buildings. For a more in-depth analysis, the *SurveyLA Citywide Historic Context Statement* on Arroyo stone buildings style was applied. The most relevant portions were excerpted and adapted for the purposes of this report, below.

²⁸ GFA Consulting, "Architecture and Engineering: Arts and Crafts Movement (1895-1930): Housing the Masses (1880-1980), Arts and Crafts Neighborhoods (1890-1900)" *Los Angeles Citywide Historic Context Statement* (City of Los Angeles Office of Historic Resources, June 2016), 8-15.

²⁹ *Ibid.*

Arroyo Stone Buildings, 1892-1930³⁰

The Arroyo stone building type is distinguished by elevations clad entirely in arroyo stone. Small groups of arroyo stone buildings can be found in the foothill neighborhoods of Northeast Los Angeles, near the Arroyo Seco, and Sunland-Tujunga in the Crescenta Valley, where arroyo stones (also known as river rocks) could be collected from washes and streams. In most cases, Arroyo stone buildings were constructed by skilled stonemasons or artistic types who were building for themselves or others without the assistance of an architect. Charles Lummis, a champion of Arroyo Culture and the Arts and Crafts Movement, constructed his own home, El Alisal, from stones he collected from the Arroyo Seco in 1898. The stone elements of El Alisal exemplify the Arts and Crafts ideal of using native materials to create handcrafted buildings. A small number of individuals continued the tradition of using locally sourced Arroyo stones for cladding an entire building (as opposed to using the stone as an accent material on chimneys, walls, and foundations as is commonly found in Craftsman style buildings). The buildings they created often took a long period of time to construct and their design inspiration frequently came from the architectural styles of the Arts and Crafts movement as well as the forms and shapes of the Mission Revival style, featuring raised parapets, bell towers, and irregular, rambling plans enclosing courtyards and patios.

Character defining/associative features of Arroyo stone buildings include:

- One or two stories in height
- Elevations clad fully with Arroyo stone
- Hipped or gabled roofs with overhanging eaves
- Small, recessed window openings

³⁰ Ibid.

5. EVALUATION OF ELIGIBILITY

The property at 2501 Curtis Avenue was evaluated for listing in the National Register, the California Register, as well as for designation as City of Redondo Beach Landmark using established criteria and aspects of integrity.

5.1 National Register of Historic Places

Criterion A

To be eligible for listing in the National Register under Criterion A, a property must have a direct association with events that have made a significant contribution to the broad patterns of our history.

The property is in the Villa Tract 2 of the North Redondo neighborhood. The tract was originally subdivided between 1905 and the early 1920s, however it remained largely undeveloped (see **Figure 10** and **Figure 11**).³¹ The surrounding parcels were sold for residential development between the 1920s through the 1930s and was a densely populated residential area by the 1960s (see **Figure 12** and **Figure 13**).



Figure 10: 1936 historic aerial photo. Source: UCSB.



Figure 11: 1941 historic aerial photo. Source: UCSB.



Figure 12: 1947 historic aerial photo. Source: UCSB.



Figure 13: 1960 historic aerial photo. Source: UCSB.

³¹ Historical Resources Management and Joseph J. Mikovich and Associates, *City of Redondo Beach Historic Context Statement* (City of Redondo Beach Community Development Department), 28.



The property at 2501 Curtis Avenue was initially developed in the 1930s during the period when the North Redondo neighborhood transitioned from primarily agriculture to residential neighborhoods as the land was subdivided. However, the property does not have an important association with the development of North Redondo as the area was already established as a developing residential community twenty-five years before the subject property was built. Properties like 2604 Fisk Lane, constructed in the Craftsman style in 1905 in the North Redondo area better reflect the early development of the neighborhood. Parcels in Villa Tract and Villa Tract 2 were advertised for sale and this industrial and agricultural area quickly changed to a residential community.³² "National Register Bulletin 15" states that mere association with a historic trend is not enough, in and of itself, to qualify under Criterion A: the property's specific association must be considered important as well.³³ The North Redondo neighborhood was subdivided between 1905 and the 1920s, with residential farmsteads, businesses and tract developments being constructed before 2501 Curtis Street was built. The property alone does not display the broad pattern of residential development as this trend began prior to the property's construction and continued until the 1960s when the community was a densely populated, residential neighborhood (see **Figure 13**).

Furthermore, the residence has been so substantially altered over the years such that it no longer conveys its appearance as originally constructed in the 1930s and thus would not be considered a good or representative example of early residential development in the area. A more detailed analysis of integrity is discussed later in this report.

Claude C. Campbell was the owner-builder of 2501 Curtis Avenue. His construction of the property was not an early development trend, nor did the construction of the property cause a direct influence in the area. As an owner-builder he did not have any influence over the development of the neighboring parcels within North Redondo Beach or the Villa Tract 2, the specific tract where the residence is located; rather individual owner-builders were just part of a continuing trend at this time.

From 1937 until 1942, the subject property was used as a meeting space for the Temple of the Holy Cross, with owner Mae Campbell as pastor. "National Register Bulletin 15" states that historic significance for a religious property cannot be established on the merits of a religious doctrine, but rather, for architectural or artistic values or for important historic or cultural forces that the property represents.³⁴ Research did not provide evidence to suggest the Temple of the Holy Cross was a significant congregation to the early development of North Redondo Beach. There were already established churches throughout Redondo Beach and North Redondo Beach such as the Grant Church in North Redondo that was established in 1922 (demolished).³⁵ Therefore, it was not one of the first. Additionally, this meeting space appears to be the only association with the Temple of the Holy Cross which did not have any additional advertisements in the local paper once the Campbells moved out of the property in 1942; thus it does not appear to have been particularly influential to the community. Between 1937 through 1942, no meetings or events important to religious history occurred at the subject property. Research into the history of the

³² "Classified Advertising," *Redondo Reflex*, 1923-1940.

³³ "National Register Bulletin 15," 12.

³⁴ *Ibid.*, 26.

³⁵ Historical Resources Management, *City of Redondo Beach Historic Context Statement* (Redondo Beach: City of Redondo Beach Community Development Department - Planning Division), 24.



congregation did not provide any information that would indicate the church made significant contributions to the North Redondo community or City of Redondo Beach as a whole.

Therefore, it is GPA's professional opinion that the property is not significant under National Register Criterion A.

Criterion B

To be eligible for listing in the National Register under Criterion B, a property must be associated with the lives of persons significant in our past.

The earliest residents of the property at 2501 Curtis Avenue were husband and wife, Claude C. and Mae Campbell. They resided at the property from 1933 to until 1942. Claude worked as a machinist for the Southern Pacific Railroad until 1936.³⁶ Mae was a pastor for the Temple of the Holy Cross and held meetings for the congregation at their residence between 1937 until 1942.³⁷ As stated in Nation Register Bulletin 15, "Properties eligible under Criterion B are those associated with a person's productive life, reflecting the time period when he or she achieved significance. In some instances, this may be the person's home; in other cases, a person's business, office, laboratory, or studio may best represent his or her contribution. Properties that pre- or post-date an individual's significant accomplishments are not eligible.³⁸ Additional research into the Campbell's history throughout their time in the residence did not indicate they were significant individuals in our past.

The second owners, Martin O. and Lucille L. Landers, purchased the property in 1942 and resided there until at least 1960 and both worked for Northrop, an aerospace and defense technology company based out of Redondo Beach.³⁹ Martin worked as a machinist and Lucille was an engineer.⁴⁰ Research into both Martin and Lucille did not provide any evidence to suggest that either individual achieved prominence or made substantial contributions within their respective fields. Although it is noteworthy that Lucille worked as an engineer during a time when the profession was male dominated and her career was certainly a personal achievement, Lucille would not be considered an important individual in history on this fact alone. She was not the first female engineer in history, nor did she make any particularly significant contributions in her field such that she would rise to a level of significance.

Research did not reveal the names of individuals that resided at the property between 1960 and 1971. The most recent owner, Gloria Spence, resided at the property from 1971 until 2021. No additional information other than her name could be found. Research revealed no indication that she would be a considered significant individual in our past.

The property is not associated with the lives of any significant individuals in history and therefore is not eligible under Criterion B.

Criterion C

³⁶ City Directory, Redondo Beach.

³⁷ Temple of the Holy Cross advertisement, *Redondo Rebel*, 1937-1941.

³⁸ National Register Bulletin 15, 21.

³⁹ City Directories, Redondo Beach, 1941 and Lucille Landers, *South County Press*, September 28, 2006, 2.

⁴⁰ *Ibid*.

G A

To be eligible for listing under Criterion C, a property must embody the distinctive characteristics of a type, period, or method of construction, represent the work of a master, possess high artistic values, or represent a significant and distinguishable entity whose components may lack individual distinction. This property was evaluated as an example of a bungalow type in the Craftsman style as well as an Arroyo stone building.

The residence at 2501 Curtis Avenue does not reflect a particular architectural style, nor does it embody the distinctive characteristics of a type, period, or method of construction. The building is a simple vernacular bungalow that was constructed by an owner-builder. It was common for owner-builders to borrow elements from styles that were employed prior to its construction, or that were popular at the time. As such, the residence has elements that can be attributed to various styles but does not exemplify one particular style as a wholistic design. For example, the one-and-a-half story massing, roof profile with open eaves and exposed rafter tails, wood shingle and board and batten cladding, as well as the wood casement windows with multi-light wood transoms are reminiscent of the Craftsman style. However, the building lacks some of the most important character-defining features of the style, most notably a broad front porch, that would have been composed with stone, clinker brick, or stuccoed porch piers. Thus, while the residence may exhibit some characteristics of the Craftsman style, they would not be considered distinctive. "National Register Bulletin 15" states, "to be eligible, a property must clearly contain enough of those characteristics to be considered a true representative of a particular type, period, or method of construction."⁴¹ Exhibiting some features of a style is not sufficient in and of itself to rise to a level of significance.

Furthermore, the building was constructed outside of the period of significance for the Craftsman style in Southern California, which is considered to be from the mid-1900s to 1930s. As explained in **Section 4.3**, above, the Craftsman style was widely employed throughout the 1900s to 1910s when the style hit its peak but by World War I, the Craftsman style declined in popularity. Although Craftsman bungalows remained prolific during the 1920s, the Craftsman style was outpaced by Period Revival styles by 1930. For all of these reasons, the residence would not be considered a significant example of the Craftsman style as applied to bungalows; therefore, the property is not eligible for the National Register under this aspect of Criterion C.

Portions of the residence are clad in stone veneer with different types of stone, applied in irregular patterns varying from elevation to elevation. Stone buildings, most commonly referred to as Arroyo stone buildings due to the most abundant source of stone being the Arroyo Seco, were constructed throughout Southern California between 1895-1930. In most cases, Arroyo stone buildings were constructed by skilled stonemasons or artistic types who were building for themselves or others without the assistance of an architect. A small number of individuals continued the tradition of using locally sourced Arroyo stones for cladding an entire building (as opposed to using the stone as an accent material on chimneys, walls, and foundations as is commonly found in Craftsman style buildings). The buildings they created often took a long period of time to construct and their design inspiration frequently came from the architectural styles of the Arts and Crafts movement as well as the forms and shapes of the Mission Revival style, featuring raised parapets, bell towers, and irregular, rambling plans enclosing courtyards and patios.

⁴¹ "National Register Bulletin 15," 18.

The property is not an example of an Arroyo stone building since it was originally entirely clad in wooden shingles with stone applied after its construction. Additionally, the property was constructed outside the Arroyo stone building period of significance which lasted from 1895 until 1930. Arroyo stone buildings are typically one or two stories in height, have hipped or gabled roofs with overhanging eaves with elevations clad fully with Arroyo stone, and small, recessed window openings. While the residence has applied stone veneer on some exterior walls, it would not be considered an example of the type or style as it was not purpose-built or designed as a stone building. Rather, the stone was applied later as an alteration. Furthermore, it was built outside the period of significance for Arroyo stone buildings. As such, the residence is not an example of an Arroyo stone building.

Claude C. Campbell was the original owner-builder of the property. Claude worked as a machinist and was not associated with the construction of any other properties in Redondo Beach. National Register Bulletin 15 states, "A master is a figure of generally recognized greatness in a field, a known craftsman of consummate skill, or an anonymous craftsman whose work is distinguishable from others by its characteristic style and quality." The construction of this property would not elevate him to the master eligibility status. Additionally, even if Campbell was a master builder, the property is not a notable example of any architectural type or style and does not retain integrity to its original date of construction to portray its original design, materials, or workmanship.

The last aspect of Criterion C, representing a significant and distinguishable entity whose components lack individual distinction, refers to historic districts. The surrounding area does not possess a distinct sense of time and place due to the range of architectural styles and property types ranging from construction in the 1930s to present day and is not eligible to qualify as a historic district.

Therefore, the property would not be eligible under National Register Criterion C.

Criterion D

To be eligible for listing under Criterion D, a property's physical material must have yielded, or may be likely to yield, information important to history or prehistory.

This criterion generally applies to archaeological resources but may apply to a built resource in instances where a resource may contain important information about such topics as construction techniques or human activity. In any case, the resource must be the principal source of information. This is unlikely to be true for the property at 2501 Curtis Avenue. Therefore, it would not be eligible to be significant under National Register Criterion D.

Conclusion

There is no evidence that the property located at 2501 Curtis Avenue possesses historical or architectural significance. Therefore, it is not eligible for the National Register under any criteria.

5.2 California Register of Historical Resources

The California Register criteria for eligibility mirror those of the National Register. Therefore, the property is ineligible for listing on the California Register for the same reasons outlined above.

5.3 Redondo Beach Historic Preservation Ordinance

The property at 2501 Curtis Avenue was evaluated against the criteria for eligibility for listing in the City of Redondo Beach Historic Register.

Criterion (a)

Properties eligible for listing under Criterion (a) must exemplify or reflect special elements of the City's cultural, social, economic, political, aesthetic, engineering, or architectural history.

As explained in the evaluation under National Register Criterion A, above, research revealed no evidence to suggest that the property exemplifies or reflects special elements of the City's cultural, social, economic, political, history. As explained in the evaluation under National Register Criterion C, above, research revealed no evidence to suggest that the property exemplifies or reflects special elements of the City's aesthetic, engineering, or architectural history.

Therefore, the property would not be eligible for listing as a Landmark under Criterion (a).

Criterion (b)

Properties eligible for listing under Criterion (b) are those that are identified with persons or events significant in local, state or national history.

As explained in the evaluation under National Register Criterion B, above, research revealed no evidence to suggest that the property is identified with any persons significant in local, state or national history. Additionally, as explained in the evaluation under National Register Criterion A, above, there is no evidence to suggest that the property is identified with any events significant in local, state or national history.

Therefore, the property would not be eligible for listing as a City Landmark under Criterion (b).

Criterion (c)

Properties eligible for listing under Criterion (c) embody distinctive characteristics of a style, type, period, or method of construction, or are a valuable example of the use of indigenous materials or craftsmanship.

The property located at 2501 Curtis Avenue is a vernacular bungalow with Craftsman influences that has undergone substantial exterior alterations including changes to fenestration, cladding, and a later addition since its date of construction. The property is not a notable example of the bungalow type or the Craftsman style. While the residence has applied stone veneer on some exterior walls, it would not be considered an example of the type or style as it was not purpose-built as a stone building. Rather, the stone was applied later as an alteration. Furthermore, it was built outside the period of significance for Arroyo stone buildings and lacks most of the character defining features of the type since the stone is a later modification placed over the original wood shingles.

Therefore, the property would not be eligible for listing as a City Landmark under Criterion (c).



Criterion (d)

Properties eligible for listing under Criterion (d) are representative of the notable work of a builder, designer, or architect

Claude C. Campbell, owner and builder of the property located at 2501 Curtis Avenue is not a notable architect in the City of Redondo Beach. This is the only known building he constructed within the City and since its 1933 date of construction, has been modified to no longer reflect its design or materials.

Therefore, the property would not be eligible for listing as a City Landmark under Criterion (d).

Criterion (e)

Properties eligible for listing under Criterion (e) have a unique location or singular physical characteristic(s) that represents an established and familiar visual feature or landmark of a neighborhood, community, or the City

The property located at 2501 Curtis Avenue is located in the Villa Tract 2 area of the North Redondo neighborhood of Redondo Beach. The property is surrounded by single and multi-family residential properties ranging from one to two stories in height. The property does not retain physical characteristics that represent an established and familiar visual feature or landmark due to the cumulative modifications to fenestration, cladding, and a rear addition since its date of construction. The subject property is a modified single-family residence and although part of the North Redondo neighborhood, it is not an established and familiar visual feature of the neighborhood or City.

Therefore, the property would not be eligible for listing as a City Landmark under Criterion (e).

Conclusion

There is no evidence that the property located at 2501 Curtis Avenue possesses historical or architectural significance. Therefore, it would not be eligible for listing under any Redondo Beach historic designation criteria.

5.4 Integrity

To be eligible for listing in the National Register, properties must retain their physical integrity from the period in which they gained significance. In the case of architecturally significant properties, the period of significance is normally the date of construction. For historically significant properties, the period of significance is usually measured by the length of the associations.

Location: The place where the historic property was constructed or the place where the historic event occurred.

The property retains integrity of location. The building on the property has not been moved since it was constructed in 1933.

Design: The combination of elements that create the form, plan, space, structure, and style of the property.

The property does not retain integrity of design. Existing characteristics of the building, including its non-original fenestration and stone cladding, and rear addition have led to cumulative impacts that no longer allow the property to reflect its original design.

Setting: The physical environment of a historic property.

The integrity of setting has been diminished by cumulative alterations and new construction along Phelan Lane and Curtis Avenue. Visual observation indicate that the property's immediate setting has also been altered by the removal of a rear garage, post 1960 and the construction of steel transmission towers and a bike path on the east abutting parcel in the late 1940s.⁴²

Materials: The physical elements that were combined or deposited during a particular period of time and in a particular pattern or configuration to form a historic property.

The integrity of materials has been diminished through replacement windows and doors, and applied stone cladding which no longer allow the property to reflect a 1930s bungalow type or Craftsman style building.

Workmanship: The physical evidence or the crafts of a particular culture or people during any given period in history or prehistory.

The property does not retain integrity of workmanship due to cumulative modifications the property has undergone since its date of construction.

Feeling: A property's expression of the aesthetic or historic sense of a particular period of time.

The property does not retain integrity of feeling since original cladding and fenestration from its date of construction have been removed and replaced with contemporary, incompatible replacements.

Association: The direct link between an important historic event or person and a historic property.

The integrity of association is not relevant, as the property is not associated with a historic event or individual.

⁴² David Rosenfeld, "Power Lines Along 190th Street in Redondo Beach Could Come down in as Few as Three Years," *The Daily Breeze*, September 4, 2019, <https://www.dailybreeze.com/2019/09/04/power-lines-along-190th-street-in-redondo-beach-could-come-down-in-as-few-as-three-years/>.

6. CONCLUSIONS

GPA was retained to complete this evaluation to determine whether the property is a historical resource as defined by CEQA. The property at 2501 Curtis Avenue is not currently listed under national, state, or local landmark or historic district programs. The property was identified as a "B"-rated building in the City of Redondo Beach 1996 *Historic Resources Survey*, meaning it was identified as appearing eligible for individual listing as a City of Redondo Beach historical resource. However, after careful inspection, research and evaluation, GPA concludes that the property is not eligible for listing in the National Register, California Register, or listing under the City of Redondo Beach's local historic register. The recommended Status Code is 6Z, "Found ineligible for National Register, California Register or Local designation through survey evaluation."

7. REFERENCES

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Appendix A – Résumés



EMMA HAGGERTY

Emma Haggerty is an Associate Architectural Historian at GPA and has been involved in the field of historic preservation since 2016. Emma graduated from the University of Vermont with a Master of Science in Historic Preservation. She has since worked in the public sector in both New Jersey and California on a variety of projects. Emma joined GPA in 2021 and her experience has included review of environmental compliance documents in accordance with the California Environmental Quality Act (CEQA) and Section 106 of the National Historic Preservation Act (NHPA); design review for consistency with the Secretary of the Interior's Standards (SOIS); and municipal code compliance. Additionally, Emma has experience reviewing Mills Act Applications, preparing Mills Act Contracts, and performing site inspections for properties under and interested in the Mills Act.

Educational Background:

- M.S., Historic Preservation, University of Vermont, 2018
- B.A., Planning and Public Policy, Rutgers University, 2016

Professional Experience:

- GPA Consulting, Associate Architectural Historian, 2021-Present
- City of San Diego, Historical Resources Senior Planner & Mills Act Coordinator, 2018-2021
- New Jersey Historic Preservation Office, Program Associate, 2018
- National Trust for Historic Preservation – Lyndhurst Mansion, Historic Preservation Intern, 2017

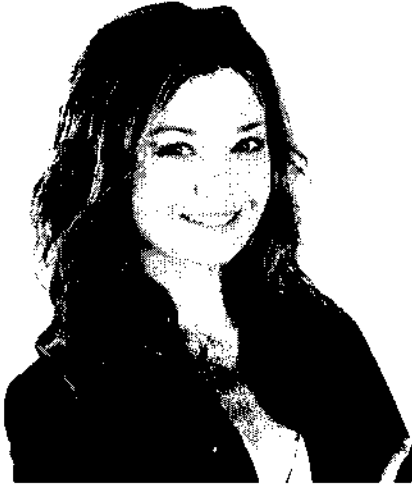
Qualifications:

- Meets the Secretary of the Interior's Professional Qualifications Standards for history and architectural history pursuant to the Code of Federal Regulations, 36 CFR Part 61, Appendix A.
- National Preservation Institute, Section 106: An Introduction

Selected Projects:

- Mills Act Application Review, Mills Act Coordinator, City of San Diego, February 2020-November 2021
- Mills Act Research and Contract Preparation, Mills Act Coordinator, City of San Diego, February 2020-November 2021
- Mills Act Inspection and Contract Recordation, Mills Act Coordinator, City of San Diego, February 2020-November 2021
- Quieter Homes Program – Section 106 Compliance Review, Planner, City of San Diego, January 2019-January 2020
- Preliminary Design Assistance for Historic District Design Guideline Compliance, Senior Planner, City of San Diego, December 2020-November 2021
- CEQA Significance Report Evaluation, Planner, City of San Diego, July 2018- November 2021
- Prepared and presented formal presentations for over 50 different properties at Historical Resources Board Meetings and City Council, City of San Diego, July 2018-November 2021

AUDREY VON AHRENS



Audrey von Ahrens is an Associate Architectural Historian at GPA. She has been involved in the field of historic preservation since 2013. Audrey graduated from the University of Pennsylvania with a Master of Science in Historic Preservation and City Planning where she focused on preservation planning and community economic development. She has since worked in private historic preservation consulting in California. Audrey joined GPA in 2017 and her experience has included the preparation of environmental compliance documents in accordance with the California Environmental Quality Act and Section 106 of the National Historic Preservation Act; historic context statements; Secretary of the Interior's Standards analysis; large-scale historic resources surveys; and evaluations of eligibility for a wide variety of projects and property types throughout Southern California. Audrey is also experienced in coordinating with property owners and local governments in the preparation and review of Mills Act Property Contract applications and the inspection and reporting of properties applying for or with existing contracts.

Educational Background:

- M.S., Historic Preservation, University of Pennsylvania, 2016
- Master of City Planning, University of Pennsylvania, 2016
- B.A., Architectural Studies and B.A., Urban Studies University of Pittsburgh, 2013

Professional Experience:

- GPA Consulting, Associate Architectural Historian, 2017-Present
- Heritage Consulting, Inc., Intern, 2015-2016
- Tacony Community Development Corp., Intern, 2014
- Pittsburgh History & Landmarks Foundation, Intern, 2013
- University of Pittsburgh, Teaching Assistant, 2012-2013
- Pittsburgh Planning Department, Intern, 2012
- Pittsburgh Downtown Partnership, Intern, 2011

Qualifications:

- Meets the Secretary of the Interior's Professional Qualification Standards for history and architectural history pursuant to the Code of Federal Regulations, 36 CFR Part 61, Appendix A.

Professional Activities:

- Downtown Los Angeles Neighborhood Council, Planning and Land Use Committee, 2018-present

Selected Projects:

- 328 N. Oakhurst Drive, Beverly Hills, CEQA Historical Resources Report, 2020
- 818 Grant Street, Santa Monica, Landmark Application, 2020-2021
- 1360 Vine Street, City of Los Angeles, CEQA Historical Resources Technical Report, 2020-2021
- 1475 E. El Segundo Boulevard, El Segundo, CEQA Historical Resources Report, 2020
- 4080 Lafayette Place, Culver City, CEQA Historical Resources Technical Report, 2020
- Architecture & Engineering Context, Los Angeles Citywide Historic Context Statement, 2019
- Broadway Federal Midtown Branch, Los Angeles, Character-Defining Features Analysis and CEQA Historical Resource Report, 2018
- CF Braun & Company Plant, Alhambra, CEQA Historical Resource Report, 2018
- Hooper Center, Webb Schools, Claremont, Secretary of the Interior's Standards Compliance, 2018
- Los Angeles Mills Act Program, Pre-contract Services and Periodic Inspections, 2017-2020
- Laguna Beach Mills Act Program, Application Reports, 2017-2020
- North Beach Historic District, San Clemente, National Register Nomination, 2021
- WM Keck Science Center, Scripps College, Claremont, Secretary of the Interior's Standards Compliance, 2018-2020
- West Covina Historic Resources Survey and Context Statement Update, 2018-2019



Appendix B – DPR Forms

McEwen et al.
HAWAII REGION

Agency No. _____
ESI No. _____
City/County _____
FIRM Status Code _____

Page ____ of ____

Other Listing _____
Series Code _____ Worksheet _____ Date _____

21. Resource Identifier: Single Family Residential Property

22. Location: a. County (Los Angeles) _____ and (Address and/or UTM Coordinates. Attach Location Map as required.)
b. Address: 2501 CURTIS AVENUE
City: Redondo Beach, California
c. UTM: USGS Quad _____ (7.5'/15') Date: 1987 Zone: 11
d. Other Locational Data (e.g. parcel no., topo description, directions to resource, additional UTM, etc. when appropriate.)

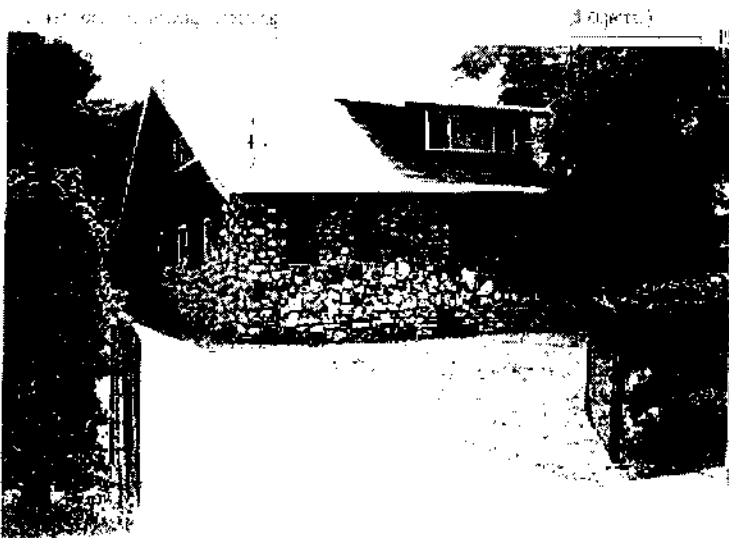
23. - USE ONLY

24. Description (Describes resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries.)

Single-story, rectangular building, in Craftsman style, with gabled roof, and wood and stone siding. Windows include fixed, casement, and covered slyes, and replacement windows with aluminum frame sliders. Building is in excellent condition, with no alterations.

This building is a likely candidate for local designation.

4. Resource Present: ☒ Building Structures ☐ Object ☐ Tree ☐ District ☐ Element of District



10. Date Constructed/Altered:
Historic ☒ Historic ☐ Both
1934

Owner and Address:
City of Redondo Beach, Planning Dept.
411 Bayview Street
Redondo Beach, California 90278

Recorded by: (Name, Affiliation and Address)
McEwen, Paul J., Research, S. Oakland
Volcano, et al.
2014 Friends Avenue
Whittier, California 90601
(714) 696-3352 or (714) 693-0055 FAX

Date Recorded: March/July 1996

11. Type of Survey: ☐ Intensive ☐ Reconnaissance
☒ Other

12. Survey: Historic Resources Survey - Arch. Cultural

13. Report Citation (Provide full citation or enter "None"). McEwen, Paul J., et al. - Historic Resources Survey for the City of Redondo Beach, Los Angeles County, California. 1996. 116, 204 Pages. Information Center.

Attachments: ☒ Aerial Map ☐ Map Sheet ☐ Contribution Form ☐ Building, Structures, Object Record ☐ Linear Resource Record ☐ Archaeological Record ☐ District Record ☐ Milling Station Record ☐ Back and Record ☐ Artifact Record ☐ Photograph Record ☐ Other (List):

RESOLUTION NO. 2022-07-PR-04

**A RESOLUTION OF THE PRESERVATION COMMISSION OF
THE CITY OF REDONDO BEACH DENYING THE REQUEST
FOR THE REMOVAL OF PROPERTY LOCATED AT 2501
CURTIS AVENUE FROM THE LIST OF POTENTIAL HISTORIC
RESOURCES PURSUANT TO THE REQUIREMENTS OF
CHAPTER 4, TITLE 10 OF THE REDONDO BEACH MUNICIPAL
CODE**

WHEREAS, an application has been filed by the owners to remove the property located at 2501 Curtis Avenue from the List of Potential Historic Resources pursuant to Chapter 4, Title 10 of the Municipal Code; and

WHEREAS, notice of the time and place of the public hearing was given according to the requirements of law; and

WHEREAS, on July 6, 2022, the Preservation Commission of the City of Redondo Beach held a public hearing to consider this application, at which time all interested parties were given an opportunity to be heard and to present evidence.

NOW, THEREFORE, THE PRESERVATION COMMISSION OF THE CITY OF REDONDO BEACH DOES HEREBY FIND AS FOLLOWS:

SECTION 1. The building exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering or architectural history. The property is distinctive and one-of-a-kind. It was also one of the first houses built in North Redondo Beach.

SECTION 2. The property is connected to persons or events that are significant in local, state or national history. The owner that built the property was featured in the Los Angeles Times at least twice.

SECTION 3. The building embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship. The characteristics of the home represent a certain method of construction.

SECTION 4. While modifications were made to the structure, the shape and form of the building remains intact.

NOW, THEREFORE, THE PRESERVATION COMMISSION OF THE CITY OF REDONDO BEACH DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Based on the findings contained herein, the Preservation Commission hereby denies the request for the removal of the property located at 2501 Curtis Avenue from the List of Potential Historic Resources.

FINALLY BE IT RESOLVED, that the Preservation Commission forward a copy of this resolution to the City Council and all appropriate City departments and any other interested governmental and civic agencies.

PASSED, APPROVED AND ADOPTED this 6th day of July, 2022.

Preservation Commission Chair
City of Redondo Beach

The foregoing resolution was adopted on July 6, 2022 by the following roll call vote:

AYES:

NOES:

ABSENT:

APPROVED AS TO FORM:

City Attorney



Certificate of Appropriateness for Removal from the List of Potential Historic Resources

2501 CURTIS AVENUE

July 6, 2022

PROJECT SITE

- ▶ Located at corner of Curtis Avenue and Phelan Lane
- ▶ Zoned R-2, Multi-Family Residential
- ▶ Lot is 100 feet in width, 100 feet in depth
- ▶ One parcel across two lots
- ▶ City survey – Craftsman (B-rated) built around 1934



Google Images



Front Elevation - Curtis Avenue



Side Elevation – Phelan Lane



STAFF ASSESSMENT

- ▶ Historic Inquiry Form – September 9th
- ▶ Site walk – September 23rd
- ▶ Staff Assessment – October 1st
 - ▶ Found site to be eligible for local landmark designation
 - ▶ While unusual, still a good example of Craftsman style
 - ▶ Site utilized as a religious center
 - ▶ Home to one of the few female engineers in RB

PRESERVATION ORDINANCE

- ▶ Code Section 10-4.104 - Definition of potential historic resource
- ▶ Code Section 10-4.311 - Allows owners to request removal from the historic resources list with “verifiable documentation”
- ▶ Code Section 10-4.404 - Removal or demolition requires commission review, outlines criteria
- ▶ Code Section 10-4.404(c) - Demolition requests shall not be considered without the proposed new construction
- ▶ Code Section 10-4.404(b) – Commission may require a memorial at the site

GPA CONSULTING

- ▶ Historic Resource Evaluation dated February 1, 2022
- ▶ Report found the site to be ineligible for designation on the local, state, or national registers
 - ▶ No important association with early development patterns of the area
 - ▶ Some Craftsman elements, but does not have key features
 - ▶ Substantially altered over time, including applied stonework
 - ▶ Site is not connected with people of local prominence

POTENTIAL DEVELOPMENT

- ▶ If approved for removal from the list, site can be demolished and redeveloped
- ▶ The application notes the intent to sell the property to a local developer
- ▶ Parcel is 10,000 SF in size
- ▶ R-2 Zone (10-2.513) - Three dwelling units

STAFF RECOMMENDATION

- ▶ Review the supporting materials
- ▶ Take public testimony
- ▶ Make a determination regarding the Certificate of Appropriateness for the property at 2501 Curtis Avenue
- ▶ Two draft Resolutions have been prepared for consideration



Community Development Department
Planning Division

415 Diamond Street, P.O. Box 270
Redondo Beach, California 90277-0270
www.redondo.org

tel: 310 318-0637
fax: 310 372-8021

October 1, 2021

Herb Spence
hjspence@aitsc.net

RE: Historic Status of 2501 Curtis Avenue, Redondo Beach, CA

Mr. Spence,

Thank you for providing the Historic Inquiry Form on September 9th requesting the historic status of the property located at 2501 Curtis Avenue. Staff has completed the review of the City records and the following are the findings:

Building and Planning Records

The City's survey of potential historic resources notes this property as B-rated in the Craftsman style. Building records show that the residence was built in 1933, including the original house and garage. A new garage permit was processed in 1968, but was subsequently cancelled. Repairs were completed in 1984 for fire damage. Planning records reflect a request for a Zone Variance in 1943. The application requested a nonstandard subdivision of the northern portion of the property, but the request was ultimately denied by the Planning Commission.

Site Conditions

Photos of the existing site were provided to staff via email on September 20th. Staff also performed a site walk on September 23rd. The house is indeed Craftsman with a generally square floor plan, wood exterior shingles, and an open north-south gable. The majority of the openings appear to be original with wood frames and trim. The picture windows on either side of the south-facing entry, however, have been replaced. There are dormers on both the east and west sides of the gable roof. These dormers allow for light and ventilation in the two upper bedrooms. These dormers have vertical wood board and batten siding.

The house also exhibits a partial stone exterior, most likely added after the original construction was completed. The stone appears to be applied on the outside of the original wood shingles. The stone includes rounded river rock as well as flat, stacked stone. There is a chimney along the east elevation that also exhibits this stonework. It is worth noting that the fireplace on the inside of the house exhibits stonework, but of a

different style. This stonework was most likely constructed as part of the original home. The majority of the windows and doorways inside the house have decorative wood trim.

The roof, exposed rafters ends, and fascia appear to need maintenance. The remainder of the exterior materials appear to be in acceptable shape.

Historic Background

Claude C. Campbell and Mae Campbell built the house in 1933 and lived there until 1942. Reverend Mae Campbell is noted in the Redondo Reflex as the pastor of the Temple of the Holy Cross with weekly services held at the site from around 1940 to 1942. Claude is referenced as a machinist in the city directories. The application for the Zone Variance was processed by Martin O. and Lucille L. Landers. Both were active members of the Church of Jesus Christ of Latter-Day Saints (LDS). Martin is listed as a machinist at Northrop and Lucille's obituary notes her as one of only three female engineers (of about 800) at the Northrop Aeronautical School of Engineering. City records note the Landers family as owners from 1943 to at least 1960. Per the Historic Inquiry Form provided to staff, the Lester family lived here briefly from about 1968 to 1971. The most recent owner, Gloria Spence, purchased the property in 1971.

Conclusion

While the property needs some maintenance and has unusual exterior stonework, the building overall is a good example of Craftsman architecture. The Craftsman style is the most prominent style in Redondo Beach and it could even be argued that the stonework makes it all the more unique. With the site hosting weekly services, it could also be argued that the property served as a religious center during the early development of this community. Lastly, this site was home to one of the few local female engineers with ties to an industry that became very important to the growth of the northern portion of Redondo Beach. For the reasons noted above, it is staff's opinion that this property is most likely eligible for local landmark designation.

The current owners have the option to explore designation or to engage with a Preservation Consultant to obtain a formal Historic Resources Evaluation. The evaluation is a much more in-depth review of research beyond the City records. Please note that designating a property as a local historic landmark does not preclude the property from being expanded through the Certificate of Appropriateness (COA) application process. Through the COA review process, the owners could explore compatible floor area additions as well as accessory dwelling units. Likewise, the interior of the home can be further renovated to meet more modern standards.

Please feel free to contact me if you have any questions at stacey.kinsella@redondo.org.

Thank you,

Stacey Kinsella

Stacey Kinsella
Associate Planner
Liaison to the Preservation Commission

**2501 Curtis Avenue
Redondo Beach, California**



Draft Historical Resource Evaluation Report

Prepared by:

CONSULTING



February 1, 2022

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Appendix A – Résumés

Appendix B – DPR Forms



EXECUTIVE SUMMARY

This report presents the results of a historical resource evaluation of the property located at 2501 Curtis Avenue in the City of Redondo Beach (City). The property is located on the southwest corner of Phelan Lane and Curtis Avenue. It consists of one legal parcel which corresponds with Assessor's Parcel Number (APN) 4153-015-010 . The property is improved with a one-and-half-story single-family residence constructed in 1933.

GPA Consulting (GPA) was retained to complete this evaluation to determine whether the property is a historical resource as defined by the California Environmental Quality Act (CEQA). The property is not currently designated under any national, state or local landmark or historic district programs; however, it was identified in the 1996 *City of Redondo Beach Historic Resources Survey* as an unaltered Craftsman style building and given a "B"-rating: identified as individually eligible for local landmark designation.

After careful inspection, investigation, and evaluation, GPA concluded that the property does not appear to be eligible for listing in the National Register of Historic Places (National Register) and California Register of Historical Resources (California Register), or eligible for designation as a Redondo Beach Landmark due to a lack of significance and physical integrity. The recommended status code is 6Z, ineligible for national, state, and local designation through survey evaluation. Therefore, the building on the property is not a historical resource under CEQA.

1. INTRODUCTION

1.1 Purpose

The purpose of this report is to analyze whether the subject property in the City of Redondo Beach is considered to be a historical resource as defined by the California Environmental Quality Act (CEQA). The property at 2501 Curtis Avenue is located on the corner of Curtis Avenue and Phelan Lane in the North Redondo neighborhood of the City of Redondo Beach (see Figure 1). It encompasses one legal parcel associated with Los Angeles County Assessor Parcel Number (APN) 4153-015-010 and features a one-and-a-half story, single-family residence constructed in 1933.

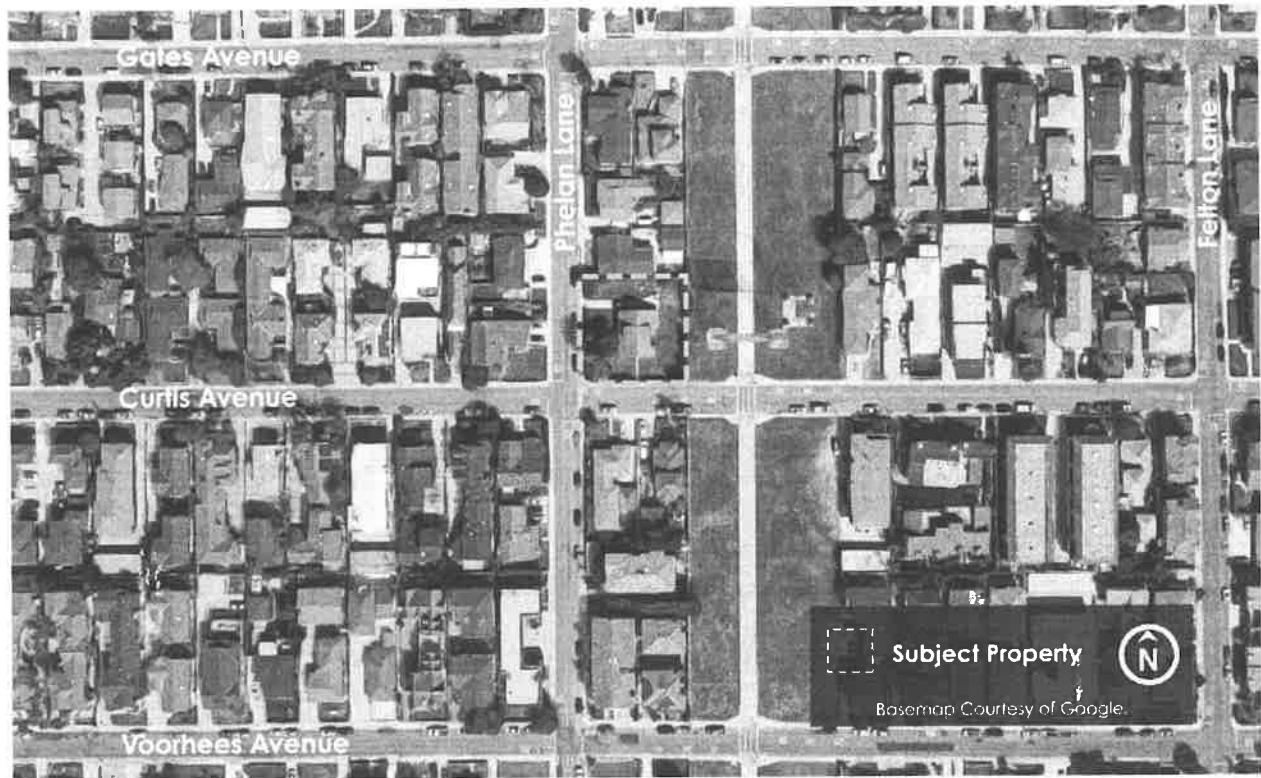


Figure 1: Location of property.

1.2 Methodology

1. Consulted the Built Environment Resources Directory (BERD) to determine whether or not the property is currently listed as a landmark or part of a historic district under national or state programs and whether or not the property has been previously identified or evaluated as a historical resource. The BERD, maintained by the State Office of Historic Preservation, includes information on cultural and historical resources reviewed for eligibility to the National Register of Historic Places and the California Historical Landmarks programs through federal and state environmental compliance laws, and resources nominated under federal and state registration programs. It replaces the California Historic Resources Inventory System (CHRIS). While the BERD may not include all mapped data on historical or cultural resources filed with the South Central Coastal Information Center



(SCCIC), it includes information on previously evaluated properties. The review of the BERD revealed no prior evaluations of the property.

2. Consulted the findings of the 1986 and 1996 citywide historic resources surveys of Redondo Beach to determine if the building was identified as a potential historical resource. Structures on the Historic Resources Survey are classified into four categories of historical significance:

"A"- buildings which are obvious examples of historically significant or notable structures indicated by distinctive architectural characteristics or age; "B"- buildings which are somewhat less unusual or distinctive in terms of age or architecture; however these are well designed buildings which research may prove to have a relationship to important events or persons in history; "C"- buildings which reveal much of their original architectural style (not substantially altered) and are fairly modest in architectural style and are less likely to have historical significance. Most of these buildings are good candidates as contributing structures in historic district; "D"- buildings which are clearly not significant in terms of architectural style or have been substantially altered from the original style.¹

This research revealed that the property was given a "B"- rating and identified as individually eligible for local landmark designation as an example of an unaltered Craftsman style building (see **Appendix B**).

3. Conducted an intensive field inspection of the Property on December 29, 2021, during which GPA assessed the general condition and physical integrity of the building on the property. Digital photographs of the exterior of the building were taken during the field inspection.
4. Conducted research into the history of the property. Sources referenced included building permit records, city directories, historic aerial photographs, prior survey data, newspaper archives, and the *Redondo Reflex* newspaper archives, available through the City Redondo Beach website.
5. Consulted the *City of Redondo Beach Historic Context Statement* to identify the appropriate contexts and themes under which to evaluate the property.
6. Reviewed and analyzed ordinances, statutes, regulations, bulletins, and technical materials relating to national, state, and local historic preservation designations, and assessment processes and programs to evaluate the significance and integrity of the building as a potential historical resource.

1.3 Qualifications of Preparers

Emma Haggerty and Audrey von Ahrens, Associate Architectural Historians at GPA Consulting, were responsible for the preparation of this report and fulfill the qualifications for a historic preservation professional outlined in Title 36 of the Code of Federal Regulations, Part 61. Their résumés are included in **Appendix A**.

¹ Thirtieth Street Architects, Inc., *City of Redondo Beach Historic Context Statement*, (Redondo Beach, CA: City of Redondo Beach, 1986) 10.

2. REGULATORY FRAMEWORK

Generally, a lead agency must consider a property a historical resource under CEQA if it is eligible for listing in the California Register of Historical Resources (California Register). The California Register is modeled after the National Register of Historic Places (National Register). Furthermore, a property is presumed to be historically significant if it is listed in a local register of historical resources or has been identified as historically significant in a historic resources survey (provided certain statutory criteria and requirements are satisfied) unless a preponderance of evidence demonstrates that the property is not historically or culturally significant.² A lead agency may also treat a resource as historic if it meets statutory requirements and substantial evidence supports the conclusion. The National Register, California Register, and City of Redondo Beach local designation programs are discussed below.

2.1 National Register of Historic Places

The National Register is "an authoritative guide to be used by federal, state, and local governments, private groups, and citizens to identify the nation's cultural resources and to indicate what properties should be considered for protection from destruction or impairment."³

Criteria

To be eligible for listing in the National Register, a property must be at least 50 years of age (unless the property is of "exceptional importance") and possess significance in American history and culture, architecture, or archaeology. A property of potential significance must meet one or more of the following four established criteria:⁴

- A. Associated with events that have made a significant contribution to the broad patterns of our history; or
- B. Associated with the lives of persons significant in our past; or
- C. Embody the distinctive characteristics of a type, period, or method of construction or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- D. Yield, or may be likely to yield, information important in prehistory or history.

Context

To be eligible for listing in the National Register, a property must be significant within a historic context. "National Register Bulletin 15" states that the significance of a historic property can be judged only when it is evaluated within its historic context. Historic contexts are "those patterns, themes, or trends in history by which a specific...property or site is understood and its meaning...is made clear."⁵ A property must represent an important aspect of the area's history or prehistory and possess the requisite integrity to qualify for the National Register.

² Public Resources Code §5024.1 and 14 California Code of Regulations §4850 & §15064.5(a)(2).

³ Title 36 Code of Federal Regulations Part 60.2.

⁴ Title 36 Code of Federal Regulations Part 60.4.

⁵ "National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation," U.S. Department of the Interior, National Park Service, Cultural Resources, eds. Patrick Ancius and Rebecca Shrimpton, accessed August 21, 2019, https://www.nps.gov/subjects/nationalregister/upload/NRB-15_web508.pdf 7-8.

Integrity

In addition to possessing significance within a historic context, to be eligible for listing in the National Register a property must have integrity. Integrity is defined in "National Register Bulletin 15" as "the ability of a property to convey its significance."⁶ Within the concept of integrity, the National Register recognizes the following seven aspects or qualities that in various combinations define integrity: feeling, association, workmanship, location, design, setting, and materials. Integrity is based on significance: why, where, and when a property is important. Thus, the significance of the property must be fully established before the integrity is analyzed.

2.2 California Register of Historical Resources

In 1992, Governor Wilson signed Assembly Bill 2881 into law establishing the California Register. The California Register is an authoritative guide used by state and local agencies, private groups, and citizens to identify historical resources and to indicate what properties are to be protected, to the extent prudent and feasible, from substantial adverse impacts.⁷

The California Register consists of properties that are listed automatically as well as those that must be nominated through an application and public hearing process. The California Register automatically includes the following:

- California properties listed in the National Register and those formally Determined Eligible for the National Register;
- State Historical Landmarks from No. 0770 onward; and
- Those California Points of Historical Interest that have been evaluated by the State Office of Historic Preservation (SOHP) and have been recommended to the State Historical Resources Commission for inclusion on the California Register.⁸

Criteria and Integrity

For those properties not automatically listed, the criteria for eligibility of listing in the California Register are based upon National Register criteria, but are identified as 1-4 instead of A-D. To be eligible for listing in the California Register, a property generally must be at least 50 years of age and must possess significance at the local, state, or national level, under one or more of the following four criteria:

1. It is associated with events that have made a significant contribution to the broad patterns of local or regional history, or the cultural heritage of California or the United States; or
2. It is associated with the lives of persons important to local, California, or national history; or
3. It embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values; or
4. It has yielded, or has the potential to yield, information important in the prehistory or history of the local area, California, or the nation.

⁶ "National Register Bulletin 15," 44-45.

⁷ Public Resources Code §5024.1 (a).

⁸ Public Resources Code §5024.1 (d).

Properties eligible for listing in the California Register may include buildings, sites, structures, objects, and historic districts. It is possible that properties may not retain sufficient integrity to meet the criteria for listing in the National Register, but they may still be eligible for listing in the California Register. An altered property may still have sufficient integrity for the California Register if it maintains the potential to yield significant scientific or historical information or specific data.⁹

A property less than 50 years of age may be eligible if it can be demonstrated that sufficient time has passed to understand its historical importance.¹⁰

The California Register may also include properties identified during historic resource surveys. However, the survey must meet all of the following criteria:¹¹

1. The survey has been or will be included in the State Historic Resources Inventory;
2. The survey and the survey documentation were prepared in accordance with office [SOHP] procedures and requirements;
3. The resource is evaluated and determined by the office [SOHP] to have a significance rating of Category 1 to 5 on a DPR Form 523; and
4. If the survey is five or more years old at the time of its nomination for inclusion in the California Register, the survey is updated to identify historical resources that have become eligible or ineligible due to changed circumstances or further documentation and those that have been demolished or altered in a manner that substantially diminishes the significance of the resource.

SOHP Survey Methodology

The evaluation instructions and classification system prescribed by the SOHP in its *Instructions for Recording Historical Resources* provide a Status Code for use in classifying potential historical resources. In 2003, the Status Codes were revised to address the California Register. These Status Codes are used statewide in the preparation of historical resource surveys and evaluation reports. The first code is a number that indicates the general category of evaluation. The second code is a letter that indicates whether the property is separately eligible (S), eligible as part of a district (D), or both (B). There is sometimes a third code that describes some of the circumstances or conditions of the evaluation. The general evaluation categories are as follows:

1. Listed in the National Register or the California Register.
2. Determined eligible for listing in the National Register or the California Register.
3. Appears eligible for listing in the National Register or the California Register through survey evaluation.
4. Appears eligible for listing in the National Register or the California Register through other evaluation.
5. Recognized as historically significant by local government.

⁹ Title 14 California Code of Regulations §4852 (c).

¹⁰ Title 14 California Code of Regulations §4852 (d) (2).

¹¹ Public Resources Code §5024.1.



6. Not eligible for listing or designation as specified.
7. Not evaluated or needs re-evaluation.

The specific Status Code referred to in this report is as follows:

- 6Z** Found ineligible for National Register, California Register, or local designation through survey evaluation.

2.3 Redondo Beach Historic Preservation Ordinance¹²

The City of Redondo Beach adopted its Historic Preservation Ordinance in 1989. The Ordinance (Title 10, Redondo Beach Municipal Code §2, Ord. 2554) outlines the purpose and intent of the City's Preservation Program, the responsibilities and qualifications of the Preservation Commission, and criteria and procedures for designation of landmarks and districts. Local landmarks are individual buildings or districts that are at least fifty (50) years of age¹³ and must reflect a special element of the city's history, be identified with special persons or events, represent the work of a noted architect or builder, embody a unique architectural character, or represent established and familiar landmarks within the community.

A property must meet one or more of five criteria for designation established in Chapter 4, Article 2, Section 10-4.201 of the City of Redondo Beach Municipal Code. The five criteria are as follows:

- (a) It exemplifies or reflects special elements of the City's cultural, social, economic, political, aesthetic, engineering, or architectural history; or
- (b) It is identified with persons or events significant in local, state or national history; or
- (c) It embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship; or
- (d) It is representative of the notable work of a builder, designer, or architect; or
- (e) Its unique location or singular physical characteristic(s) represents an established and familiar visual feature or landmark of a neighborhood, community, or the City.¹⁴

¹² Redondo Beach Municipal Code, Title 10, Chapter 4, Article 2 – Landmark and Historic District Designation Criteria.

¹³ A historic resource of at least thirty (30) years of age may be eligible if the Preservation Commission determines that the resource is very exceptional, or that it is threatened by demolition, removal, relocation, or inappropriate alteration.

¹⁴ Redondo Beach Municipal Code, Title 10, Chapter 4, Article 2, Section 10-4.201.

3. ENVIRONMENTAL SETTING

2501 Curtis Avenue is in the North Redondo neighborhood of the City of Redondo Beach, located northeast of the intersection of Curtis Avenue and Phelan Lane (see **Figure 2**). These streets are two-lane residential streets with two-way traffic traveling north-south. The surrounding parcels are developed single- and multi-family residential buildings constructed between the 1930s and 2020s. Immediately east of the property is publicly owned land occupied by a steel transmission tower, part of the La Fresa Transmission Line, and the North Redondo Beach bike path (see **Figure 3**).



Figure 2: Location of Property.



Figure 3: View looking northeast, January 2022, Source: GPA.

3.1 Description and History of the Property

2501 Curtis Avenue comprises a rectangular-shaped parcel on a corner lot. The property is improved with a single-family residence. The residence is situated near the central of the parcel and is oriented to the south, overlooking Curtis Avenue (see **Figure 4**). Surrounding the residence are front, rear, and side yards, each similar in size. The rear (north) yard is improved with a scored concrete driveway that runs east-west in length and is accessed from Phelan Lane (see **Figure 5**). Pedestrian access is from Curtis Avenue via a narrow, concrete walkway in the front (south) yard. A metal chain-link fence surrounds the perimeter of the property.



Figure 4: South and east elevations, view looking northwest, January 2022, Source: GPA.



Figure 5: North and west elevations, view looking southeast, January 2022, Source: GPA.

Architectural Description

The single-family residence is one-and-a-half-stories in height and rectangular in plan. It has a front-gabled roof with shed roof extension on the northeast dormers on the east and west roof planes. The roof is clad in composition shingles and has open, overhanging eaves with exposed wood rafter tails and simple wood bargeboards. The exterior is clad in a combination of wood shingles, board-and-batten, and stone veneer. Fenestration on the south and west elevations is symmetrically arranged and evenly spaced while fenestration on the north and east elevations is asymmetrically arranged.

The south (primary) elevation faces Curtis Avenue (see **Figure 6**). The first story is clad in applied stone veneer and the upper story within the gable has wood shingles. The stone veneer consists of a combination of arroyo stones, fieldstone and various other larger stone types applied in no apparent pattern. The main entrance is centered on the elevation. A battened wood door and metal security screen are accessed by four stone and concrete steps with metal pipe railing. The entrance is flanked by large vinyl windows with simulated divided lights. Simple wood brackets are located at each end of the elevation beneath the roof eaves.

The west elevation faces Phelan Lane and is clad in stone veneer with visible differences in the type, shape, size, and color stone, similar to that of the south elevation (see **Figure 7**). Six recessed window openings are evenly spaced across the elevation, each with single-light wood casement sash with eight-light transoms behind aluminum screens. Centered on the west roof plane above is a shed dormer clad in board-and-batten siding with a tripartite window with wood, single-light casement sash.



Figure 8: North elevation, view looking south. January 2022. Source: GPA.



Figure 6: South elevation, view looking north. January 2022. Source: GPA.



Figure 7: West elevation, view looking east. January 2022. Source: GPA.

The north elevation overlooks the rear driveway and is primarily clad in wood shingles with a small portion on the west clad in stone veneer (see **Figure 8**). The stone veneer consists of arroyo stones and fieldstones applied in an irregular pattern. A rear entrance is located on the one-story, shed roof addition at the east end of the elevation. The wood paneled door is partially glazed with a one-over-one metal window. West of the entrance on the original portion of the residence, the elevation consists of evenly

spaced window openings of various sizes and window types. There are three windows on the ground floor including (from east to west): a wood picture window with single-light, a metal sliding sash window with single lights, and a wood single-light casement sash with eight-light transom. On the upper story is a tripartite window beneath the gable peak with center fixed single-light and single-light side casements. Each of the windows on this elevation have a simple wood surround.



Figure 9: East elevation, view looking west, January 2022. Source: GPA.

The east elevation overlooks the rear yard and is asymmetrically arranged (see **Figure 9**). It is predominately clad in stone veneer like that of the south and west elevations. Near the center of the elevation is an entrance opening with paired, multi-light, wood French doors. An exterior chimney is located on the south end of the elevation, clad in stone. The chimney stack tapers above the roofline and has a rounded arch cap made of stone. Flanking the chimney are recessed window openings. The southernmost window is a single-light casement with eight-light transom. The northernmost

consists of a jalousie window with eight-light transom obscured behind metal security bars. On the north end of the elevation is the one-story projection volume of an enclosed porch addition with shed roof. It is clad in wood shingles and has a grouping of wood windows with single-light casement sash. Above the ground floor, the east roof plane has a shed dormer the same as that of the west elevation.

Construction History

The property was first developed in 1933 by owner Claude C. Campbell, who constructed the existing single-family residence with a detached garage (demolished). No building permit records were available from the City of Redondo Beach. However, visual observations made during the site visit conducted by GPA in December 2021 provide evidence of alterations that have occurred since initial construction, listed below. Due to the lack of building permit records, the exact dates of these alterations are unknown. Estimate dates based on photographic and/or physical evidence are provided when possible.

- Application of stone veneer cladding to all exterior elevations, covering the original wood shingle by 1945.¹⁵
- Demolition of original detached garage in north yard between 1960 and 1969.¹⁶
- Addition of a metal security door on the main entrance prior to 2012.
- Replacement of two original windows on the primary (south) elevation with incompatible, simulated divided light vinyl windows within original openings, c. 2014-2017.
- Modification of concrete steps at primary entrance with addition of stone and a metal pipe handrail at an unknown date.
- Replacement of all original multi-light windows on the north, east and west elevations with single-light windows and one jalousie window at an unknown date.
- Original window replaced with single-light square window in easternmost corner of first floor, north elevation at an unknown date.

¹⁵ "Starts Factory in Redondo," *Redondo Rellex*, May 25, 1945.

¹⁶ City of Redondo Beach Planning Commission Meeting Minutes, 1959.

- Addition of one-story volume with shed roof or enclosure of a porch on the north end of the east elevation at an unknown date.
- Addition of aluminum framed screens on most window openings at unknown dates.
- Replacement of original roof shingles with incompatible composition shingle roof at an unknown date.
- Addition of chain-link metal fence around perimeter of property at an unknown date
- Alteration of roof eaves with plywood soffit at north and east elevations at an unknown date.

Ownership and Tenant History

The original owner was Claude C. Campbell, who resided at the property with his wife, Mae Campbell, from 1933 until 1942.¹⁷ Claude worked as a machinist for the Southern Pacific Railroad.¹⁸ Mae was a pastor and was ordained as a minister in 1937, after which she utilized the property as a meeting space for the Temple of the Holy Cross until the Campbell's sold the property in 1942.¹⁹ The second owners, Martin O. Landers and Lucille L. Landers, resided at the property from 1942 until at least 1960.²⁰ They both worked for Northrop, an aerospace and defense technology company based out of Redondo Beach.²¹ Martin was a machinist and Lucille was an engineer.²² No information regarding the names of the property owners between 1960 and 1971 was found. In 1971, Gloria Spence purchased the property in 1971 and resided there on and off until 2013.²³

¹⁷ City Directory, Redondo Beach, 1944.

¹⁸ "Starts Factory in Redondo."

¹⁹ "As We Heard It," *Redondo Reflex*, September 10, 1937, 5.

²⁰ Lucille Landers, *South Idaho Press*, September 28, 2005, 2.

²¹ Ibid.

²² Ibid., City Directory, Redondo Beach, 1944-1960.

²³ Los Angeles County Recorder's Office, February 2013.

4. HISTORIC CONTEXTS

The significance of a property must be evaluated within its historic context(s). Historic contexts are those patterns or trends in history by which a specific property is understood. The most applicable contexts for evaluating the property at 2501 Curtis Avenue are the history of Redondo Beach and early residential development in North Redondo. Because previous surveys of the property identified the building as significant within the Craftsman style and as a stone building, the following contexts are included for clarification: the Arts & Crafts Movement including the Craftsman style and Craftsman bungalows, as well as Arroyo stone buildings.

4.1 Brief History of Redondo Beach²⁴

Redondo Beach lies on the western edge of the Peninsular Mountain Range which runs northwest and southeast along the coast of Southern California. It is approximately 17 miles from the City of Los Angeles, situated on the southern end of modern Santa Monica Bay. The incorporated city rests on portions of three historic ranchos: San Pedro, Los Palos Verdes, and Sausal Redondo. Several distinct sections make up the modern city of 6.35 square miles. The original city was established in 1887. The area of this original site covered 1,214.08 acres or approximately 2 square miles. A second section to the northeast, the Redondo Villa Tracts [of which 2501 Curtis Avenue is apart], was first subdivided in 1906 and became part of the city in 1927. This annexation brought an additional 2,252.6 acres (approximately 4 square miles) of rural territory to the original townsite and created a city structure reminiscent of two rectangles set side-by-side, one set slightly above the other, which overlap at one corner. Today, the area included in the 1927 annexation is generally referred to as "North Redondo." Clifton-by-the-Sea, adjoining the original city on the south, began in 1906. A portion of it annexed to the city in 1913, and other tracts within the area have annexed at different times since then. The final section, Hollywood Riviera, lies south of Clifton-by-the-Sea and is divided between Redondo Beach and Torrance. These latter areas, although originally distinct, today blend into the resort and residential ambiance of the original city. The original community of about 1,214 acres was planned in 1887 on a natural amphitheater above the beach. Because of the limited acreage, the land was devoted to residential resort living and wharf related industry. Only a few yards out to sea, the amphitheater continues into a deep-water canyon. Early promoters of the town pointed to the flat surface of the water and commented that oil deposits seeping up from the canyon helped to keep the water calm. Experience, however, has shown otherwise. The bay, while partially sheltered, is subject to severe storm action. The storms, and the first breakwater designed to protect the beach front changed the configuration of the shoreline even before construction of the present Southern California Edison plant in 1946 and King Harbor marina in the 1960s. In recent decades, Redondo Beach has undergone many changes, especially along the waterfront where the marina, King Harbor, has replaced most of the early industrial area and the associated small dwellings. Modern condominium developments, which now stand in place of the original

²⁴ The following, unless otherwise noted, is excerpted from Historical Resources Management and Joseph J. Milkovich and Associates, *City of Redondo Beach Historic Context Statement* (Redondo Beach: City of Redondo Beach Community Development Department—Planning Division), 3-5 and 22-28.

downtown business district, have further altered the character of the area. Only one pre-1945 wharf, the Monstad Pier, remains to recall an earlier stage in the City's development. The northern section of the community, composed of approximately 3,000 acres and first known as the Redondo Villa Tracts, is entirely different. Here the land is gently rolling and dry. The soil, however, is productive. Over the years, many small farms and dairy-type operations prospered here. During the late 1920s, oil was discovered in this section, as well as in nearby Torrance, forming the Redondo-Torrance oil field. North Redondo, which was originally subdivided as an agricultural area in 1906 and later experienced further subdivision during the Depression and post-war era, is today defined by its dense population and a broad range of architectural styles. Because of the salt lake, transportation linkages between Redondo, San Pedro and Los Angeles formed very early. When the Santa Fe railroad entered the basin, it made Redondo Beach a terminus for shipping. Two electric railways followed, which served the tourists who flocked to the pleasant beach in good weather. Evidence of these early railway lines remains today and can be seen in street curvature, the location of major intersections and the location of the City's principal commercial centers.

4.2 Residential Development of North Redondo²⁵

Expansion of Commercial and Residential Development

One year after its failed attempt to annex to the city of Hermosa Beach, the Villa Tract Chamber of Commerce joined forces with several leading organizations in Redondo Beach and organized yet another annexation drive. Behind this new effort lay the threat of a million-dollar street paving program proposed by Los Angeles interests who owned 37 per cent of the area's property. Chamber representatives argued that the proposed program was a blatant attempt to recoup lost profits from unproductive oil land, rather than a genuine attempt to modernize the community. This argument succeeded, and on September 20, 1927, voters approved the annexation of the Redondo Villa Tracts to the City of Redondo Beach by a slim margin of thirteen votes.

More than 90% of the eligible voters cast their ballots. At the time of its annexation, the north Redondo area served as home for more than two thousand residents. "It is by far the greatest thing that has ever happened to this city," declared Henry Froude, president of the Redondo Beach Chamber of Commerce. Not all considered the annexation in such a positive light, however. In 1928, several Los Angeles commercial interests filed suit seeking a reversal of the annexation decision. These suits were followed by yet another in 1930. Finally in 1931, the last legal obstacle to the complete and definite annexation of the Villa Tract had been removed.

Residential Development

Although the sub-division forces which were apparent during the early 1920s subsided somewhat during the Depression era, residential tract development continued in north Redondo. Most notable was the Shore Acres sub-division

²⁵ Ibid.



created by the Home Extension Association. Located near the junction of Mathews Avenue and Phelan Lane, this housing project attempted to strike a balance between the original rural identity associated with the Redondo Villa Tract and the more recent identity of residential sub-division. Included as a part of this housing project plan was a co-operative market site where residents of Shore Acres sold produce raised on their property. Each Saturday residents sold flowers, fresh vegetables, fruits, eggs chickens and even canaries to the surrounding communities from the community's market house. A parking area adjacent to the market house was also provided by the Home Extension Association in an effort to attract customers from the surrounding communities of Torrance, Manhattan Beach, Inglewood and Hermosa Beach.²⁶

In 1937, the Redondo Beach City Council formally recognized the increasing residential nature of north Redondo in its acceptance of a Planning Commission recommendation that the area known as Villa Tract No. 2 be rezoned from unlimited industrial to suburban uses.²⁷ Since its subdivision as rural farmland in 1905, north Redondo had experienced several shifts in its economic identity. The first shift occurred in the early 1920s when the land originally subdivided by Carlson for rural development suddenly became popular for its oil producing potential.

The annexation of the area in 1927 and its identification as the city's future industrial site, resulted in yet another shift. Following annexation, almost the entire eastern section of the original Villa Tracts was zoned for industrial purposes. The construction of the Golden State Fireworks Manufacturing Company on property adjacent to Villa Tract No. 2 in 1928 appeared to confirm this industrial trend.

By the early 1930s, however, dreams of unlimited oil production had faded and speculators who had purchased land during the oil boom were seeking opportunities to subdivide their property into residential sites. This move marked the third shift in the area's economy and set into motion a struggle between those seeking residential development and those who sought to perpetuate an industrial economy.

4.3 The Arts & Crafts Movement

The *City of Redondo Beach Historic Context Statement* as well as the City's 1986 and 1996 *Historic Resources Surveys* provide limited information on the Craftsman style, other than that the style was popular in Redondo Beach between 1900 and 1920. For a more in-depth analysis, the *SurveyLA Citywide Historic Context Statement* on the Craftsman style was applied. The most relevant portions were excerpted and adapted for the purposes of this report, below.

Craftsman Style²⁸

Craftsman architecture reflected the Arts and Crafts Movement's [from 1895 to 1930] conscious search for the supposed simplicity of a pre-industrial time when

²⁶ Ibid.

²⁷ Today, this tract is defined by Inglewood, Vail, Robinson and Artesia avenues.

²⁸ GPA Consulting, "Architecture and Engineering, Arts and Crafts Movement (1895-1930) Housing the Masses (1880-1980), Arts and Crafts Neighborhoods (1890-1930)" *Los Angeles Citywide Historic Context Statement* (City of Los Angeles Office of Historic Resources, June 2016), 8-15.

objects revealed the skill and craftsmanship of the laborer and, further, a rejection of the highly ornamented Victorian aesthetic. The Craftsman style applied to more than the building envelope; architects designed everything in harmony, from the furniture and fixtures to the landscape. The "ultimate bungalows" of the Craftsman style were usually two stories in height and custom designed by architects working closely with local artisans. Later [in the 1900s through the 1920s], the aesthetics of the Craftsman style would be adapted to single-story, mass-produced bungalows grouped in neighborhoods for the middle class.

Craftsman Bungalows²⁹

Although the term "bungalow" has been closely associated with the Arts and Crafts movement and the Craftsman style of architecture, it refers to a type of house rather than a style of architecture. As Craftsman style architecture reached the masses in the form of small homes described in catalogues as bungalows, the term became inextricably linked with the style.

The bungalow appeared in California during the first decade of the twentieth century. It was a house type ready made for the mild climate and profound demand brought about by the rapidly expanding population. While some bungalows were custom-designed by architects, most were selected from plan books or catalogues and were constructed by contractors or assembled from prefabricated pieces. The average price was \$3,000.

The Craftsman bungalow dates from the early 1900s through the 1920s. The bungalow's simplicity of form, informal character, direct response to site, and extensive use of natural materials – particularly wood – was a regional interpretation of the socio-economic and aesthetic reforms espoused by the Arts and Crafts Movement's founder, William Morris. Craftsman bungalows generally have rectangular or complex plans and are one to one-and-a-half stories tall. They have wood clapboard or shingle exteriors and are defined by their horizontality with broad front porches, often composed with stone, clinker brick, or stuccoed porch piers. Other character-defining features include low-pitched front-facing gabled roofs, and overhanging eaves with exposed rafter tails.

The *City of Redondo Beach Historic Context Statement* nor the City's 1986 or 1996 *Historic Resources Surveys* provide information on stone buildings. For a more in-depth analysis, the *SurveyLA Citywide Historic Context Statement* on Arroyo stone buildings style was applied. The most relevant portions were excerpted and adapted for the purposes of this report, below.

Arroyo Stone Buildings, 1892-1930³⁰

The Arroyo stone building type is distinguished by elevations clad entirely in arroyo stone. Small groups of arroyo stone buildings can be found in the foothill neighborhoods of Northeast Los Angeles, near the Arroyo Seco, and Sunland-Tujunga in the Crescenta Valley, where arroyo stones (also known as river rocks) could be collected from washes and streams. In most cases, Arroyo stone buildings were constructed by skilled stonemasons or artistic types who were building for

²⁹ Ibid.

³⁰ Ibid.

themselves or others without the assistance of an architect. Charles Lummis, a champion of Arroyo Culture and the Arts and Crafts Movement, constructed his own home, El Alisal, from stones he collected from the Arroyo Seco in 1898. The stone elements of El Alisal exemplify the Arts and Crafts ideal of using native materials to create handcrafted buildings. A small number of individuals continued the tradition of using locally sourced Arroyo stones for cladding an entire building (as opposed to using the stone as an accent material on chimneys, walls, and foundations as is commonly found in Craftsman style buildings). The buildings they created often took a long period of time to construct and their design inspiration frequently came from the architectural styles of the Arts and Crafts movement as well as the forms and shapes of the Mission Revival style, featuring raised parapets, bell towers, and irregular, rambling plans enclosing courtyards and patios.

Character defining/associative features of Arroyo stone buildings include:

- One or two stories in height
- Elevations clad fully with Arroyo stone
- Hipped or gabled roofs with overhanging eaves
- Small, recessed window openings

5. EVALUATION OF ELIGIBILITY

The property at 2501 Curtis Avenue was evaluated for listing in the National Register, the California Register, as well as for designation as City of Redondo Beach Landmark using established criteria and aspects of integrity.

5.1 National Register of Historic Places

Criterion A

To be eligible for listing in the National Register under Criterion A, a property must have a direct association with events that have made a significant contribution to the broad patterns of our history.

The property is in the Villa Tract 2 of the North Redondo neighborhood. The tract was originally subdivided between 1905 and the early 1920s, however it remained largely undeveloped (see **Figure 10** and **Figure 11**).³¹ The surrounding parcels were sold for residential development between the 1920s through the 1930s and was a densely populated residential area by the 1960s (see **Figure 12** and **Figure 13**).

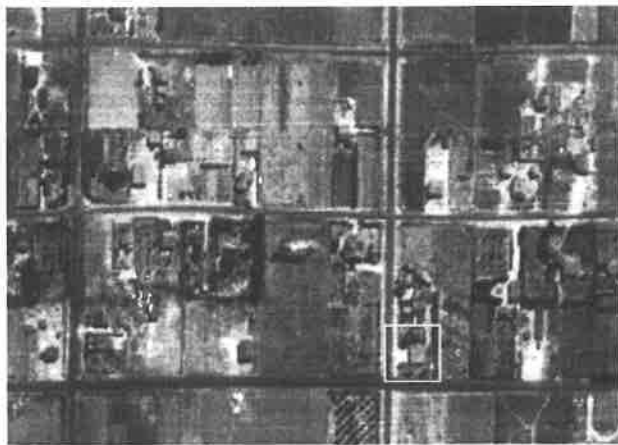


Figure 10: 1938 historic aerial photo. Source: UCSB.



Figure 11: 1941 historic aerial photo. Source: UCSB.



Figure 12: 1947 historic aerial photo. Source: UCSB.



Figure 13: 1960 historic aerial photo. Source: UCSB.

³¹ Historical Resources Management and Joseph J. Milkovich and Associates. *City of Redondo Beach: Historic Context Statement* (City of Redondo Beach Community Development Department), 28.

The property at 2501 Curtis Avenue was initially developed in the 1930s during the period when the North Redondo neighborhood transitioned from primarily agriculture to residential neighborhoods as the land was subdivided. However, the property does not have an important association with the development of North Redondo as the area was already established as a developing residential community twenty-five years before the subject property was built. Properties like 2604 Fisk Lane, constructed in the Craftsman style in 1905 in the North Redondo area better reflect the early development of the neighborhood. Parcels in Villa Tract and Villa Tract 2 were advertised for sale and this industrial and agricultural area quickly changed to a residential community.³² "National Register Bulletin 15" states that mere association with a historic trend is not enough, in and of itself, to qualify under Criterion A: the property's specific association must be considered important as well.³³ The North Redondo neighborhood was subdivided between 1905 and the 1920s, with residential farmsteads, businesses and tract developments being constructed before 2501 Curtis Street was built. The property alone does not display the broad pattern of residential development as this trend began prior to the property's construction and continued until the 1960s when the community was a densely populated, residential neighborhood (see **Figure 13**).

Furthermore, the residence has been so substantially altered over the years such that it no longer conveys its appearance as originally constructed in the 1930s and thus cannot be considered a good or representative example of early residential development in the area. A more detailed analysis of integrity is discussed later in this report.

Claude C. Campbell was the owner-builder of 2501 Curtis Avenue. His construction of the property was not an early development trend, nor did the construction of the property cause a direct influence in the area. As an owner-builder he did not have any influence over the development of the neighboring parcels within North Redondo Beach or the Villa Tract 2, the specific tract where the residence is located.

From 1937 until 1942, the subject property was used as a meeting space for the Temple of the Holy Cross, with owner Mae Campbell as pastor. "National Register Bulletin 15" states that historic significance for a religious property cannot be established on the merits of a religious doctrine, but rather, for architectural or artistic values or for important historic or cultural forces that the property represents.³⁴ The Temple of the Holy Cross was not a significant congregation to the early development of North Redondo Beach as there were already established churches throughout Redondo Beach and North Redondo Beach such as the Grant Church in North Redondo that was established in 1922 (demolished).³⁵ Additionally, this meeting space appears to be the only association with the Temple of the Holy Cross which did not have any additional advertisements in the local paper once the Campbells moved out of the property in 1942. Between 1937 through 1942, no meetings or events important to religious history occurred at the subject property. Research into the history of the congregation did not provide any information that would indicate the church made significant contributions to the North Redondo community or City of Redondo Beach as a whole.

Therefore, the property is not significant under National Register Criterion A.

³² "Classified Advertising," *Redondo Reflex*, 1923-1940.

³³ "National Register Bulletin 15," 12.

³⁴ *Ibid.*, 26.

³⁵ Historical Resources Management, *City of Redondo Beach Historic Context Statement* (Redondo Beach: City of Redondo Beach Community Development Department – Planning Division), 24.

Criterion B

To be eligible for listing in the National Register under Criterion B, a property must be associated with the lives of persons significant in our past.

The earliest residents of the property at 2501 Curtis Avenue were husband and wife, Claude C. and Mae Campbell. They resided at the property from 1933 to until 1942. Claude worked as a machinist for the Southern Pacific Railroad until 1936.³⁶ Mae was a pastor for the Temple of the Holy Cross and held meetings for the congregation at their residence between 1937 until 1942.³⁷ As stated in Nation Register Bulletin 15, "Properties eligible under Criterion B are those associated with a person's productive life, reflecting the time period when he or she achieved significance. In some instances, this may be the person's home; in other cases, a person's business, office, laboratory, or studio may best represent his or her contribution. Properties that pre- or post-date an individual's significant accomplishments are not eligible."³⁸ Additional research into the Campbell's history throughout their time in the residence did not indicate they were significant individuals in our past.

The second owners, Martin O. and Lucille L. Landers, purchased the property in 1942 and resided there until at least 1960 and both worked for Northrop, an aerospace and defense technology company based out of Redondo Beach.³⁹ Martin worked as a machinist and Lucille was an engineer.⁴⁰ Research into both Martin and Lucille did not provide any evidence to suggest that either individual achieved prominence or made substantial contributions within their respective fields. Although it is noteworthy that Lucille worked as an engineer during a time when the profession was male dominated and her career was certainly a personal achievement, Lucille would not be considered an important individual in history on this fact alone. She was not the first female engineer in history, nor did she make any particularly significant contributions in her field such that she would rise to a level of significance.

Research did not reveal the names of individuals that resided at the property between 1960 and 1971. The most recent owner, Gloria Spence, resided at the property from 1971 to at least 2013. No additional information other than her name could be found. Research revealed no indication that she would be a considered significant individual in our past.

The property is not associated with the lives of any significant individuals in history and therefore does not appear to be eligible under Criterion B.

Criterion C

To be eligible for listing under Criterion C, a property must embody the distinctive characteristics of a type, period, or method of construction, represent the work of a master, possess high artistic values, or represent a significant and distinguishable entity whose components may lack individual distinction. This property was evaluated as an example of a bungalow type in the Craftsman style as well as an Arroyo stone building.

The residence at 2501 Curtis Avenue does not reflect a particular architectural style, nor does it embody the distinctive characteristics of a type, period, or method of construction. The building

³⁶ City Directory, Redondo Beach.

³⁷ Temple of the Holy Cross advertisements, *Redondo Reflex*, 1937-1942.

³⁸ National Register Bulletin 15, "21.

³⁹ City Directories, Redondo Beach, 1942 and Lucille Landers, *South Idaho Press*, September 28, 2005, 2.

⁴⁰ Ibid.

is a simple vernacular bungalow that was constructed by an owner-builder. It was common for owner-builders to borrow elements from styles that were employed prior to its construction, or that were popular at the time. As such, the residence has elements that can be attributed to various styles but does not exemplify one particular style as a wholistic design. For example, the one-and-a-half story massing, roof profile with open eaves and exposed rafter tails, wood shingle and board and batten cladding, as well as the wood casement windows with multi-light wood transoms are reminiscent of the Craftsman style. However, the building lacks some of the most important character-defining features of the style, most notably a broad front porch, that would have been composed with stone, clinker brick, or stuccoed porch piers. Thus, while the residence may exhibit some characteristics of the Craftsman style, they would not be considered distinctive. "National Register Bulletin 15" states, "to be eligible, a property must clearly contain enough of those characteristics to be considered a true representative of a particular type, period, or method of construction."⁴¹ Exhibiting some features of a style is not sufficient in and of itself to rise to a level of significance.

Furthermore, the building was constructed outside of the period of significance for the Craftsman style in Southern California, which is considered to be from the mid-1900s to 1930s. As explained in **Section 4.3**, above, the Craftsman style was widely employed throughout the 1900s to 1910s when the style hit its peak but by World War I, the Craftsman style declined in popularity. Although Craftsman bungalows remained prolific during the 1920s, the Craftsman style was outpaced by Period Revival styles by 1930. For all of these reasons, the residence would not be considered a significant example of the Craftsman style as applied to bungalows; therefore, the property does not appear to be eligible for the National Register under this aspect of Criterion C.

Portions of the residence are clad in stone veneer with different types of stone, applied in irregular patterns varying from elevation to elevation. Stone buildings, most commonly referred to as Arroyo stone buildings due to the most abundant source of stone being the Arroyo Seco, were constructed throughout Southern California between 1895-1930. In most cases, Arroyo stone buildings were constructed by skilled stonemasons or artistic types who were building for themselves or others without the assistance of an architect. A small number of individuals continued the tradition of using locally sourced Arroyo stones for cladding an entire building (as opposed to using the stone as an accent material on chimneys, walls, and foundations as is commonly found in Craftsman style buildings). The buildings they created often took a long period of time to construct and their design inspiration frequently came from the architectural styles of the Arts and Crafts movement as well as the forms and shapes of the Mission Revival style, featuring raised parapets, bell towers, and irregular, rambling plans enclosing courtyards and patios.

The property is not an example of an Arroyo stone building since it was originally entirely clad in wooden shingles with stone applied after its construction. Additionally, the property was constructed outside the Arroyo stone building period of significance which lasted from 1895 until 1930. Arroyo stone buildings are typically one or two stories in height, have hipped or gabled roofs with overhanging eaves with elevations clad fully with Arroyo stone, and small, recessed window openings. While the residence has applied stone veneer on some exterior walls, it would not be considered an example of the type or style as it was not purpose-built or designed as a stone building. Rather, the stone was applied later as an alteration. Furthermore, it was built outside the period of significance for Arroyo stone buildings. As such, the residence is not an example of an Arroyo stone building.

⁴¹ "National Register Bulletin 15," 18.



Claude C. Campbell was the original owner-builder of the property. Claude worked as a machinist and was not associated with the construction of any other properties in Redondo Beach. National Register Bulletin 15 states, "A master is a figure of generally recognized greatness in a field, a known craftsman of consummate skill, or an anonymous craftsman whose work is distinguishable from others by its characteristic style and quality." The construction of this property would not elevate him to the master eligibility status. Additionally, even if Campbell was a master builder, the property is not a notable example of any architectural type or style and does not retain integrity to its original date of construction to portray its original design, materials, or workmanship.

The last aspect of Criterion C, representing a significant and distinguishable entity whose components lack individual distinction, refers to historic districts. The surrounding area does not possess a distinct sense of time and place due to the range of architectural styles and property types ranging from construction in the 1930s to present day and does not appear to qualify as a historic district.

Therefore, the property does not appear to be eligible under National Register Criterion C.

Criterion D

To be eligible for listing under Criterion D, a property's physical material must have yielded, or may be likely to yield, information important to history or prehistory.

This criterion generally applies to archaeological resources but may apply to a built resource in instances where a resource may contain important information about such topics as construction techniques or human activity. In any case, the resource must be the principal source of information. This is unlikely to be true for the property at 2501 Curtis Avenue. Therefore, it does not appear to be significant under National Register Criterion D.

Conclusion

There is no evidence that the property located at 2501 Curtis Avenue possesses historical or architectural significance. It does not appear to be eligible for the National Register under any criteria.

5.2 California Register of Historical Resources

The California Register criteria for eligibility mirror those of the National Register. Therefore, the property appears to be ineligible for listing on the California Register for the same reasons outlined above.

5.3 Redondo Beach Historic Preservation Ordinance

The property at 2501 Curtis Avenue was evaluated against the criteria for eligibility for listing in the City of Redondo Beach Historic Register.

Criterion (a)

Properties eligible for listing under Criterion (a) must exemplify or reflect special elements of the City's cultural, social, economic, political, aesthetic, engineering, or architectural history.

As explained in the evaluation under National Register Criterion A, above, research revealed no evidence to suggest that the property exemplifies or reflects special elements of the City's cultural,



social, economic, political, history. As explained in the evaluation under National Register Criterion C, above, research revealed no evidence to suggest that the property exemplifies or reflects special elements of the City's aesthetic, engineering, or architectural history. Therefore, the property does not appear to be eligible for listing as a Landmark under Criterion (a).

Criterion (b)

Properties eligible for listing under Criterion (b) are those that are identified with persons or events significant in local, state or national history.

As explained in the evaluation under National Register Criterion B, above, research revealed no evidence to suggest that the property is identified with any persons significant in local, state or national history. Additionally, as explained in the evaluation under National Register Criterion A, above, there is no evidence to suggest that the property is identified with any events significant in local, state or national history.

Therefore, the property does not appear to be eligible for listing as a City Landmark under Criterion (b).

Criterion (c)

Properties eligible for listing under Criterion (c) embody distinctive characteristics of a style, type, period, or method of construction, or are a valuable example of the use of indigenous materials or craftsmanship.

The property located at 2501 Curtis Avenue is a vernacular bungalow with Craftsman influences that has undergone substantial exterior alterations including changes to fenestration, cladding, and a later addition since its date of construction. The property is not a notable example of the bungalow type or the Craftsman style. While the residence has applied stone veneer on some exterior walls, it would not be considered an example of the type or style as it was not purpose-built as a stone building. Rather, the stone was applied later as an alteration. Furthermore, it was built outside the period of significance for Arroyo stone buildings and lacks most of the character defining features of the type since the stone is a later modification placed over the original wood shingles.

Therefore, the property does not appear to be eligible for listing as a City Landmark under Criterion (c).

Criterion (d)

Properties eligible for listing under Criterion (d) are representative of the notable work of a builder, designer, or architect

Claude C. Campbell, owner and builder of the property located at 2501 Curtis Avenue is not a notable architect in the City of Redondo Beach. This is the only known building he constructed within the City and since its 1933 date of construction, has been modified to no longer reflect its design or materials.

Therefore, the property does not appear to be eligible for listing as a City Landmark under Criterion (d).

Criterion (e)

Properties eligible for listing under Criterion (e) have a unique location or singular physical characteristic(s) that represents an established and familiar visual feature or landmark of a neighborhood, community, or the City

The property located at 2501 Curtis Avenue is located in the Villa Tract 2 area of the North Redondo neighborhood of Redondo Beach. The property is surrounded by single and multi-family residential properties ranging from one to two stories in height. The property does not retain physical characteristics that represent an established and familiar visual feature or landmark due to the cumulative modifications to fenestration, cladding, and a rear addition since its date of construction. The subject property is a modified single-family residence and although part of the North Redondo neighborhood, does not appear to be an established and familiar visual feature of the neighborhood or City.

Therefore, the property does not appear to be eligible for listing as a City Landmark under Criterion (e).

Conclusion

There is no evidence that the property located at 2501 Curtis Avenue possesses historical or architectural significance. It does not appear to be eligible for listing under any Redondo Beach historic designation criteria.

5.4 Integrity

To be eligible for listing in the National Register, properties must retain their physical integrity from the period in which they gained significance. In the case of architecturally significant properties, the period of significance is normally the date of construction. For historically significant properties, the period of significance is usually measured by the length of the associations.

Location: The place where the historic property was constructed or the place where the historic event occurred.

The property retains integrity of location. The building on the property has not been moved since it was constructed in 1933.

Design: The combination of elements that create the form, plan, space, structure, and style of the property.

The property does not retain integrity of design. Existing characteristics of the building, including its non-original fenestration and stone cladding, and rear addition have led to cumulative impacts that no longer allow the property to reflect its original design.

Setting: The physical environment of a historic property.

The integrity of setting has been diminished by cumulative alterations and new construction along Phelan Lane and Curtis Avenue. Visual observation indicate that the property's immediate setting



has also been altered by the removal of a rear garage, post 1960 and the construction of steel transmission towers and a bike path on the east abutting parcel in the late 1940s.⁴²

Materials: The physical elements that were combined or deposited during a particular period of time and in a particular pattern or configuration to form a historic property.

The integrity of materials has been diminished through replacement windows and doors, and applied stone cladding which no longer allow the property to reflect a 1930s bungalow type or Craftsman style building.

Workmanship: The physical evidence or the crafts of a particular culture or people during any given period in history or prehistory.

The property does not retain integrity of workmanship due to cumulative modifications the property has undergone since its date of construction.

Feeling: A property's expression of the aesthetic or historic sense of a particular period of time.

The property does not retain integrity of feeling since original cladding and fenestration from its date of construction have been removed and replaced with contemporary, incompatible replacements.

Association: The direct link between an important historic event or person and a historic property.

The integrity of association is not relevant, as the property is not associated with a historic event or individual.

⁴² David Rosenfeld, "Power Lines Along 190th Street in Redondo Beach Could Come Down in as Few as Three Years," *The Daily Breeze*, September 4, 2019, <https://www.dailybreeze.com/2019/09/04/power-lines-along-190th-street-in-redondo-beach-could-come-down-in-as-few-as-three-years/>.



6. CONCLUSIONS

GPA was retained to complete this evaluation to determine whether the property is a historical resource as defined by CEQA. The property at 2501 Curtis Avenue is not currently listed under national, state, or local landmark or historic district programs. The property was identified as a "B"-rated building in the City of Redondo Beach 1996 *Historic Resources Survey*, meaning it was identified as appearing eligible for individual listing as a City of Redondo Beach historical resource. However, after careful inspection, research and evaluation, GPA concludes that the property does not appear to be eligible for listing in the National Register, California Register, or listing under the City of Redondo Beach's local historic register. The recommended Status Code is 6Z, "Found ineligible for National Register, California Register or Local designation through survey evaluation."



7. REFERENCES

California Code of Regulations, California Office of Administrative Law, State of California Government.

California State Office of Historic Preservation, Department of Parks & Recreation. "Technical Assistance Bulletin #8: User's Guide to the California Historical Resource Status Codes & Historic Resources Inventory Directory." Accessed November 2019. <http://ohp.parks.ca.gov/pages/1069/files/tab8.pdf>.

City of Redondo Beach Municipal Code, Title 10, Chapter 4, Article 2.

City Directories. Redondo Beach. Various Dates.

Code of Federal Regulations, Title 36: Parks, Forests, and Public Property. Office of the Federal Register, National Archives and Records Administration, United States Government.

GPA Consulting, "Architecture and Engineering, Arts and Crafts Movement (1895-1930), Housing the Masses (1880—1980), Arts and Crafts Neighborhoods (1890-1930)" *Los Angeles Citywide Historic Context Statement*. City of Los Angeles Office of Historic Resources, June 2016.

Historical Resources Management and Joseph J. Milkovich and Associates, *City of Redondo Beach Historic Context Statement*. Redondo Beach: City of Redondo Beach Community Development Department – Planning Division.

Landers, Lucille. *South Idaho Press*. September 28, 2005.

"National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation." National Park Service, Cultural Resources. Edited by Patrick Andrus and Rebecca Shrimpton. Accessed August 2019. <https://www.nps.gov/nr/publications/bulletins/nrb15/>.

"National Register Bulletin 16: How to Complete the National Register Registration Form." National Park Service, Cultural Resources. Lucille McClelland, Carol D. Shull, James Charleton, et al. Accessed August 2019. <https://www.nps.gov/nr/publications/bulletins/nrb16a/>.

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Rosenfeld, David. "Power Lines along 190th Street in Redondo Beach Could Come down in as Few as Three Years." *The Daily Breeze*, September 4, 2019. <https://www.dailybreeze.com/2019/09/04/power-lines-along-190th-street-in-redondo-beach-could-come-down-in-as-few-as-three-years/>.

Snyder, Gloria. This is a substantial collection of newspaper clippings and documents regarding various aspects of the history of Redondo Beach. Various dates.

Thirtieth Street Architects, Inc. *City of Redondo Beach Historic Context Statement*. Redondo Beach, CA: City of Redondo Beach, 1986.

Appendix A – Résumé

EMMA HAGGERTY



Emma Haggerty is an Associate Architectural Historian at GPA and has been involved in the field of historic preservation since 2016. Emma graduated from the University of Vermont with a Master of Science in Historic Preservation. She has since worked in the public sector in both New Jersey and California on a variety of projects. Emma joined GPA in 2021 and her experience has included review of environmental compliance documents in accordance with the California Environmental Quality Act (CEQA) and Section 106 of the National Historic Preservation Act (NHPA); design review for consistency with the Secretary of the Interior's Standards (SOIS); and municipal code compliance. Additionally, Emma has experience reviewing Mills Act Applications, preparing Mills Act Contracts, and performing site inspections for properties under and interested in the Mills Act.

Educational Background:

- M.S., Historic Preservation, University of Vermont, 2018
- B.A., Planning and Public Policy, Rutgers University, 2016

Professional Experience:

- GPA Consulting, Associate Architectural Historian, 2021-Present
- City of San Diego, Historical Resources Senior Planner & Mills Act Coordinator, 2018-2021
- New Jersey Historic Preservation Office, Program Associate, 2018
- National Trust for Historic Preservation – Lyndhurst Mansion, Historic Preservation Intern, 2017

Qualifications:

- Meets the Secretary of the Interior's Professional Qualifications Standards for history and architectural history pursuant to the Code of Federal Regulations, 36 CFR Part 61, Appendix A.
- National Preservation Institute, Section 106: An Introduction

Selected Projects:

- Mills Act Application Review, Mills Act Coordinator, City of San Diego, February 2020-November 2021
- Mills Act Research and Contract Preparation, Mills Act Coordinator, City of San Diego, February 2020-November 2021
- Mills Act Inspection and Contract Recordation, Mills Act Coordinator, City of San Diego, February 2020-November 2021
- Quieter Homes Program – Section 106 Compliance Review, Planner, City of San Diego, January 2019-January 2020
- Preliminary Design Assistance for Historic District Design Guideline Compliance, Senior Planner, City of San Diego, December 2020-November 2021
- CEQA Significance Report Evaluation, Planner, City of San Diego, July 2018- November 2021
- Prepared and presented formal presentations for over 50 different properties at Historical Resources Board Meetings and City Council, City of San Diego, July 2018-November 2021

AUDREY VON AHRENS



Audrey von Ahrens is an Associate Architectural Historian at GPA. She has been involved in the field of historic preservation since 2013. Audrey graduated from the University of Pennsylvania with a Master of Science in Historic Preservation and City Planning where she focused on preservation planning and community economic development. She has since worked in private historic preservation consulting in California. Audrey joined GPA in 2017 and her experience has included the preparation of environmental compliance documents in accordance with the California Environmental Quality Act and Section 106 of the National Historic Preservation Act; historic context statements; Secretary of the Interior's Standards analysis; large-scale historic resources surveys; and evaluations of eligibility for a wide variety of projects and property types throughout Southern California. Audrey is also experienced in coordinating with property owners and local governments in the preparation and review of Mills Act Property Contract applications and the inspection and reporting of properties applying for or with existing contracts.

Educational Background:

- M.S., Historic Preservation, University of Pennsylvania, 2016
- Master of City Planning, University of Pennsylvania, 2016
- B.A., Architectural Studies and B.A., Urban Studies University of Pittsburgh, 2013

Professional Experience:

- GPA Consulting, Associate Architectural Historian, 2017-Present
- Heritage Consulting, Inc., Intern, 2015-2016
- Tacony Community Development Corp., Intern, 2014
- Pittsburgh History & Landmarks Foundation, Intern, 2013
- University of Pittsburgh, Teaching Assistant, 2012-2013
- Pittsburgh Planning Department, Intern, 2012
- Pittsburgh Downtown Partnership, Intern, 2011

Qualifications:

- Meets the Secretary of the Interior's Professional Qualification Standards for history and architectural history pursuant to the Code of Federal Regulations, 36 CFR Part 61, Appendix A.

Professional Activities:

- Downtown Los Angeles Neighborhood Council, Planning and Land Use Committee, 2018-present

Selected Projects:

- 328 N. Oakhurst Drive, Beverly Hills, CEQA Historical Resources Report, 2020
- 818 Grant Street, Santa Monica, Landmark Application, 2020-2021
- 1360 Vine Street, City of Los Angeles, CEQA Historical Resources Technical Report, 2020-2021
- 1475 E. El Segundo Boulevard, El Segundo, CEQA Historical Resources Report, 2020
- 4080 Lafayette Place, Culver City, CEQA Historical Resources Technical Report, 2020
- Architecture & Engineering Context, Los Angeles Citywide Historic Context Statement, 2019
- Broadway Federal Midtown Branch, Los Angeles, Character-Defining Features Analysis and CEQA Historical Resource Report, 2018
- CF Braun & Company Plant, Alhambra, CEQA Historical Resource Report, 2018
- Hooper Center, Webb Schools, Claremont, Secretary of the Interior's Standards Compliance, 2018
- Los Angeles Mills Act Program, Pre-contract Services and Periodic Inspections, 2017-2020
- Laguna Beach Mills Act Program, Application Reports, 2017-2020
- North Beach Historic District, San Clemente, National Register Nomination, 2021
- WM Keck Science Center, Scripps College, Claremont, Secretary of the Interior's Standards Compliance, 2018-2020
- West Covina Historic Resources Survey and Context Statement Update, 2018-2019

Appendix B – DPR Forms

Primary No. _____
HRI No. _____
Trinomial _____
NRHP Status Code _____

Page 1 of 1

Other Listing _____
Review Code _____ Reviewer _____ Date _____

P1. Resource Identifier Single Family Residential Property

P2. Location: a. County Los Angeles and (Address and/or UTM Coordinates. Attach Location Map as required.)
b. Address 2501 Curtis Avenue
City Redondo Beach, California Zip 90278
c. UTM: USGS Quad Inglewood (7.5'/15') Date 1981 Zone 11 NE NN
d. Other Locational Data (e.g. parcel no., legal description, directions to resource, additional UTM's, etc. when appropriate).

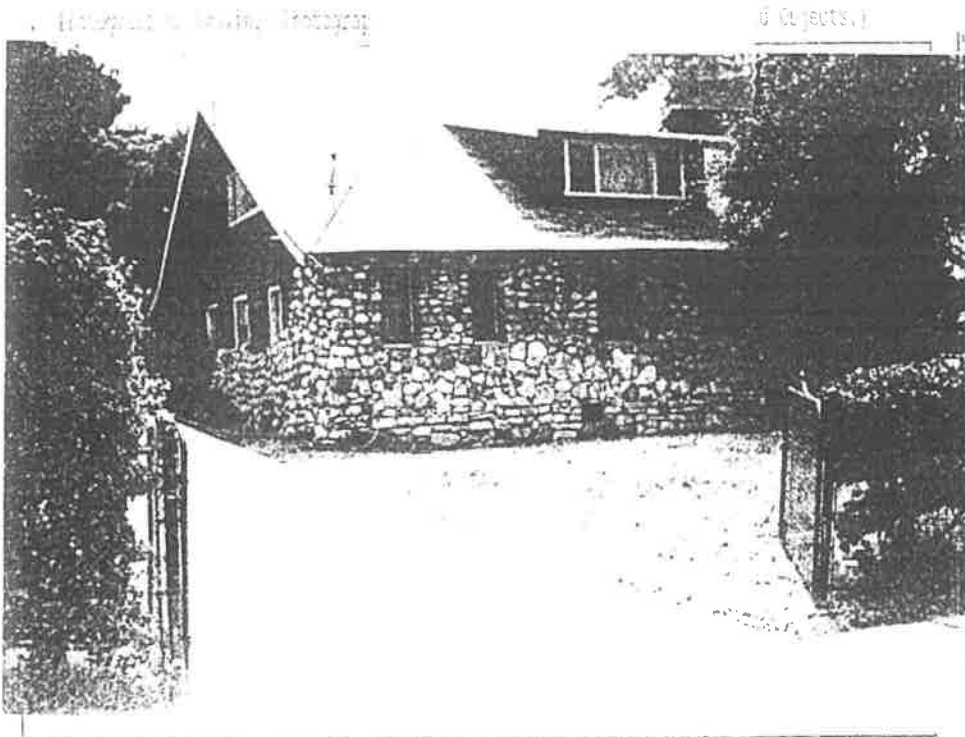
A.P.N. - 4153015010

P3. Description (Describe resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries.)

Single-story, rectangular building, in Craftsman style, with gabled roof, and wood and stone siding. Windows include fixed, segmental, and louvered styles, and replacement windows with aluminum frame sliders. Building is in excellent condition, with no alterations.

This building is a likely candidate for local designation.

4. Resources Present: ☒ Building ☐ Structure ☐ Object ☐ Site ☐ District ☐ Element of District



P6. Date Constructed/Age:
Prehistoric ☒ Historic ☐ Both ☐
1934

Owner and Address:
c/o City of Redondo Beach, Planning Dept.
415 Diamond Street
Redondo Beach, California 90278

Recorded by: (Name, Affiliation and Address)
McKenna, J.A., K. Bennett, S. Schacht
McKenna et al.
6008 Friends Avenue
Whittier, California 90601
(310) 696-3852 or (310) 693-4059 FAX

Date Recorded: March-July 1996

10. Type of Survey: ☐ Intensive ☐ Reconnaissance
☒ Other

Describe: Historic Resources Survey - Architectural

P11. Report Citation (Provide full citation or enter "none").: McKenna, Jeanette A., et al. - Historic Resources Survey for the City of Redondo Beach, Los Angeles County, California. (on file, UCLA Regional Information Center).

Attachments: ☒ NONE ☐ Map Sheet ☐ Continuation Sheet ☐ Building, Structure, Object Record ☐ Linear Resource Record ☐ Archaeological Record ☐ District Record ☐ Milling Station Record ☐ Rock Art Record ☐ Artifact Record ☐ Photograph Record ☐ Other (List): _____

From: siegvelt@aol.com
To: [Planning Redondo](#)
Subject: 2501 Curtis Mason House
Date: Wednesday, July 6, 2022 2:21:45 PM

CAUTION: Email is from an external source; Stop, Look, and Think before opening attachments or links.

To Whom it may concern,

Please keep this truly unique stone house. Of all the old homes in Redondo on this list, this one really stands out. I believe the city should buy this house for all citizens to enjoy. It's a no brainer Currently being attached to publicly owned land. Or at the very least, move the home on to the grey belt and let the owner sell the property.

Camille Sieg-Fostvelt
1908 Voorhees Ave. #2
Redondo Beach.
(310)710-2883H



City of Redondo Beach

NOTICE OF PUBLIC HEARING BEFORE THE CITY COUNCIL

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BEFORE THE CITY COUNCIL OF THE CITY OF REDONDO BEACH ON THE FOLLOWING MATTER. ANY AND ALL INTERESTED PERSONS MAY APPEAR AND BE HEARD.

SUBJECT OF THE HEARING: Consideration of an appeal of the Preservation Commission decision denying the request for a Certificate of Appropriateness for the intent to demolish the existing residence at the property located at 2501 Curtis Avenue and remove the property from the list of Potential Historic Resources.

The City Council would also consider that the removal of the property from the list of Potential Historic Resources is categorically exempt from the preparation of environmental documents pursuant to the California Environmental Quality Act (CEQA).

LOCATION OF REQUEST: 2501 Curtis Avenue, Redondo Beach. (Legal description on file)

PUBLIC HEARING: The public hearing on this matter will take place before the City Council on **Tuesday, October 4th, 2022 at 6:00 p.m.**, or as soon thereafter as possible, in the Redondo Beach City Council Chambers, 415 Diamond Street, Redondo Beach, California, or for public participation by Virtual Meeting. The meeting will also be livestreamed on the City's website at www.redondo.org/RBTV, YouTube at <https://www.youtube.com/c/CityofRedondoBeachIT>, and broadcast live through Spectrum Channel 8 and Frontier Communications Channel 41. Members of the public may participate during the meeting as outlined below.

PUBLIC COMMENT: There will be three options for public testimony during the meeting:

1. In person oral testimony can be provided by attending the meeting in the City of Redondo Beach City Council Chambers at the address noted above.
2. Interested persons may submit a written eComment through the City's agenda webpage at <https://redondo.legistar.com/Calendar.aspx>. Specific instructions for eComment will be provided on the agenda cover page when it is released at least 72 hours prior to the public hearing. eComments may be read out loud by City staff during the public hearing and are limited to 3 minutes in length (up to 2200 characters). Only one eComment per person.
3. Oral public testimony can be provided live by joining the virtual Zoom meeting by computer or phone-in. Registration is required, and can be requested by sending an email to PlanningRedondo@redondo.org. An email will be sent with the Zoom registration link. The registration link will also be provided on the agenda coversheet when it is released as detailed below.

A person may either comment live or submit an eComment, but cannot do both.

For those that cannot participate during the public hearing, written comments for the City Council on this matter may be submitted by email to PlanningRedondo@redondo.org. Written comments will be accepted up to 3:00 p.m. the day of the public hearing, October 4th, 2022, to allow time for distribution to the City Council as a Blue Folder item.

ADDITIONAL INFORMATION: For additional information, please contact the Planning Division at (310) 318-0637 or by email to PlanningRedondo@redondo.org.

The agenda packet with the administrative report and materials related to this matter will be available for review at least 72 hours prior to the public hearing, pursuant to State Law and local ordinance, on the City of Redondo Beach website <https://redondo.legistar.com/Calendar.aspx>. Select the October 4th, 2022 City Council meeting.

If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

CITY OF REDONDO BEACH, CALIFORNIA

Eleanor Manzano

City Clerk of the City of Redondo Beach

Easy Reader Inc/Redondo Beach News/September 22, 2022/RD22-067



Administrative Report

M.1., File # 22-4937

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: ELEANOR MANZANO, CITY CLERK

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING AN AMENDMENT TO THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CAMPAIGN FINANCE AND CONTRACTING FOR INVESTIGATION SERVICES FOR ALLEGED CAMPAIGN FINANCE REPORTING VIOLATIONS

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3243-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 2, SECTIONS 2-2.303, 2-2.304, 2-2.306 AND 2-2.309 OF THE REDONDO BEACH MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS FOR ELECTIONS, ON FIRST READING; AND

APPROVE ENGAGEMENT LETTER WITH THE W GROUP, INC. FOR INVESTIGATIVE AND CONSULTING SERVICES PERTAINING TO ALLEGED CAMPAIGN FINANCE REPORTING VIOLATIONS AT A RATE OF \$200 PER HOUR AND OUT-OF-POCKET EXPENSE REIMBURSEMENT

EXECUTIVE SUMMARY

Pursuant to City Council direction on April 5, 2022, Ordinance No. 3243-22 amending Title 2, Chapter 2 of the Municipal Code pertaining to campaign finance contribution limits is attached. The City Attorney's April 5th recommendations and concerns remain unchanged.

Engagement Letter for Investigation Services

After an extensive search, The W Group was identified as qualified to provide specialized investigatory services for alleged violations of the ordinance. An engagement letter is attached for Council's consideration, which requires City indemnification. The City Attorney's office, City Clerk and Risk Manager have liability related concerns given that only reasonable legal fees would be covered to the extent the City's self-insured retention has been reached. City insurance would not cover any settlement. The City Attorney and City Clerk do not recommend approval.

BACKGROUND

On September 6, 2022, pursuant to City Clerk presentation and discussion pertaining to liability concerns pertaining to the investigative service agreement, the City Council tabled further discussion on this item so the entire Council may vote on the matter. (2-2; Emdee, Horvath dissenting and Councilmember Obagi absent; Mayor Brand broke the tie vote.)

On April 5, 2022, Council directed staff (4-1, Emdee dissenting) to return with an ordinance amending

the RBMC pertaining to campaign finance reporting and enforcement. Council's motion included amending campaign donation limits with CPI adjustments; not to allow donations after 3 months elapse after an election; contract with an outside agency to conduct investigations of alleged reporting violations; and assigning enforcement to the City Attorney's office; and a fine increase to \$2000 per violation.

COORDINATION

The City Clerk's office collaborated with the City Attorney's office on the development of this administrative report.

FISCAL IMPACT

City Clerk's Office budgeted \$50,000 for Investigation Services for Fiscal Year 2022-2023.

ATTACHMENTS

Ordinance Redline
Ordinance No. 3243-22
Staff Report - CC April 5, 2022
Staff Report - CC September 6, 2022
Letter Agreement with The W Group, Inc.
SCOTUS Federal Election Commission v. Ted Cruz for Senate

Title 2, Chapter 2, Article 3 Campaign Contribution Limits - Redline

2-2.301 Purpose.

It is the intent of the City Council in enacting this article to place realistic and enforceable limits on the amounts persons may contribute to political campaigns in municipal elections. The City Council finds that the provisions of this article are necessary to prevent the actuality or appearance of corruption in the election process.

2-2.302 Definitions.

Unless otherwise defined in this chapter, words and phrases used hereinafter shall have the same meaning as defined in the Political Reform Act of 1974 which is codified in Title 9 of the California Government Code as it now exists or may hereafter be amended.

2-2.303 Campaign contribution limits: Candidates for City Council

For general municipal and runoff elections, no person shall make to any candidate for City Council or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than One Thousand Two Hundred dollars (~~\$4000~~1200.00) for the general municipal election and One Thousand Two Hundred dollars (~~\$4000~~1200.00) for the runoff election. The One Thousand Two Hundred dollar (~~\$4000~~1200.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.304 Campaign contribution limits: Candidates for City Clerk, City Attorney, City Treasurer, School Board Member and Mayor

For general municipal and runoff elections, no person shall make to any candidate for any of the office of City Clerk, City Attorney, City Treasurer, School Board Member or Mayor or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than Two Thousand, Five-Seven Hundred dollars (\$2,~~500~~700.00) for the general municipal election and Two Thousand, Five-Seven Hundred dollars (\$2,~~500~~700.00) for the runoff election. The Two Thousand, Five-Sever Hundred dollar (\$2,~~500~~700.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019-2023 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.305 Loans.

(a) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to the contribution limitations of this chapter.

(b) Every loan to a candidate's controlled committee shall be by written agreement.

(c) Notwithstanding any other provision of this section, a candidate for City Council shall not loan to his or her campaign, funds in excess of Fifteen Thousand and no/100ths (\$15,000.00) Dollars in a general municipal election and Fifteen Thousand and no/100ths (\$15,000.00) Dollars in a runoff election.

(d) Notwithstanding any other provision of this section, a candidate for Mayor shall not loan to his or her campaign, funds in excess of Twenty-Five Thousand and no/100ths (\$25,000.00) Dollars in a general municipal election and Twenty-Five Thousand and no/100ths (\$25,000.00) Dollars in a runoff election.

(e) Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.306 Prohibition on nonelection cycle contributions

No candidate or the controlled committee of such a person shall accept any contribution except during the election cycle in which the candidate or officeholder intends to run for or be a write-in candidate for the office for which the contribution is made. Election cycle means that period commencing with January 1 of the even numbered year immediately preceding the general municipal election for that office and ending ~~six-three~~ (63) months after the general municipal election. For a special election, the election cycle commences with the declaration of a vacancy in an elective office and ends ~~six-three~~ (63) months after the special election date.

2-2.307 Return of contributions.

A contribution will not be considered to be received or accepted if it is not negotiated or deposited, and in addition it is returned to the donor within fourteen (14) days of receipt.

2-2.308 Family contributions.

Contributions from spouses shall be treated as contributions by separate persons and shall not be aggregated. Contributions by children under the age of eighteen (18) years of age shall be treated as contributions by their parents (or legal guardians) and attributed one-half (1/2) to each parent (or legal guardian) or the total amount to a single parent (or legal guardian).

2-2.309 Violations; Misdemeanor

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor. Each separate offense shall be punishable by a fine not exceeding Two Thousand and no/100ths (\$2,000.00) Dollars or imprisonment not exceeding six (6) months, or both.

ORDINANCE NO. 3243-22

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE
2, CHAPTER 2, SECTIONS 2-2.303, 2-2.304, 2-2.306 AND
2-2.309 OF THE REDONDO BEACH MUNICIPAL CODE
REGARDING CAMPAIGN CONTRIBUTION LIMITS FOR
ELECTIONS**

WHEREAS, the problem of campaign expenditures has become a serious reality of American politics and campaigns in the City of Redondo Beach are not excepted; and

WHEREAS, incidental to the high cost of election campaigning is the problem of improper influence, real or potential, exercised by campaign contributors over elected officials; and

WHEREAS, it is important to place reasonable and enforceable limits on the amounts that persons may contribute to political campaigns in municipal elections for the prevention of corruption and the appearance of corruption spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and on their actions if elected to office; and

WHEREAS, on April 5, 2022, the City Council voted 4-1 to amend Sections 2-2.303, 2-2.304, 2-2.306 and 2-2.309 of the Campaign Contribution Ordinance; and

WHEREAS, those changes are reflected in this ordinance.

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

SECTION 1. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.303 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"2-2.303 Campaign contribution limits: Candidates for City Council

For general municipal and runoff elections, no person shall make to any candidate for City Council or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than One Thousand Two Hundred dollars (\$1200.00) for the general municipal election and One Thousand Two Hundred dollars (\$1200.00) for the runoff election. The One Thousand Two Hundred dollar (\$1200.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2023 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign."

SECTION 2. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.304 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“2-2.304 Campaign contribution limits: Candidates for City Clerk, City Attorney, City Treasurer, School Board Member and Mayor

For general municipal and runoff elections, no person shall make to any candidate for any of the offices of City Clerk, City Attorney, City Treasurer, School Board Member or Mayor or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than Two Thousand, Seven Hundred dollars (\$2,700.00) for the general municipal election and Two Thousand, Seven Hundred dollars (\$2,700.00) for the runoff election. The Two Thousand, Seven Hundred dollar (\$2,700.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2023 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.”

SECTION 3. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.306 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“2-2.306 Prohibition on nonelection cycle contributions

No candidate or the controlled committee of such a person shall accept any contribution except during the election cycle in which the candidate or officeholder intends to run for or be a write-in candidate for the office for which the contribution is made. Election cycle means that period commencing with January 1 of the even numbered year immediately preceding the general municipal election for that office, and ending three (3) months after the general municipal election. For a special election, the election cycle commences with the declaration of a vacancy in an elective office and ends three (3) months after the special election date.”

SECTION 4. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.309 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“2-2.309 Violations

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor. Each separate offense shall be punishable by a fine not exceeding Two Thousand and no/100ths (\$2,000.00) Dollars or imprisonment not exceeding six (6) months, or both.”

SECTION 5. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 6. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 7. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in The Easy Reader, the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 11th day of October, 2022.

Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3243-22 was duly introduced at a regular meeting of the City Council held on the 4th day of October, 2022, and was duly approved and adopted at a regular meeting of said City Council held on the 11th day of October, 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk



Administrative Report

P.1., File # 22-4164

Meeting Date: 9/6/2022

To: MAYOR AND CITY COUNCIL
From: ELEANOR MANZANO, CITY CLERK

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING AN AMENDMENT TO THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CAMPAIGN FINANCE AND CONTRACTING FOR INVESTIGATION SERVICES FOR ALLEGED CAMPAIGN FINANCE REPORTING VIOLATIONS

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3243-22, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 2, SECTIONS 2-2.303, 2-2.304, 2-2.306 AND 2-2.309 OF THE REDONDO MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS FOR ELECTIONS, ON FIRST READING; AND

APPROVE ENGAGEMENT LETTER WITH THE W GROUP, INC. FOR INVESTIGATIVE AND CONSULTING SERVICES PERTAINING TO ALLEGED CAMPAIGN FINANCE REPORTING VIOLATIONS AT A RATE OF \$200 PER HOUR AND OUT-OF-POCKET EXPENSE REIMBURSEMENT

EXECUTIVE SUMMARY

Pursuant to City Council direction on April 5, 2022, Ordinance No. 3243-22 amending Title 2, Chapter 2 of the Municipal Code pertaining to campaign finance contribution limits is attached. The City Attorney's April 5th recommendations and concerns remain unchanged.

Engagement Letter for Investigation Services

After an extensive search, The W Group was identified as qualified to provide specialized investigatory services for alleged violations of the ordinance. An engagement letter is attached for Council's consideration, which requires City indemnification. The City Attorney's office, City Clerk and Risk Manager have liability related concerns given that only reasonable legal fees would be covered to the extent the City's self-insured retention has been reached. City insurance would not cover any settlement. The City Attorney and City Clerk do not recommend approval.

BACKGROUND

On April 5, 2022, Council directed staff (4-1, Emdee dissenting) to return with an ordinance amending the RBMC pertaining to campaign finance reporting and enforcement. Council's motion included amending campaign donation limits with CPI adjustments; not to allow donations after 3 months elapse after an election; contract with an outside agency to conduct investigations of alleged reporting violations; and assigning enforcement to the City Attorney's office; and a fine increase to \$2000 per violation.

COORDINATION

The City Clerk's office collaborated with the City Attorney's office on the development of this administrative report.

FISCAL IMPACT

City Clerk's Office budgeted \$50,000 for Investigation Services for Fiscal Year 2022-2023.

ATTACHMENTS

Ordinance Redline

Ordinance No. 3243-22

Staff Report - CC April 5, 2022

Letter Agreement with The W Group, Inc.

SCOTUS Federal Election Commission v. Ted Cruz for Senate

Title 2, Chapter 2, Article 3 Campaign Contribution Limits - Redline

2-2.301 Purpose.

It is the intent of the City Council in enacting this article to place realistic and enforceable limits on the amounts persons may contribute to political campaigns in municipal elections. The City Council finds that the provisions of this article are necessary to prevent the actuality or appearance of corruption in the election process.

2-2.302 Definitions.

Unless otherwise defined in this chapter, words and phrases used hereinafter shall have the same meaning as defined in the Political Reform Act of 1974 which is codified in Title 9 of the California Government Code as it now exists or may hereafter be amended.

2-2.303 Campaign contribution limits: Candidates for City Council

For general municipal and runoff elections, no person shall make to any candidate for City Council or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than One Thousand Two Hundred dollars (~~\$4000~~1200.00) for the general municipal election and One Thousand Two Hundred dollars (~~\$4000~~1200.00) for the runoff election. The One Thousand Two Hundred dollar (~~\$4000~~1200.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.304 Campaign contribution limits: Candidates for City Clerk, City Attorney, City Treasurer, School Board Member and Mayor

For general municipal and runoff elections, no person shall make to any candidate for any of the office of City Clerk, City Attorney, City Treasurer, School Board Member or Mayor or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than Two Thousand, Five-Seven Hundred dollars (\$2,~~500~~700.00) for the general municipal election and Two Thousand, Five-Seven Hundred dollars (\$2,~~500~~700.00) for the runoff election. The Two Thousand, Five-Sever Hundred dollar (\$2,~~500~~700.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019-2023 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.305 Loans.

(a) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to the contribution limitations of this chapter.

(b) Every loan to a candidate's controlled committee shall be by written agreement.

(c) Notwithstanding any other provision of this section, a candidate for City Council shall not loan to his or her campaign, funds in excess of Fifteen Thousand and no/100ths (\$15,000.00) Dollars in a general municipal election and Fifteen Thousand and no/100ths (\$15,000.00) Dollars in a runoff election.

(d) Notwithstanding any other provision of this section, a candidate for Mayor shall not loan to his or her campaign, funds in excess of Twenty-Five Thousand and no/100ths (\$25,000.00) Dollars in a general municipal election and Twenty-Five Thousand and no/100ths (\$25,000.00) Dollars in a runoff election.

(e) Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.306 Prohibition on nonelection cycle contributions

No candidate or the controlled committee of such a person shall accept any contribution except during the election cycle in which the candidate or officeholder intends to run for or be a write-in candidate for the office for which the contribution is made. Election cycle means that period commencing with January 1 of the even numbered year immediately preceding the general municipal election for that office and ending ~~six-three~~ (63) months after the general municipal election. For a special election, the election cycle commences with the declaration of a vacancy in an elective office and ends ~~six-three~~ (63) months after the special election date.

2-2.307 Return of contributions.

A contribution will not be considered to be received or accepted if it is not negotiated or deposited, and in addition it is returned to the donor within fourteen (14) days of receipt.

2-2.308 Family contributions.

Contributions from spouses shall be treated as contributions by separate persons and shall not be aggregated. Contributions by children under the age of eighteen (18) years of age shall be treated as contributions by their parents (or legal guardians) and attributed one-half (1/2) to each parent (or legal guardian) or the total amount to a single parent (or legal guardian).

2-2.309 Violations; Misdemeanor

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor. Each separate offense shall be punishable by a fine not exceeding Two Thousand and no/100ths (\$2,000.00) Dollars or imprisonment not exceeding six (6) months, or both.

ORDINANCE NO. 3243-22

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE
2, CHAPTER 2, SECTIONS 2-2.303, 2-2.304, 2-2.306 AND
2-2.309 OF THE REDONDO BEACH MUNICIPAL CODE
REGARDING CAMPAIGN CONTRIBUTION LIMITS FOR
ELECTIONS**

WHEREAS, the problem of campaign expenditures has become a serious reality of American politics and campaigns in the City of Redondo Beach are not excepted; and

WHEREAS, incidental to the high cost of election campaigning is the problem of improper influence, real or potential, exercised by campaign contributors over elected officials; and

WHEREAS, it is important to place reasonable and enforceable limits on the amounts that persons may contribute to political campaigns in municipal elections for the prevention of corruption and the appearance of corruption spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and on their actions if elected to office; and

WHEREAS, on April 5, 2022, the City Council voted 4-1 to amend Sections 2-2.303, 2-2.304, 2-2.306 and 2-2.309 of the Campaign Contribution Ordinance; and

WHEREAS, those changes are reflected in this ordinance.

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

SECTION 1. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.303 of the Redondo Beach Municipal Code is hereby amended to read as follows:

"2-2.303 Campaign contribution limits: Candidates for City Council

For general municipal and runoff elections, no person shall make to any candidate for City Council or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than One Thousand Two Hundred dollars (\$1200.00) for the general municipal election and One Thousand Two Hundred dollars (\$1200.00) for the runoff election. The One Thousand Two Hundred dollar (\$1200.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2023 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign."

SECTION 2. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.304 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“2-2.304 Campaign contribution limits: Candidates for City Clerk, City Attorney, City Treasurer, School Board Member and Mayor

For general municipal and runoff elections, no person shall make to any candidate for any of the offices of City Clerk, City Attorney, City Treasurer, School Board Member or Mayor or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than Two Thousand, Seven Hundred dollars (\$2,700.00) for the general municipal election and Two Thousand, Seven Hundred dollars (\$2,700.00) for the runoff election. The Two Thousand, Seven Hundred dollar (\$2,700.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2023 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded upwards or downwards to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.”

SECTION 3. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.306 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“2-2.306 Prohibition on nonelection cycle contributions

No candidate or the controlled committee of such a person shall accept any contribution except during the election cycle in which the candidate or officeholder intends to run for or be a write-in candidate for the office for which the contribution is made. Election cycle means that period commencing with January 1 of the even numbered year immediately preceding the general municipal election for that office, and ending three (3) months after the general municipal election. For a special election, the election cycle commences with the declaration of a vacancy in an elective office and ends three (3) months after the special election date.”

SECTION 4. AMENDMENT OF CODE. Title 2, Chapter 2, Section 2-2.309 of the Redondo Beach Municipal Code is hereby amended to read as follows:

“2-2.309 Violations

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor. Each separate offense shall be punishable by a fine not exceeding Two Thousand and no/100ths (\$2,000.00) Dollars or imprisonment not exceeding six (6) months, or both.”

SECTION 5. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 6. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 7. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in The Easy Reader, the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 20th day of September, 2022.

Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3243-22 was duly introduced at a regular meeting of the City Council held on the 6th day of September, 2022, and was duly approved and adopted at a regular meeting of said City Council held on the 20th day of September, 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk



Administrative Report

N.2., File # 22-3849

Meeting Date: 4/5/2022

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK
ATTORNEY
TO THE CITY MANAGER

MICHAEL W. WEBB, CITY
ELIZABETH HAUSE, ASSISTANT

TITLE

DISCUSSION AND POSSIBLE ACTION ON A REPORT REGARDING UPDATES TO THE CAMPAIGN FINANCE ORDINANCE AND ENFORCEMENT OPTIONS

EXECUTIVE SUMMARY

One of the Objectives within the Strategic Plan is a report to the City Council on possible updates to the City's Campaign Finance Ordinance and a review of enforcement options. The report provides three enforcement options for City Council discussion and consideration:

- 1) Assign investigatory duties of the Ordinance to the Redondo Beach Police Department; 2) Contract with an outside consultant to provide investigation services; or
- 3) Rescind the City's Ordinance, thereby making State limits on city campaign donations applicable to all candidates for elective office within Redondo Beach and passing investigatory duties to the Fair Political Practices Commission (FPPC).

Prosecution responsibility would remain with the City Attorney's Office for any cases referred under all three options. From an objectivity and consistency of enforcement and an overall operational efficiency standpoint the City Manager, City Clerk, and the City Attorney unanimously recommend the City Council pursue option 3.

BACKGROUND

The City's Campaign Finance Ordinance (RB Ordinance 3184-18 - Exhibit A) was adopted on January 8, 2019, and placed limits on the amount donors may contribute to political campaigns in municipal elections for the positions of Mayor and City Council. At the time of Ordinance adoption there were no State limits on the amount of political donations that applied to city elections. However, later that year, in October 2019, Assembly Bill 571 was enacted to amend the California Political Reform Act, creating campaign contribution limits (\$4,900 per election) for elective offices not covered by local ordinance (effective January 1, 2020, operative January 1, 2021). For the City of Redondo Beach, this includes the offices of the City Attorney, City Clerk, City Treasurer and the School Board. Table 1 below shows current campaign contribution limits which is a mix of those set by Ordinance 3184-18 and AB 571.

Table 1

Office	Regulatory Document	Campaign Contribution Limits
Mayor	O 3184-18 (CRB)	\$2,700.00
City Council	O 3184-18 (CRB)	\$1,050.00
City Attorney	AB 571 (CA)	\$4,900.00
City Clerk	AB 571 (CA)	\$4,900.00
City Treasurer	AB 571 (CA)	\$4,900.00
School Board	AB 571 (CA)	\$4,900.00

One important provision of AB 571 is that the FPPC is not responsible for the administration or enforcement of any city's local campaign finance ordinance if it differs from the limit set forth in AB 571. As an example of this, prior to the adoption of AB 571, the FPPC had investigated and referred to the Torrance City Attorney for criminal prosecution an allegation that a candidate had violated the City of Torrance contribution limits. This method of processing allegations changed with the adoption of AB 571. The Redondo Beach City Council was advised of this change last year and a Budget Response Report (BRR #58, Exhibit B) was prepared by then City Manager Joe Hoefgen and City Clerk Eleanor Manzano. The BRR presented options for investigation of alleged violations of campaign contributions. No action was taken by the City Council at that time.

The City's Campaign Finance Ordinance provides for enforcement only through criminal prosecution, rather than less punitive potential administrative or civil sanctions, stating "Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor" (Section 2-2.309). However, the enforcement of the Ordinance requires two separate actions take place: investigation and then - if findings deem it appropriate - prosecution.

Currently, the City's Campaign Finance Ordinance does not specify the method of investigation nor has a method of investigation been established since its adoption. By contrast, under California's regulations (specifically Government Code § 11180 and 11181), the State has vested investigatory authority in the Fair Political Practices Commission (FPPC) for violations of the Political Reform Act. For prosecution, the Political Reform Act provides that "(i)n any case in which a district attorney could act as the civil or criminal prosecutor under the provisions of this title, the elected city attorney of any charter city may act as the civil or criminal prosecutor with respect to any violations of this title occurring within the city." As such, candidates for the offices of City Attorney, City Clerk, City Treasurer and the School Board operate under a clearly-defined and established enforcement framework, whereas candidates for the offices of Mayor and City Council do not.

There are three options available to the City in the pursuance of investigations of alleged violations of the local Ordinance:

1. Assign investigation duties to the Redondo Beach Police Department, with criminal prosecution falling under the purview of the City Attorney's office.
2. Contract with an outside consultant to provide investigation services, with prosecution falling under the purview of the City Attorney's office.
3. Rescind the City's Ordinance, thereby passing investigatory duties to the FPPC. Should FPPC findings deem a violation was committed, enforcement may take place administratively,

civily, or by referral for criminal prosecution to the City Attorney.

1. Redondo Beach PD Investigation, City Attorney Criminal Prosecution

Under this option, the Redondo Beach Police Department would undertake investigatory responsibility. This new assignment would require the institution of a formal investigatory framework, the establishment of a specialized unit, and training of officers assigned to the unit. Although feasible, the installation of this enforcement program would take time and continual assessments would need to occur to ensure the efficiency and efficacy of the unit. What should also be considered with this option is the prospective repercussions of having an otherwise un-politicized arm of the City's administration lead investigations of elected officials.

Once an investigation is complete, should a violation be found, the case would be referred to the City Attorney's office for prosecution.

2. External Consultant Investigation, City Attorney Criminal Prosecution

Under this enforcement option, the City would retain the services of a consultant to perform investigations. Once an investigation is complete, should a violation be found prosecution of the case would be referred to the City Attorney's office.

The cost of this option is largely based on the number of claims filed as well as the extent of investigation demanded by the allegations, and is therefore difficult to estimate. Based on comparable service contracts currently in place, preliminary cost estimates indicate a potential rate of \$15,000-\$30,000 per investigation. Staff contacted surrounding cities with this particular investigatory framework in place and inquired about costs incurred. Thus far, these cities have not retained consultant services for violation investigations.

3. Rescind City Ordinance, FPPC Assumes Investigative Responsibility, City Attorney Criminal Prosecution

Under this option, the City would rescind its Campaign Finance Ordinance, thereby defaulting to the State's Political Reform Act for campaign financing parameters and the FPPC for investigation. Should FPPC findings deem a violation was committed, enforcement may take place administratively, civilly, or - for the most egregious violations - by referral for criminal prosecution by the City Attorney. This option would have the benefit of candidates for all elected positions in the City being under the same regulatory and enforcement framework. Also, the investigation would be done by an independent State Agency with extensive experience in doing these types of investigations. A review of the FPPC's authority and methodology is attached to this report (Exhibit D).

The Council should decide which of the three options it prefers.

1) If the Council prefers the first option, the City Manager can task the Police Chief with undertaking investigatory responsibility of any future allegations regarding violation of the City's Campaign Finance Ordinance. Under this option further budget/organizational assessment will be needed to determine what specific PD personnel would be directed to campaign investigative efforts and the impact that allocation of resources would have on current Department services.

2) If the Council prefers the second option, the City Manager will return with a list of outside consultants who can perform investigations of any future allegations regarding violation of the City's

Campaign Finance Ordinance.

3) If the Council prefers the third option, the City Attorney will return with an item to rescind the City's Ordinance at a future City Council Meeting, thereby defaulting to the State's Political Reform Act for campaign financing parameters and the FPPC for investigation for all candidates for elective office in the City.

Given the adoption of AB 571 and the recent implementation of State campaign limits for local elective offices it is the unanimous recommendation of the City Manager, City Clerk, and the City Attorney that the City Council pursue option 3.

COORDINATION

The City Clerk's office, City Manager's office and City Attorney's office collaborated on the development of this administrative report.

FISCAL IMPACT

Option 1 would incur additional staff and training costs for Police Department personnel assigned to the investigation of allegations of violations of the City's Campaign Finance Ordinance. This cost has not yet been determined. Option 2 would incur approximately \$15,000-\$30,000 in consultant fees per investigation, though the ultimate fiscal impact is difficult to determine as it is dependent on the number and scope of future complaints. Option 3 would pass all investigation costs to the FPPC.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Exhibit A: City Ordinance 3184-18

Exhibit B: Budget Response Report #58

Exhibit C: FPPC 2021 Contribution Limits Sheet

Exhibit D: FPPC Presentation on Investigation and Enforcement Methodology

ORDINANCE NO. 3184-18

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE
2, CHAPTER 2 OF THE REDONDO BEACH MUNICIPAL
CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS
FOR ELECTIONS**

WHEREAS, the problem of campaign expenditures has become a serious reality of American politics and campaigns in the City of Redondo Beach are not excepted; and

WHEREAS, incidental to the high cost of election campaigning is the problem of improper influence, real or potential, exercised by campaign contributors over elected officials; and

WHEREAS, it is important to place reasonable and enforceable limits on the amounts that persons may contribute to political campaigns in municipal elections for the prevention of corruption and the appearance of corruption spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and on their actions if elected to office.

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

SECTION 1. AMENDMENT OF CODE. Title 2, Chapter 2, Sections 2-2.301 through 2-2.309 of the Redondo Beach Municipal Code are hereby added to read as follows:

"Chapter 2 ELECTIONS

2-2.301 Purpose

It is the intent of the City Council in enacting this Article to place realistic and enforceable limits on the amounts persons may contribute to political campaigns in municipal elections. The City Council finds that the provisions of this Article are necessary to prevent the actuality or appearance of corruption in the election process.

2-2.302 Definitions

Unless otherwise defined in this chapter, words and phrases used hereinafter shall have the same meaning as defined in the Political Reform Act of 1974 which is codified in Title 9 of the California Government Code as it now exists or may hereafter be amended.

2-2.303 Campaign contribution limits: Candidates for City Council

For general municipal and runoff elections, no person shall make to any candidate for City Council or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than One Thousand dollars (\$1000.00) for the

general municipal election and One Thousand dollars (\$1000.00) for the runoff election. The One Thousand dollar (\$1000.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.304 Campaign contribution limits: Candidates for Mayor

For general municipal and runoff elections, no person shall make to any candidate for any of the office of Mayor or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than Two Thousand, Five Hundred dollars (\$2,500.00) for the general municipal election and Two Thousand, Five Hundred dollars (\$2,500.00) for the runoff election. The Two Thousand, Five Hundred dollar (\$2,500.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.305 Loans

- (1) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to the contribution limitations of this Chapter.
- (2) Every loan to a candidate's controlled committee shall be by written agreement.
- (3) Notwithstanding any other provision of this Section 2-2.306, a candidate for City Council shall not loan to his or her campaign, funds in excess of Fifteen Thousand dollars (\$15,000.00) in a general municipal election and Fifteen Thousand dollars (\$15,000.00) in a runoff election.
- (4) Notwithstanding any other provision of this Section 2-2.306, a candidate for Mayor shall not loan to his or her campaign, funds in excess of Twenty-Five Thousand dollars (\$25,000.00) in a general municipal election and Twenty-Five Thousand dollars (\$25,000.00) in a runoff election.
- (5) Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.306 Prohibition on nonelection cycle contributions

No candidate or the controlled committee of such a person shall accept any contribution except during the election cycle in which the candidate or officeholder intends to run for or be a write-in candidate for the office for which the contribution is made. Election cycle means that period commencing with January 1 of the even numbered year immediately preceding the general municipal election for that office and ending six (6) months after the general municipal election. For a special election, the

election cycle commences with the declaration of a vacancy in an elective office and ends six (6) months after the special election date.

2-2.307 Return of contributions

A contribution will not be considered to be received or accepted if it is not negotiated or deposited, and in addition it is returned to the donor within fourteen (14) days of receipt.

2-2.308 Family Contributions

Contributions from spouses shall be treated as contributions by separate persons and shall not be aggregated. Contributions by children under the age of eighteen (18) years of age shall be treated as contributions by their parents (or legal guardians) and attributed one-half (1/2) to each parent (or legal guardian) or the total amount to a single parent (or legal guardian).

2-2.309 Violations; Misdemeanor

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor."

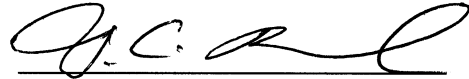
SECTION 2. EXEMPT FROM CEQA. The City Council determines that this ordinance is exempt from review under the California Environmental Quality Act (Cal. Pub. Regs. Code Section 15000, et seq.) because the only potential physical effect on the environment that could foreseeably result from its implementation is a reduction in environmental impacts associated with vehicle traffic including, but not limited to, traffic congestion and greenhouse gas emissions. Such a reduction in the use or operation of an existing City street or property is categorically exempt from further CEQA review under Cal. Code Regs. Title 14, Section 15301. This ordinance, therefore, is an action that does not have the potential to cause significant effects on the environment.

SECTION 3. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 4. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 5. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in The Beach Reporter, the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 8th day of January, 2019.


Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:


Michael W. Webb, City Attorney


Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3184-18 was duly introduced at a regular meeting of the City Council held on the 18th day of December, 2018, and was duly approved and adopted at a regular meeting of said City Council held on the 8th day of January, 2019, by the following roll call vote:

AYES: NEHRENHEIM, LOEWENSTEIN, HORVATH

NOES: GRAN, EMDEE

ABSENT: NONE

ABSTAIN: NONE



Eleanor Manzano, CMC
City Clerk

CITY OF REDONDO BEACH BUDGET RESPONSE REPORT #58

June 15, 2021

Question:

What are possible options for investigating financial violations related to campaign contributions?

Response:

City Ordinance 3184-18 (attached) was adopted on January 18, 2019 to “place realistic and enforceable limits on the amounts persons may contribute to political campaigns in municipal elections” to “prevent the actuality or appearance of corruption in the election process” of which the ordinance limits are imposed on candidates for the positions of Mayor and City Council. Subsequently, Assembly 571 was enacted to amend the Political Reform Act in October 2019, and effective January 1, 2020 affecting campaign contribution limits for elective offices not covered by local ordinance. This statute was not in place when the City Council enacted our ordinance. The FPPC advises they conduct investigations only on alleged state law campaign finance violations not covered by City Ordinance (City Attorney, City Clerk, City Treasurer, and School Board) and advised that local ordinances are to be investigated by the local jurisdiction.

Due to the fact that the City Attorney’s Office would handle the prosecution of violations as misdemeanors, they cannot also conduct the investigations leading to prosecution. California City Clerks for cities with campaign finance ordinances were queried for methods of violation investigations. Of the five responses received, the method of investigations ranged from in-house code enforcement to outside contracted investigation firms. Two of the five cities that responded have a City Council-appointed ethics boards/commission that review alleged violations that work in concert with outside firms.

CITY	METHOD OF INVESTIGATION
Berkeley	Our Fair Campaign Practices Commission was created specifically to enforce the campaign finance ordinance. City Attorney’s Office supports the commission and does the investigative work.
Chula Vista	Our Board of Ethics appoints a panel of outside attorneys to review complaints.
Rohnert Park	We currently use our code compliance department to enforce the ordinance.
Sacramento	We have an Ethics Commission that oversees campaign finance and the evaluator/investigator (attorney) is hired by them by RFQ process.

Santa Monica	Complaints received by City Clerk who works with my City Attorney's Office to send a letter to the filer. Works with the Attorney's Office to bring the filer into compliance, fine or refer them to the District Attorney's Office. (But the District Attorney's Office has indicated they can't file such cases.)
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In summary, because the City of Redondo Beach has its own local campaign contribution limits applicable to the Mayor and City Council campaigns, the FPPC will not investigate violations for these campaigns. Should the City Council wish to allocate funds to retain outside investigators/counsel to investigate Mayor/Council campaign violations, it is difficult to estimate a dollar amount to deal with an unknown number of violations that may be alleged. However, if pressed for a placeholder dollar amount, staff would suggest \$50,000 should the City Council wish to allocate some resources. Another possible alternative could be to rescind ordinance 3184-18 which would enable the FPPC to investigate alleged campaign violations of State law.

Attachment A: Ordinance 3184-18

Attachment B: Campaign Contribution Limits current summary

ORDINANCE NO. 3184-18

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE
2, CHAPTER 2 OF THE REDONDO BEACH MUNICIPAL
CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS
FOR ELECTIONS**

WHEREAS, the problem of campaign expenditures has become a serious reality of American politics and campaigns in the City of Redondo Beach are not excepted; and

WHEREAS, incidental to the high cost of election campaigning is the problem of improper influence, real or potential, exercised by campaign contributors over elected officials; and

WHEREAS, it is important to place reasonable and enforceable limits on the amounts that persons may contribute to political campaigns in municipal elections for the prevention of corruption and the appearance of corruption spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and on their actions if elected to office.

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

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2-2.304 Campaign contribution limits: Candidates for Mayor

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PASSED, APPROVED AND ADOPTED this 8th day of January, 2019.


Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:


Michael W. Webb, City Attorney


Eleanor Manzano, CMC, City Clerk

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

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AYES: NEHRENHEIM, LOEWENSTEIN, HORVATH

NOES: GRAN, EMDEE

ABSENT: NONE

ABSTAIN: NONE



Eleanor Manzano, CMC
City Clerk

CAMPAIGN CONTRIBUTION LIMITS

<u>Contest</u>	<u>Contribution Limits – per Election</u>	<u>Personal Loans</u>
Mayor	\$2,550.00	\$25,000
City Council	\$1,000.00	\$15,000
City Attorney	\$4,700.00 (thru 12/31/20) \$4,900.00 (eff. 1/1/2021)*	\$100,000
School Board Member	\$4,700.00 (thru 12/31/20) \$4,900.00 (eff. 1/1/2021)*	\$100,000

BACKGROUND:

- On January 8, 2019 the City Council adopted Ordinance No. 3184-18 regarding Campaign Contribution limits for Candidates for Mayor and for City Council, which are to be adjusted every June of odd-numbered years commencing June 2019 subject to Los Angeles Area Consumer Price Index (CPI-U).
- Effective January 1, 2020, California Assembly Bill 571 came into effect, which amends Government Code sections pertaining to campaign contribution limits that apply to elective offices that do not have limits under City ordinance. Therefore, contribution limits for the Offices of City Attorney, City Clerk, City Treasurer, and School Board are subject to the state law.

See Section 17 for Full Text of California Government Code 85300 – 85321 (Article 3 of Chapter 5, Title 9 of Political Reform Act). Assembly Bill 571 adds or amends Government Code Sections 85301, 85305-85307, and 85315-85318.

*Effective January 1, 2021, per the FPPC, the adjusted total Campaign Contribution limit for these offices is \$4900.00. If a single contributor gives \$4700 up to December 31, 2020, they may only give an additional \$200 on or after January 1, 2021.

California Fair Political Practices Commission

California State Contribution Limits

(Effective January 1, 2021 - December 31, 2022)

Candidates seeking a state office and committees that make contributions to state candidates are subject to contribution limits from a single source. Beginning January 1, 2021 a state campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates. (Sections 85301 - 85303.) Contributions from affiliated entities are aggregated for purposes of the limits. (Regulation 18215.1.) The chart below shows the current limits per contributor for state offices and city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates. The primary, general, special, and special run-off elections are considered separate elections. Contribution limits to candidates apply to each election. Contribution limits to officeholder and other committees apply on a calendar year basis. Contact your city or county about contribution limits for local offices, state campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates.

Contribution Limits to State and Local* Candidates Per Election

Candidate or Officeholder	Contributor Sources		
	Person (individual, business entity, committee/PAC)	Small Contributor Committee (see definition on page 2)	Political Party
City and County Candidates subject to Section 85301 (d)	\$4,900	\$4,900	\$4,900
Senate and Assembly	\$4,900	\$9,700	No Limit
CalPERS/CalSTRS	\$4,900	\$9,700	No Limit
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	\$8,100	\$16,200	No Limit
Governor	\$32,400	\$32,400	No Limit

*State campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates

Contributions to Other State Committees Per Calendar Year

Committee	Contributor Sources	
	Person (individual, business entity, committee/PAC)	
Committee (Not Political Party) that Contributes to State Candidates (PAC)	\$8,100	
Political Party Account for State Candidates	\$40,500	
Small Contributor Committee	\$200	
Committee Account NOT for State Candidates (Ballot Measure, PAC, Political Party)	No Limit*	

*State committees (including political parties and PACs) may receive contributions in excess of the limits identified above as long as the contributions are NOT used for state candidate contributions. (Regulation 18534.)

Contributions to State Officeholder Committees Per Calendar Year

Committee	Contributor Sources	
	Any Source (Person, Small Contributor Committee or Political Party)	Aggregate From All Sources
Senate and Assembly	\$4,000	\$67,300
CalPERS/CalSTRS	\$4,000	\$67,300
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	\$6,700	\$134,600
Governor	\$26,900	\$269,300

California Fair Political Practices Commission

California State Contribution Limits

(Effective January 1, 2021 - December 31, 2022)

The contribution limits are effective for elections held between January 1, 2021 and December 31, 2022. (Regulation 18545.) These limits do not apply to contributions made to elections in previous years. Such contributions are subject to the limits in place for that year see previous charts.

Legal Defense Funds

Contributions raised for a legal defense fund are not subject to contribution limits or the voluntary expenditure ceiling. However, a candidate or officeholder may raise, in total, no more than is reasonably necessary to cover attorney's fees and other legal costs related to the proceeding for which the fund is created. (Section 85304; Regulation 18530.4.)

Recall Elections

A state officeholder and city or county officeholder subject to Section 85301 (d) who is the subject of a recall may set up a separate committee to oppose the qualification of the recall measure and, if the recall petition qualifies, the recall election. Neither contribution limits nor voluntary expenditure ceilings apply to the committee to oppose the recall that is controlled by the officeholder who is the target of the recall attempt. Candidates running to replace an officeholder who is the target of a recall are subject to the contribution limits and the expenditure limits applicable to the election for that office. (Section 85315; Regulation 18531.5.)

Ballot Measure Committees

Contributions to ballot measure committees controlled by a candidate for elective state office or a candidate for elective city or county office subject to Section 85301 (d) are not limited.

Contributions from State Candidates and Candidates subject to Section 85301 (d)

A state candidate or candidate for elective city or county office subject to Section 85301 (d) may not contribute more than \$4,900 to a committee controlled by another state candidate or candidate for elective city or county office subject to Section 85301 (d) (This limit applies on a per election basis and includes, in the aggregate, contributions made from the candidate's personal funds and from campaign funds. (Section 85305; Regulation 18535.) This limit does not apply to a committee controlled by a state candidate or a committee controlled by a candidate for elective city or county office subject to Section 85301 (d) to oppose his or her recall or their contributions made to a legal defense fund established by a candidate for elective state office or candidate for elective city or county office subject to Section 85301(d). It also does not apply to contributions made by a candidate for elective state office or a candidate for elective city or county office subject to Section 85301 (d) to a ballot measure committee controlled by another state candidate or candidate for elective city or county office subject to Section 85301 (d). Please note there are certain rules applicable to use of funds held by state officeholder committees (See Regulation 18531.62.)

Communications Identifying State Candidates

Any committee that makes a payment or a promise of payment totaling \$50,000 or more for a communication that:

1. Clearly identifies a state candidate; but
2. Does not expressly advocate the election or defeat of the candidate; and
3. Is disseminated, broadcast, or otherwise published within 45 days of an election, may not receive a contribution from any single source of more than \$40,500 in a calendar year if the communication is made at the behest of the candidate featured in the communication. (Section 85310.)

Officeholder Committees

Officeholder contributions must be cumulated (in full) with any other contributions from the same contributor(s) for any other future elective state office or elective city or county office subject to Section 85301 (d) for which the officeholder maintains a controlled committee during the term of office in which the contribution is received. Contributions to candidates for future elections and to their officeholder account are cumulated for purposes of contribution limits. (Regulation 18531.62.)

Contributions from State Lobbyists

A state lobbyist may not contribute to a state officeholder's or candidate's committee if the lobbyist is registered to lobby the agency of the elected officer or the agency to which the candidate is seeking election. The lobbyist also may not contribute to a local committee controlled by any such state candidate. (Section 85702; Regulation 18572.) In addition, effective January 1, 2015, lobbyists and lobbying firms may no longer take advantage of the \$500 or less home/office fundraiser exception that is available to other individuals and entities. (Section 82015(f).)

Local Elections

Many cities and counties have local contribution limits and other election rules. "Local Campaign Ordinances" are listed on the FPPC's website. Check with your city or county about contribution limits for local elections. A State campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates.

Definitions

Person: An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert. (Section 82047.)

Small Contributor Committee: Any committee that meets all of the following criteria:

- (a) The committee has been in existence for at least six months.
- (b) The committee receives contributions from 100 or more persons.
- (c) No one person has contributed to the committee more than \$200 per calendar year.
- (d) The committee makes contributions to five or more candidates. (Section 85203; Regulation 18503.)

Political Party Committee: The state central committee or county central committee of an organization that meets the requirements for recognition as a political party under Elections Code Section 5100. (Section 85205.)

FAIR POLITICAL PRACTICES COMMISSION



Mission of the Commission

- The mission of the Fair Political Practices Commission is to promote the integrity of state and local government in California through fair, impartial interpretation and enforcement of political campaign, lobbying and conflict of interest laws.
- Advice, Train and Educate - Legal and Education Divisions
- Audit, Investigate, and Prosecute - Enforcement Division

Enforcement Division Mission

To fairly, effectively and efficiently enforce the provisions of the Political Reform Act.

Enforcement Division

- 30 Employees
- 9 Attorneys
- 9 Investigators
- 8 Specialists
- 4 Support Staff

Enforcement Under the PRA

- “In enacting the Political Reform Act, the people find and declare that previously laws regulating political practices have suffered from inadequate enforcement by state and local authorities.” (Gov’t Code § 81001(h))
- “Adequate enforcement mechanisms should be provided to public officials and private citizens in order that the Political Reform Act will be vigorously enforced.” (Gov’t Code § 81002(f))

Duty to Investigate

- “Upon the sworn complaint of any person or on its own initiative, the Commission shall investigate possible violations of this title relating to any agency, official, election, lobbyist or legislative or administrative action.” (Gov’t Code § 83115)
- “...the Commission may make investigations and audits with respect to any reports or statements required by this title.” (Gov’t Code § 90003)

Administrative Investigations

- Gov't Code § 11180 authorizes investigations and prosecutions concerning “all matters relating to the business activities and subjects under the jurisdiction of the department” including “violations of any law.”
- Gov't Code § 11181 provides that in connection with investigations, the department head may “issue subpoenas for the . . . production of papers, books, accounts, documents . . . and testimony in an inquiry, investigation, hearing or proceeding pertinent or material thereto in any part of the state.”
 - FPPC has administrative subpoena power through this section and from within the Act itself (Gov't Code § 83118)

Administrative Investigations

(cont.)

The California Supreme Court stated in *Brovelli v. Superior Court of Los Angeles County* (1961) 56 Cal.2d 524, 529:

“As has been said by the United States Supreme Court, the power to make administrative inquiry is not derived from a judicial function but is more analogous to the power of a grand jury, which does not depend on a case or controversy in order to get evidence but can investigate **‘merely on suspicion that the law is being violated, or even just because it wants assurance that it is not.’**” (*United States v. Morton Salt Co.*, 338 U.S. 632, 642-643.)
(emphasis added)

What the Commission Enforces

- Financial Reporting by Public Officials (SEIs)
- Conflicts-of-Interest for Public Officials (GC 87100 & 1090)
- Gifts and Honoraria
- Post-Governmental Employment (State & Local)
- Mass Mailings & Advertising Disclosure
- Campaign Finance and Reporting
- State Lobbying

Enforcement Options

Most violations of the Act can be prosecuted three ways:

- Administrative
- Civil
- Criminal

Administrative Prosecution

- Most common type of FPPC action
- Can seek penalties of up to \$5,000 per violation
 - More for certain advertising violations
- Statute of Limitations – 5 years
 - Can be tolled with a PC Report, tolling agreement, or if intent to conceal
- Applicable to all violations of Act
- Faster and more efficient resolution than civil court

Civil Prosecution

- Can be initiated by FPPC, private citizens, Attorney General or District Attorneys (Gov't Code § 91001)
- FPPC – State or any State agency, or local with written DA permission
- Attorney General – FPPC only
- District Attorneys – Any other agency
- Private Citizens – Must request action from DA, FPPC or AG first.
 - 120 days to respond.

Criminal Prosecution

- Must knowingly or willfully violate Act (Gov't Code § 91000)
- Violations are misdemeanors
- Statute of Limitations – 4 years
- If convicted, can't be candidate or lobbyist for four years
 - Judge may waive this, but must do so explicitly
 - Violation of this is a felony

Sources of Cases

Enforcement cases are initiated by:

1. Complaints (Sworn, Non-sworn or Anonymous)
2. FPPC SEI Unit and filing officer referrals
3. Audits and audit referrals
4. Media reports
5. Staff-initiated investigations
6. Tips
7. Referrals from law enforcement agencies

Cases, Complaints and Referrals

2016 (Election year)

- 1,180 Complaints
- 350 Referrals
- 1,530 Total

2017 (Non-election year)

- 564 Complaints
- 1,616 Referrals
- 2,180 Total

Intake

- All complaints and referrals go through the intake process to determine whether Enforcement should open a case.
- In determining whether to open a case, intake staff review the complaint or referral, any additional information provided by the complainant, publicly available information, and any material submitted by the subject of a complaint.
- If the Intake staff determines sufficient evidence is present to suggest a violation may have occurred then a case is opened.

Intake Timeline

(Regulation 18360)

- Sworn Complaints:
 - Within 3 days, respondent is sent a copy of the complaint
 - Enforcement staff has 14 days to send investigate/won't investigate letter/need more time letter to complainant with a copy to respondent (Gov't Code § 83115)
- Commission-initiated cases (includes everything else):
 - No legally-mandated deadlines
 - Letter of Inquiry sent when appropriate
 - Generally, 10 days to respond
- Enforcement sends respondents notice of allegations against them 5 days prior to disclosure to the public/media.

Investigations

- Investigators and attorneys work together to gather the evidence to prove or disprove violations occurred. Auditors and other staff assist with these investigations.
- FPPC has subpoena power but must seek voluntary compliance prior to issuing subpoena unless:
 - Bank/business records
 - Threat of record destruction
- Executive Director authorizes issuance of administrative subpoenas if:
 - Records are material to the matter, and
 - the ED reasonably believes the person has the information under their control.

Audits

- The PRA requires the FPPC perform audits of the candidates and their committees for State Controller, Public Employees Retirement Board and State Board of Equalization
- FTB performs all other statutorily required audits
- FPPC has the authority to perform discretionary audits
- Contract with County of San Bernardino
- Auditors also routinely assist with complicated campaign investigations

Types of Resolutions

- **No Action closure letter** – If there is insufficient evidence to prosecute a case and no further information would be helpful or informative. (318)
- **Advisory letter** – If there is insufficient evidence to prosecute a case but the person complained about appears to need information about the Act to ensure future compliance. (17)
- **Warning letter** – If a violation of the Act is found but the seriousness of the offense is low, public harm is minimal, or other mitigation is found so that a monetary fine is not warranted. (505)
- **Stipulation** – negotiated settlement. (Mainline (66)/Streamline (262))
- **Default judgment** – Respondent does not participate in settlement or administrative hearing process. (12)
- **Administrative Law Judge Decision** – The decision is issued after an administrative hearing conducted pursuant to the Administrative Procedures Act. The decision must be approved by the Commission before being final. (1)
- **Civil action** – Judgment issued by a superior court. (0)

Streamline Program

- 77% of all cases prosecuted with fines go through the streamline program.
- Commission approved (May 2015): lower fines based on a formula for violations involving small amounts of contributions rec'd or expenditures made as well as SEI non-filing and SEI non-reporting.
- Commission will start discussions regarding modifying the program to change the fine amounts and possibly add additional violations, like advertising and recordkeeping violations.

Mainline Settlements

- Work with respondent (or counsel) to negotiate a mutually agreeable result, which must include:
 - An admission of violations,
 - Agreement on relevant facts, and
 - Public disclosure of any previously undisclosed information.
- “Settlement is the offspring of compromise; the question we address is not whether the final product could be prettier, smarter or snazzier, but whether it is fair, adequate and free from collusion.” (*Hanlon v. Chrysler Corp.*, (1998) 150 F.3d 1011, 1027.)

Penalties

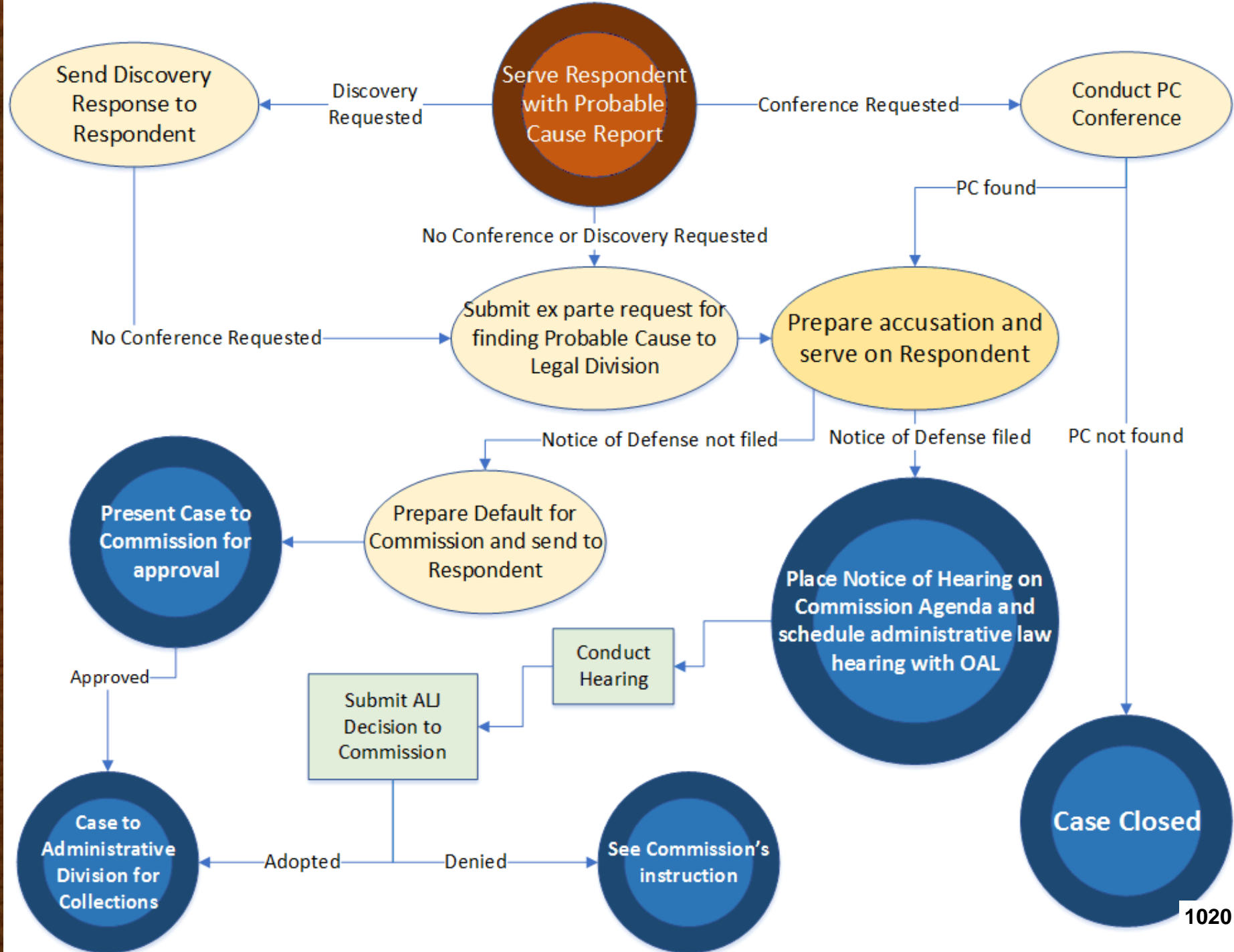
Recommended penalties determined by:

- Prior similar cases
- Commission Direction
- Factors set forth in Regulation 18361.5, subdivision (d):
 - the seriousness of the violations;
 - the presence or lack of intent to deceive the voting public;
 - whether the violation was deliberate, negligent, or inadvertent;
 - whether the Respondent demonstrated good faith in consulting with Commission staff; and
 - whether there was a pattern of violations.
- Public harm

Approval of Penalties

All penalties are approved by Commission

- 3 votes are required to approve or reject
- Can accept or reject stipulated agreements
- Enforcement cannot discuss facts not included in stipulations, except otherwise public information
- For defaults, Enforcement can discuss facts and penalty and Commission can unilaterally change the proposed penalty



Probable Cause

- Probable Cause Report. Enforcement Division files a probable cause report by serving it on the respondent. The respondent has the right to submit written argument, request discovery of evidence, and request a hearing at which respondent may submit evidence, including witness testimony.
- Probable Cause Conference. A neutral hearing officer determines whether there is sufficient evidence to lead a reasonable person to believe, or entertain a strong suspicion, the respondent violated the PRA. Respondent may request that an ALJ act as hearing officer for a probable cause hearing.

Administrative Hearings

- Administrative Hearing. If a hearing officer finds probable cause, the hearing officer orders the Enforcement Division to issue an Accusation and the case proceeds to administrative hearing pursuant to the California Administrative Procedures Act. Hearings may be conducted by the Commission, or an administrative law judge from the Office of Administrative Law. If the hearing office does not find probable cause, the case is closed.
- ALJ Finding. If an administrative law judge finds a respondent violated the PRA, the Commission may adopt or reject the ALJ's decision. The respondent may submit a brief to the Commission prior to its determination on a proposed decision.
- Further Review. Respondents have the right to request reconsideration of a decision adopted by the Commission, and may file a writ of mandate in superior court challenging a final Commission decision.

September 6, 2022

Eleanor Manzano
Elected City Clerk
City of Redondo Beach
415 Diamond Street, Door 1
Redondo Beach, CA 90277

Eleanor Manzano

RE: Investigations

Dear Ms. Manzano:

The W Group, Inc. is pleased to confirm the engagement of our services which is memorialized in the Agreement that follows.

Services

You have asked that we perform a variety of investigative and consulting services (the "Assignment"). This Agreement applies to all agents and/or representatives engaged by The W Group on the Assignment.

We understand that you may ask us to undertake additional tasks on the Assignment that will be governed by the terms set forth in this document, unless different terms are set forth and agreed to by both of us. During the course of the Assignment, please let us know if you have any questions at any time. It is our hope to provide timely services to you through an open line of communication.

We agree to perform the Assignment under your direction. We understand that you may supply us with certain information and materials which are confidential and, in certain limited cases, might be protected by attorney-client privilege, and we agree that such information and materials are attorney work product and are protected by the attorney-client privilege. We also agree that all work performed by The W Group during this Assignment is governed by the City of Redondo Beach Municipal Code, and any amendments thereto. We will keep such information in strict confidence and will not disclose it to anyone not authorized by you, we will not use it for any other purpose, both during the time of our work on this matter and afterwards. We further agree that, at the end of our engagement on this matter, we will return to you all documents containing any such confidential information.

We understand that we should, as a general matter, refrain from discussing our work on this matter with others unless directed by the City of Redondo Beach. If we have any questions now or in the future about what we can or cannot say about this case or our work for you, we will discuss it with you or another representative designated by you.

Indemnification

You agree to hold harmless, indemnify and defend The W Group, Inc., (including costs of any retained counsel mutually approved by The W Group, Inc. and the City of Redondo Beach) its officers, employees, contractors and agents from any and all claims, actions, losses, damages and liability arising out of the performance of this Agreement, or from the enforcement or interpretation of any provision of the City of Redondo Beach Municipal Code, from any cause

whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by The W Group, Inc. on account of any claim except where such indemnification is prohibited by law. Your agreement to hold harmless and to indemnify us does not extend to such claims, damages and costs resulting from any actions by us constituting gross negligence, fraud, willful or unlawful conduct or a breach of this Agreement.

Confidentiality

Unless otherwise directed by the City of Redondo Beach, we agree to maintain the confidentiality of all confidential and proprietary information we receive from you. While investigations authorized by the City of Redondo Beach are pending and/or awaiting a final prosecution decision, you, and third-party partners of City of Redondo Beach, agree that reports and information received from us will be treated as confidential and are intended solely for your private and exclusive use, except with our prior consent. If a prosecution declination decision results from any work performed by us, the City of Redondo Beach agrees to protect all non-disclosable information as well as any personally identifiable information (PII) that is otherwise protected by California statutes.

Notwithstanding the foregoing, The W Group, Inc. and the City of Redondo Beach agree that confidential or proprietary information does not include any information that is:

- Required to be disclosed by law, including without limitation the California Public Records Act; and
- Required to be disclosed by government order.

Termination

City may terminate this Agreement upon at least thirty days written notice to The W Group prior to the termination date. The W Group shall be paid for all services and reasonable out-of-pocket expenses incurred prior to the termination date. Written notice must be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Eleanor Manzano
Elected City Clerk
City of Redondo Beach
415 Diamond Street, Door 1
Redondo Beach, CA 90277

The W Group
1630 N. Main Street
Suite 318
Walnut Creek, CA 94596

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

Fees and Charges

We have agreed to charge for our professional services at our agreed upon project rate of \$200 per hour per professional assigned to any aspect of the Assignment, plus reasonable out-of-pocket expenses. Any reasonable out-of-pocket expenses arising out of performance of this Agreement, including database fees, court costs, copying fees, parking, mileage in accordance with the IRS rate, and tolls are in addition to professional fees and will be passed along at cost. From time to time, and with the prior written approval of the City of Redondo Beach, The W Group, Inc, may retain the services of court-certified experts, such as videographers, questioned

document examiners or election accountants. The costs for those professionals will be incorporated into any invoices submitted to the City of Redondo Beach. However, no costs described in this section shall be paid unless receipts substantiating the expenses are attached to the invoices.

We agree that, as an independent consultant, we are not employees of the City of Redondo Beach. As such, we are responsible for any tax obligations arising from payment of consulting fees to us.

We shall provide invoices on a monthly basis, and payment of those invoices are due within forty five (45) days of City of Redondo Beach's receipt of the invoice; provided, however, that there is no dispute over the amount. The invoices will detail reasonable out-of-pocket expenses, as well as provide a brief description of relevant tasks of each project.

This Agreement shall be effective as of the date on which we first provide services to you. If this engagement letter is satisfactory to you, kindly execute and return this document.

We look forward to assisting your efforts on this Assignment.

Very truly yours,

Scott A. Wilcox
President

Michael G. Wagner
Vice President

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 6th day of September, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

THE W GROUP, INC.,
a California corporation

William C. Brand, Mayor

By: _____
Name: Scott A. Wilcox
Title: President

DocuSigned by:
Scott A. Wilcox
AE3A9761844E4E1...

Eleanor Manzano, City Clerk

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

**FEDERAL ELECTION COMMISSION *v.* TED CRUZ FOR
SENATE ET AL.****APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF COLUMBIA**

No. 21–12. Argued January 19, 2022—Decided May 16, 2022

During his 2018 Senate reelection campaign and consistent with federal law, see 11 CFR §110.10; 52 U. S. C. §30101(9)(A)(i), appellee Ted Cruz loaned \$260,000 to his campaign committee, Ted Cruz for Senate (Committee). To repay these and other campaign debts, campaigns may continue to receive contributions after election day. See 11 CFR §110.1(b)(3)(i). Section 304 of the Bipartisan Campaign Reform Act of 2002 (BCRA) restricts the use of post-election contributions by limiting the amount that a candidate may be repaid from such funds to \$250,000. 52 U. S. C. §30116(j). Relevant here, the Federal Election Commission (FEC) has promulgated regulations establishing three rules to implement that limitation: First, a campaign may repay up to \$250,000 in candidate loans using contributions made “at any time.” 11 CFR §116.12(a). Second, to the extent the loans exceed \$250,000, a campaign may use pre-election funds to repay the portion exceeding \$250,000 only if the repayment occurs “within 20 days of the election.” §116.11(c)(1). Third, when the 20-day post-election deadline expires, the campaign must treat any portion above \$250,000 as a contribution to the campaign, precluding later repayment. §116.11(c)(2).

The Committee began repaying Cruz’s loans after the 20-day post-election window for repaying amounts over \$250,000 had closed. It accordingly repaid Cruz only \$250,000, leaving \$10,000 of his personal loans unpaid. Cruz and the Committee filed this action in Federal District Court, alleging that Section 304 of BCRA violates the First Amendment and raising challenges to the FEC’s implementing regulation, §116.11. The District Court granted Cruz and his Committee summary judgment on their constitutional claim, holding that the loan-repayment limitation burdens political speech without sufficient

Syllabus

justification, and dismissed as moot their challenges to the regulation.

Held:

1. Appellees have standing to challenge the threatened enforcement of Section 304. Pp. 3–10.

(a) The Government recognizes that the Committee's present inability to repay the final \$10,000 of Cruz's loans constitutes an injury in fact both to Cruz and his Committee. It maintains, however, that appellees lack Article III standing because these injuries are not traceable to the threatened enforcement of Section 304, see *Lujan v. Defenders of Wildlife*, 504 U. S. 555, 560–561. First, the Government argues that appellees knowingly triggered the application of the loan-repayment limitation and thus their injuries are traceable to themselves, not the Government. This Court has never recognized an exception to Article III standing's traceability requirement for injuries that a party purposely incurs. Moreover, this Court has made clear that an injury resulting from the application or threatened application of an unlawful enactment remains fairly traceable to such application, even if the injury could be described in some sense as willingly incurred. See *Evers v. Dwyer*, 358 U. S. 202, 204 (*per curiam*). Cases cited by the Government—*Clapper v. Amnesty Int'l USA*, 568 U. S. 398, and *Pennsylvania v. New Jersey*, 426 U. S. 660 (*per curiam*)—do not alter that conclusion. In contrast to those cases, here the appellees' injuries are directly inflicted by the FEC's threatened enforcement of the provisions they now challenge. That appellees chose to subject themselves to those provisions does not change the fact that they are subject to them, and will face genuine legal penalties if they do not comply. Finally, the Government's observation that it should not be blamed for appellees' injuries because the Committee had a legally available alternative—*i.e.*, repaying Cruz's loans in full with pre-election funds, within 20 days of the election—misses the point. Demanding that the Committee do so would require it to forgo the exercise of the First Amendment right the Court must assume it has when assessing standing—the right to repay its campaign debts in full, at any time. Pp. 3–6.

(b) The Government next argues that although appellees would have standing to challenge the FEC's implementing regulation, §116.11, they do not have standing to challenge Section 304 itself. The Government contends that the Committee used pre-election funds to repay the first \$250,000, and thus Section 304's cap on using post-election funds to repay a candidate's loan does not prohibit repayment of the final \$10,000 here. Instead, it is the agency's regulation—with its 20-day limit—that prevents repayment. Appellees insist that they used post-election funds—in the form of overlimit contributions to the 2018 campaign that were "redesignated" as contributions to the 2024

Syllabus

campaign—to repay Cruz’s loans. Ordinarily, it would not matter whether a plaintiff was challenging the statute’s enforcement or instead the enforcement of a regulation. Here, however, the parties assume that the distinction makes a difference because the subject-matter jurisdiction of the three-judge District Court is limited to actions challenging the enforcement of the statute. See BCRA §304(a). Even under the Government’s account, the present inability of the Committee to repay and Cruz to recover the final \$10,000 is traceable to the operation of Section 304 itself. An agency’s regulation cannot “operate independently of” the statute that authorized it. *California v. Texas*, 593 U. S. ___, ___. Here, the FEC’s 20-day rule was expressly promulgated to implement Section 304. Thus, if Section 304 is invalid and unenforceable, the agency’s 20-day rule is as well, and the remedy appellees sought in the District Court would redress appellees’ harm by preventing enforcement of the agency’s 20-day rule. See *Lujan*, 504 U. S., at 561. In challenging the FEC’s threatened enforcement of the loan-repayment limitation, through its implementing regulation, appellees may raise constitutional claims against Section 304, the statutory provision that, through the agency’s regulation, is being enforced. Cf. *Collins v. Yellen*, 594 U. S. ___, ___–___. And because they are challenging “the constitutionality of [a] provision of [BCRA],” §403(a), jurisdiction was proper in the three-judge District Court. Pp. 6–10.

2. Section 304 of BCRA burdens core political speech without proper justification. Pp. 10–22.

(a) The loan-repayment limitation abridges First Amendment rights by burdening candidates who wish to make expenditures on behalf of their own candidacy through personal loans. Restricting the sources of funds that campaigns may use to repay candidate loans increases the risk that such loans will not be repaid in full, which, in turn, deters candidates from loaning money to their campaigns. This burden is no small matter. Debt is a ubiquitous tool for financing electoral campaigns, especially for new candidates and challengers. By inhibiting a candidate from using this critical source of campaign funding, Section 304 raises a barrier to entry—thus abridging political speech. Pp. 10–13.

(b) The Government has not demonstrated that the loan-repayment limitation furthers a permissible goal. Any law that burdens First Amendment freedoms, even slightly, must be justified by a permissible interest. Pp. 13–22.

(i) The only permissible ground for restricting political speech recognized by this Court is the prevention of “*quid pro quo*” corruption or its appearance. See *McCutcheon v. Federal Election Comm’n*, 572 U. S. 185, 207. Here, the Government argues that the contributions at issue raise a heightened risk of corruption because they are used to

Syllabus

repay a candidate's personal loans. But given that these contributions are already capped at \$2,900 per election in order to prevent corruption or its appearance, the approach of adding an additional layer of regulation is a significant indicator that the regulation may not be necessary for the interest it seeks to protect. See *id.*, at 221. Because the Government is defending a restriction on speech, it must do more than "simply posit the existence of the disease sought to be cured"; it must instead point to "record evidence or legislative findings" demonstrating the need to address a special problem. *Colorado Republican Federal Campaign Comm. v. Federal Election Comm'n*, 518 U. S. 604, 618. "[M]ere conjecture" is "[in]adequate to carry a First Amendment burden." *McCutcheon*, 572 U. S., at 210. Yet the Government is unable to identify a single case of *quid pro quo* corruption in this context, even though most States do not impose a limit on the use of post-election contributions to repay candidate loans. Pp. 13–16.

(ii) In the absence of direct evidence, the Government turns to a scholarly article, a poll, and statements by Members of Congress to show that the contributions used to repay candidate loans carry a heightened risk of at least the appearance of corruption. All of this evidence, however, concerns the sort of "corruption," loosely conceived, that this Court has repeatedly explained is not legitimately regulated under the First Amendment. Nor is it equivalent to "legislative findings" that demonstrate the need to address a special problem. Pp. 16–19.

(iii) As a fallback argument, the Government analogizes post-election contributions used to repay a candidate's loans to gifts because they enrich the candidate as opposed to the campaign's treasury. But this analogy is meaningful only if the baseline is that the campaign will default. The record suggests, however, that winning candidates are commonly repaid in full. For these candidates, post-election contributions bear little resemblance to a gift; they instead restore the candidate to the status quo ante. As for losing candidates, the Government does not provide any anticorruption rationale to explain why contributions to those candidates should be restricted. Finally, the Government argues for deference to Congress's "legislative judgment" that Section 304 furthers an anticorruption goal. Given scant evidence of corruption, deference to Congress would be especially inappropriate where, as here, the legislative act may have been an effort to "insulate[] legislators from effective electoral challenge." *Nixon v. Shrink Missouri Government PAC*, 528 U. S. 377, 404 (BREYER, J., concurring). In the end, it remains the role of this Court to decide whether a particular legislative choice is constitutional. *Sable Communications of Cal., Inc. v. FCC*, 492 U. S. 115, 129. Pp. 19–22.

542 F. Supp. 3d 1, affirmed.

Syllabus

ROBERTS, C. J., delivered the opinion of the Court, in which THOMAS, ALITO, GORSUCH, KAVANAUGH, and BARRETT, JJ., joined. KAGAN, J., filed a dissenting opinion, in which BREYER and SOTOMAYOR, JJ., joined.

Opinion of the Court

NOTICE: This opinion is subject to formal revision before publication in the preliminary print of the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, of any typographical or other formal errors, in order that corrections may be made before the preliminary print goes to press.

SUPREME COURT OF THE UNITED STATES

No. 21–12

FEDERAL ELECTION COMMISSION, APPELLANT *v.*
TED CRUZ FOR SENATE, ET AL.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR
THE DISTRICT OF COLUMBIA

[May 16, 2022]

CHIEF JUSTICE ROBERTS delivered the opinion of the Court.

In order to jumpstart a fledgling campaign or finish strong in a tight race, candidates for federal office often loan money to their campaign committees. A provision of federal law regulates the repayment of such loans. Among other things, it bars campaigns from using more than \$250,000 of funds raised after election day to repay a candidate’s personal loans. This limit on the use of post-election funds increases the risk that candidate loans over \$250,000 will not be repaid in full, inhibiting candidates from making such loans in the first place. The question is whether this restriction violates the First Amendment rights of candidates and their campaigns to engage in political speech.

I
A

Candidates for federal office may, consistent with federal law, use various sources to fund their campaigns. A candidate may spend an unlimited amount of his own money in support of his campaign. See *Buckley v. Valeo*, 424 U. S. 1, 52–54 (1976) (*per curiam*). His campaign—a legal entity

Opinion of the Court

distinct from the candidate himself—may borrow an unlimited amount from third-party lenders or from the candidate himself. See 11 CFR §110.10 (2017); 52 U.S.C. §30101(9)(A)(i); see also *Buckley*, 424 U.S., at 52–54. And campaigns may, of course, accept contributions directly from other organizations or from individuals, subject to monetary limitations. Individual contributions are capped at \$2,900 for the primary and \$2,900 for the general election. See §§30116(a), (c); 86 Fed. Reg. 7869 (2021). Campaigns may continue to receive contributions after election day, so long as those contributions go toward repaying campaign debts. See 11 CFR §110.1(b)(3)(i).

Section 304 of the Bipartisan Campaign Reform Act of 2002 (BCRA), 116 Stat. 98, 52 U.S.C. §30116(j), further restricts the use of post-election funds. Under that provision, a candidate who loans money to his campaign may not be repaid more than \$250,000 of such loans from contributions made to the campaign after the date of the election. *Ibid.* To implement that limit, the Federal Election Commission (FEC) has promulgated regulations establishing three rules pertinent here: First, a campaign may repay up to \$250,000 in candidate loans using contributions made “at any time before, on, or after the date of the election.” 11 CFR §116.12(a). Second, to the extent the loans exceed \$250,000, a campaign may use pre-election funds to repay the portion exceeding \$250,000 only if the repayment occurs “within 20 days of the election.” §116.11(c)(1). And third, if more than \$250,000 remains unpaid when the 20-day post-election deadline expires, the campaign must treat the portion above \$250,000 as a contribution to the campaign, precluding later repayment. §116.11(c)(2).

B

Appellee Ted Cruz represents Texas in the United States Senate. This case arises from his 2018 reelection campaign, which was, at the time, the most expensive Senate race in

Opinion of the Court

history. Before election day, Cruz loaned \$260,000 to the other appellee here, Ted Cruz for Senate (Committee). At the end of election day, however, the Committee was in the red by approximately \$340,000. App. 285. It eventually began repaying Cruz’s loans, but by that time the 20-day post-election window for repaying amounts over \$250,000 had closed. See 11 CFR §§116.11(c)(1), (2). The Committee accordingly repaid Cruz only \$250,000, leaving \$10,000 of his personal loans unpaid.

Cruz and the Committee filed this action in the United States District Court for the District of Columbia, alleging that Section 304 of BCRA violates the First Amendment. They also raised challenges to the FEC’s implementing regulation, 11 CFR §116.11. A three-judge panel was convened to hear the case. See BCRA §403(a)(1), 116 Stat. 113; see also 28 U. S. C. §2284.

The three-judge District Court granted Cruz and his Committee summary judgment on their constitutional claim, holding that the loan-repayment limitation burdens political speech without sufficient justification. 542 F. Supp. 3d 1 (2021). The District Court also ordered that appellees’ challenges to the regulation, previously held in abeyance, be dismissed as moot. The Government appealed directly to this Court, as authorized by 28 U. S. C. §1253. We postponed consideration of our jurisdiction. 594 U. S. ____ (2021).

II

The Constitution limits federal courts to deciding “Cases” and “Controversies.” Art. III, §2. Among other things, that limitation requires a plaintiff to have standing. The requisite elements of Article III standing are well established: A plaintiff must show (1) an injury in fact, (2) fairly traceable to the challenged conduct of the defendant, (3) that is likely to be redressed by the requested relief. *Lujan v. Defenders of Wildlife*, 504 U. S. 555, 560–561 (1992).

Opinion of the Court

As the Government recognizes, the Committee's present inability to repay the final \$10,000 of Cruz's loans constitutes an injury in fact both to Cruz and to his Committee. See Reply Brief 8. Cruz, of course, suffers a \$10,000 pocketbook harm. See *Czyzewski v. Jevic Holding Corp.*, 580 U. S. 451, 464 (2017). And the bar on repayment injures the Committee by preventing it from discharging its obligation to repay its debt, which may inhibit that form of financing in the future. The Government maintains, however, that these injuries are not traceable to the threatened enforcement of Section 304, for two reasons: first, because the inability to repay Cruz's loans was "self-inflicted," and second, because it is the threatened enforcement of an agency regulation, not the statute itself, that causes the harm. We address each argument in turn.

A

First, the Government argues that appellees lack standing because their injuries were "self-inflicted." Brief for Appellant 20. Because appellees knowingly triggered the application of the loan-repayment limitation, the Government says, any resulting injury is in essence traceable to *them*, not the Government. The predicate for this argument is appellees' stipulation in the District Court that "the sole and exclusive motivation behind Senator Cruz's actions in making the 2018 loan[s] and the [C]ommittee's actions in waiting to repay them was to establish the factual basis for this challenge." App. 325. At bottom, the Government asks us to recognize an exception to traceability for injuries that a party purposely incurs.

We have never recognized a rule of this kind under Article III. To the contrary, we have made clear that an injury resulting from the application or threatened application of an unlawful enactment remains fairly traceable to such application, even if the injury could be described in some sense as willingly incurred. See *Evers v. Dwyer*, 358 U. S. 202,

Opinion of the Court

204 (1958) (*per curiam*) (that the plaintiff subjected himself to discrimination “for the purpose of instituting th[e] litigation” did not defeat his standing); *Havens Realty Corp. v. Coleman*, 455 U. S. 363, 374 (1982) (a “tester” plaintiff posing as a renter for purposes of housing-discrimination litigation still suffered an injury under Article III).

The cases the Government cites do not alter our conclusion. In *Clapper v. Amnesty Int’l USA*, 568 U. S. 398 (2013), for example, the plaintiffs attempted to manufacture standing by voluntarily taking costly and burdensome measures that they said were necessary to protect the confidentiality of their communications in light of the Government surveillance policy they sought to challenge. *Id.*, at 402. Their problem, however, was that they could not show that they had been or were likely to be subjected to that policy in any event. *Id.*, at 416. Likewise, in *Pennsylvania v. New Jersey*, 426 U. S. 660 (1976) (*per curiam*), we held that the unilateral decisions by a group of States to reimburse their residents for taxes levied by other States was not a basis to attack the legality of those taxes. Nothing in the challenged taxes required the plaintiff States to offer reimbursements; accordingly, the financial injury those States suffered was due to their own independent response to taxes levied on others. *Id.*, at 664. Here, by contrast, the appellees’ injuries are directly inflicted by the FEC’s threatened enforcement of the provisions they now challenge. That appellees chose to subject themselves to those provisions does not change the fact that they *are* subject to them, and will face genuine legal penalties if they do not comply. See 52 U. S. C. §30109(a)(5); 11 CFR §111.24.

One final point bears mentioning. The Government maintains that it should not be blamed for appellees’ injuries because it provided the Committee with a legally available “alternative” that would have avoided any liability—repaying Cruz’s loans in full with pre-election funds, within

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20 days of the election. But even if such funds were available, the Government's argument largely misses the point. For standing purposes, we accept as valid the merits of appellees' legal claims, so we must assume that the loan-repayment limitation—including the 20-day rule—unconstitutionally burdens speech. See *Warth v. Seldin*, 422 U. S. 490, 500 (1975) (“standing in no way depends on the merits of the plaintiff's contention that particular conduct is illegal”). Demanding that the Committee comply with the Government's “alternative” would therefore require it to forgo the exercise of a First Amendment right we must assume it has—the right to repay its campaign debts in full, at any time. And this would require the Committee to subject itself to the very framework it says unconstitutionally burdens its speech. Such a principle finds no support in our standing jurisprudence. See, e.g., *Susan B. Anthony List v. Driehaus*, 573 U. S. 149, 158–159 (2014).

B

The Government next asserts that although appellees would have standing to challenge the FEC's implementing regulation, 11 CFR §116.11, they do not have standing to challenge Section 304 itself. As a reminder, Section 304 prohibits the use of post-election funds to repay a candidate's personal loans; it does not restrict the use of funds raised before the election. See 52 U. S. C. §30116(j). That restriction comes instead from Section 304's implementing regulation, 11 CFR §116.11. This regulation provides that neither pre-election nor post-election funds may be used to repay candidate loans above \$250,000 outstanding 20 days after the election. §§116.11(c)(1)–(2). Such amounts must instead be treated as contributions to the campaign, barring their repayment.

Bearing that in mind, the Government contends that the record before the District Court reveals that the Committee used funds raised *before* the election to repay the first

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\$250,000 of Cruz’s loans. For support, it naturally points to appellees’ stipulation that “none of the \$250,000 of the loan that was repaid was from contributions raised after the election.” App. 329. Thus, the Government says, the Committee has not yet reached the cap in Section 304 on the use of post-election funds, and can still repay the remaining balance without running afoul of that *statutory* restriction. It is instead the agency’s *regulation*—with its 20-day limit—that prevents repayment of the final \$10,000. This matters, the Government insists, because “[s]tanding is not dispensed in gross,” and plaintiffs must establish standing separately for each claim that they press and each form of relief that they seek. Brief for Appellant 17 (quoting *TransUnion LLC v. Ramirez*, 594 U. S. ___, ___ (2021) (slip op., at 15)). A challenge to the regulation, the Government argues, is separate from a challenge to the statute that authorized it.

For their part, appellees insist that the record, properly interpreted, shows that the Committee used post-election funds to repay Cruz. During the period between election day and when the Committee repaid Cruz’s loans, the Committee received more than \$250,000 in “redesignated” contributions to Cruz’s 2024 campaign. Those contributions came from individuals who donated to the 2018 election in amounts exceeding their base limit and who, subsequent to the election, redesignated the overlimit amount to the 2024 campaign. See 11 CFR §110.1(b)(5). Such funds, appellees say, qualify as “post-election contributions” for purposes of Section 304, and may have been used to repay the first \$250,000 of Cruz’s loans. See §116.12(a).

These arguments have an Alice in Wonderland air about them, with the Government arguing that appellees would *not* violate the statute by repaying Cruz, and the appellees arguing that they *would*. But this case has unfolded in an unusual way. After all, Cruz and the Committee likely

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would have had standing to bring a pre-enforcement challenge (as they do now) to Section 304 in a much easier manner—by simply alleging and credibly demonstrating that Cruz wished to loan his campaign an amount larger than \$250,000, but would not do so only because the loan-repayment limitation made it unlikely that such amount would be repaid. See *Susan B. Anthony List*, 573 U. S., at 158–159. In addition, it ordinarily would not matter whether a plaintiff was challenging the statute’s enforcement or instead the enforcement of a regulation and, in doing so, raising arguments about the validity of the statute that authorized the regulation. Cf. *Collins v. Yellen*, 594 U. S. ___, ___–___ (2021) (slip op., at 18–19). The parties here, however, assume that the distinction makes a difference because the subject-matter jurisdiction of the three-judge District Court is limited to actions challenging the enforcement of the statute. See BCRA §403(a) (authorizing a three-judge court to hear any “action . . . brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act”).

It seems to us that the Government is likely correct that appellees have not shown that they exhausted Section 304’s cap on the use of post-election funds. The loan-repayment limitation applies to contributions “made” after the date of the election. 52 U. S. C. §30116(j). And a contribution is “considered to be made when the contributor relinquishes control” over it, which occurs when the contribution is “delivered” to the Committee or the candidate. 11 CFR §110.1(b)(6). The redesignated contributions on which appellees now rely, however, involve funds that were delivered to the Committee *before* the 2018 election. And those funds have remained under the Committee’s control from that date, even if they were later redesignated to a different campaign.

But we need not go further down this rabbit hole. Even

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under the Government’s account, appellees have standing to challenge the threatened enforcement of Section 304. The present inability of the Committee to repay and Cruz to recover the final \$10,000 Cruz loaned his campaign is, even if brought about by the agency’s threatened enforcement of its regulation, traceable to the operation of Section 304 itself. An agency, after all, “literally has no power to act”—including under its regulations—unless and until Congress authorizes it to do so by statute. *Louisiana Pub. Serv. Comm’n v. FCC*, 476 U. S. 355, 374 (1986); see also *FDA v. Brown & Williamson Tobacco Corp.*, 529 U. S. 120, 161 (2000). An agency’s regulation cannot “operate independently of” the statute that authorized it. *California v. Texas*, 593 U. S. ___, ___ (2021) (slip op., at 15). And here, the FEC’s 20-day rule was expressly promulgated to implement Section 304. See 68 Fed. Reg. 3973 (2003). Indeed, the Government admitted at oral argument that it could find no other basis to authorize enforcement of this regulation, Tr. of Oral Arg. 5, and “concede[d]” that “the most likely result, if the statute were declared invalid, is that the regulation would cease to be on the books or would cease to be enforceable,” *ibid.* Thus, if Section 304 is invalid and unenforceable—as Cruz and the Committee contend—the agency’s 20-day rule is as well. And the remedy appellees sought in the District Court—an order enjoining the Government from taking any action to enforce the loan-repayment limitation, App. 27—would redress appellees’ harm by preventing enforcement of the agency’s 20-day rule. See *Lujan*, 504 U. S., at 561.

Contrary to the Government’s suggestion, the foregoing analysis does not call into question the principle that “a plaintiff injured by one law does not thereby acquire standing to challenge a different law.” Brief for Appellant 17. It is true that a litigant cannot, “by virtue of his standing to challenge one government action, challenge other governmental actions that did not injure him.” *DaimlerChrysler*

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Corp. v. Cuno, 547 U. S. 332, 353, n. 5 (2006). Here, however, appellees seek to challenge the *one* Government action that causes their harm: the FEC's threatened enforcement of the loan-repayment limitation, through its implementing regulation. In doing so, they may raise constitutional claims against Section 304, the statutory provision that, through the agency's regulation, is being enforced. Cf. *Collins*, 594 U. S., at ___—___ (slip op., at 18–19). Even on the Government's version of the facts, then, we are satisfied that appellees have standing to challenge the threatened enforcement of Section 304. And because they are challenging “the constitutionality of [a] provision of [BCRA],” §403(a), jurisdiction was proper in the three-judge District Court. We thus proceed to the merits.

III

A

The First Amendment “has its fullest and most urgent application precisely to the conduct of campaigns for political office.” *Monitor Patriot Co. v. Roy*, 401 U. S. 265, 272 (1971). It safeguards the ability of a candidate to use personal funds to finance campaign speech, protecting his freedom “to speak without legislative limit on behalf of his own candidacy.” *Buckley*, 424 U. S., at 54. This broad protection, we have explained, “reflects our profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open.” *Id.*, at 14 (internal quotation marks omitted).

The Government seems to agree with appellees that the loan-repayment limitation abridges First Amendment rights, at least to some extent, see Brief for Appellant 27–32, and we reach the same conclusion. This provision, by design and effect, burdens candidates who wish to make expenditures on behalf of their own candidacy through personal loans. See 52 U. S. C. §30101(9)(A)(i) (defining “expenditure” to include loans); see also *Buckley*, 424 U. S., at

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52. By restricting the sources of funds that campaigns may use to repay candidate loans, Section 304 increases the risk that such loans will not be repaid. That in turn inhibits candidates from loaning money to their campaigns in the first place, burdening core speech.

The data bear out the deterrent effect of Section 304. After BCRA was passed, there appeared a “clear clustering of [candidate] loans right at the \$250,000 threshold.” A. Ovtchinnikov & P. Valta, *Debt in Political Campaigns* 26 (2020), Record 65–1 (Ovtchinnikov, *Debt*); see also Brief for United States Senator Roy Blunt et al. as *Amici Curiae* 6–7. There was no such clustering before the loan-repayment limitation went into effect. The Government’s evidence in the District Court, moreover, reflects that the percentage of loans by Senate candidates for exactly \$250,000 has increased tenfold since BCRA was passed. See App. 312–313. Section 304, then, has altered “the propensity of many politicians to make large loans.” Ovtchinnikov, *Debt* 26; see also Brief for Protect the First Foundation as *Amicus Curiae* 10–11. In doing so, it has predictably restricted a candidate’s speech on behalf of his own candidacy. See *Buckley*, 424 U. S., at 54.

Quite apart from this record evidence, the burden on First Amendment expression is “evident and inherent” in the choice that candidates and their campaigns must confront. *Arizona Free Enterprise Club’s Freedom Club PAC v. Bennett*, 564 U. S. 721, 745 (2011); see also *id.*, at 746 (“we do not need empirical evidence to determinate that the law at issue is burdensome”); *Davis v. Federal Election Comm’n*, 554 U. S. 724, 738–740 (2008) (requiring no empirical evidence of a burden). Although Section 304 “does not impose a cap on a candidate’s expenditure of personal funds, it imposes an unprecedented penalty on any candidate who robustly exercises that First Amendment right.” *Id.*, at 738–739. That penalty, of course, is the significant risk that a

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candidate will not be repaid if he chooses to loan his campaign more than \$250,000. And that risk in turn may deter some candidates from loaning money to their campaigns when they otherwise would, reducing the amount of political speech. This “drag” on a candidate’s First Amendment right to use his own money to facilitate political speech is no less burdensome “simply because it attaches as a consequence of a statutorily imposed choice.” *Id.*, at 739.

The “drag,” moreover, is no small matter. Debt is a ubiquitous tool for financing electoral campaigns. The raw dollar amount of loans made to campaigns in any one election cycle is in the nine figures, “significantly exceeding” the amount of independent expenditures. Ovtchinnikov, Debt 11. And personal loans from candidates themselves constitute the bulk of this financing. See Brief for Appellant 35 (“more than 90% of campaign debt consists of candidate loans”). In fact, candidates who self-fund usually do so using personal loans. See J. Steen, *Self-Financed Candidates in Congressional Elections* 21 (2006).

The ability to lend money to a campaign is especially important for new candidates and challengers. As a practical matter, personal loans will sometimes be the only way for an unknown challenger with limited connections to front-load campaign spending. See G. Jacobson, *Money in Congressional Elections* 97–101 (1980). And early spending—and thus early expression—is critical to a newcomer’s success. See Steen, *Self-Financed Candidates in Congressional Elections*, at 35, 171. A large personal loan also may be a useful tool to signal that the political outsider is confident enough in his campaign to have skin in the game, attracting the attention of donors and voters alike. See R. Biersack, P. Herrnson, C. Wilcox, *Seeds for Success: Early Money in Congressional Elections*, 18 *Leg. Studies Q.* 535, 537 (1993); see also Brief for United States Senator Roy Blunt et al. as *Amici Curiae* 13. By inhibiting a candidate

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from using this critical source of campaign funding, however, Section 304 raises a barrier to entry—thus abridging political speech.

The dissent cannot and does not claim that Section 304 imposes no burden on candidate speech. See *post*, at 5 (opinion of KAGAN, J.) (“every contribution regulation has some kind of indirect effect on electoral speech”). The dissent instead dismisses that burden as minor and insignificant. *Post*, at 4–6. As just explained, the extent of the burden may vary depending on the circumstances of a particular candidate and particular election. But there is no doubt that the law does burden First Amendment electoral speech, and any such law must at least be justified by a permissible interest. See *McCutcheon v. Federal Election Comm’n*, 572 U. S. 185, 210 (2014) (plurality opinion) (“When the Government restricts speech, the Government bears the burden of proving the constitutionality of its actions.”).

B

With those First Amendment costs in mind, we turn to whether the loan-repayment limitation is justified. The parties debate whether strict or “closely drawn” scrutiny should apply in answering that question. *Buckley*, 424 U. S., at 25. We need not resolve this dispute because, under either standard, the Government must prove at the outset that it is in fact pursuing a legitimate objective. See *McCutcheon*, 572 U. S., at 210. It has not done so here.

1

This Court has recognized only one permissible ground for restricting political speech: the prevention of “*quid pro quo*” corruption or its appearance. See *id.*, at 207; see also *Federal Election Comm’n v. National Conservative Political Action Comm.*, 470 U. S. 480, 497 (1985). We have consistently rejected attempts to restrict campaign speech based

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on other legislative aims. For example, we have denied attempts to reduce the amount of money in politics, see *McCutcheon*, 572 U. S., at 191, to level electoral opportunities by equalizing candidate resources, see *Bennett*, 564 U. S., at 749–750, and to limit the general influence a contributor may have over an elected official, see *Citizens United v. Federal Election Comm'n*, 558 U. S. 310, 359–360 (2010). However well intentioned such proposals may be, the First Amendment—as this Court has repeatedly emphasized—prohibits such attempts to tamper with the “right of citizens to choose who shall govern them.” *McCutcheon*, 572 U. S., at 227; see also *Davis*, 554 U. S., at 742; *Bennett*, 564 U. S., at 750.

The Government argues that the contributions at issue raise a heightened risk of corruption because of the use to which they are put: repaying a candidate’s personal loans. It also maintains that post-election contributions are particularly troubling because the contributor will know—not merely hope—that the recipient, having prevailed, will be in a position to do him some good.

We greet the assertion of an anticorruption interest here with a measure of skepticism, for the loan-repayment limitation is yet another in a long line of “prophylaxis-upon-prophylaxis approach[es]” to regulating campaign finance. *McCutcheon*, 572 U. S., at 221 (quoting *Federal Election Comm'n v. Wisconsin Right to Life, Inc.*, 551 U. S. 449, 479 (2007) (opinion of ROBERTS, C. J.)). Individual contributions to candidates for federal office, including those made after the candidate has won the election, are already regulated in order to prevent corruption or its appearance. Such contributions are capped at \$2,900 per election, see 86 Fed. Reg. 7869, and nontrivial contributions must be publicly disclosed, see 52 U. S. C. §§30104(b)(3)(A), (c)(1). The dissent’s dire predictions about the impact of today’s decision elide the fact that the contributions at issue remain subject

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to these requirements. See *post*, at 3, 14–15. And the requirements are themselves prophylactic measures, given that “few if any contributions to candidates will involve *quid pro quo* arrangements.” *Citizens United*, 558 U. S., at 357. Such a prophylaxis-upon-prophylaxis approach, we have explained, is a significant indicator that the regulation may not be necessary for the interest it seeks to protect. See *McCutcheon*, 572 U. S., at 221; see also *Bennett*, 564 U. S., at 752 (“In the face of [the State’s] contribution limits [and] strict disclosure requirements . . . it is hard to imagine what marginal corruption deterrence could be generated by [an additional measure].”).

There is no cause for a different conclusion here. Because the Government is defending a restriction on speech as necessary to prevent an anticipated harm, it must do more than “simply posit the existence of the disease sought to be cured.” *Colorado Republican Federal Campaign Comm. v. Federal Election Comm’n*, 518 U. S. 604, 618 (1996). It must instead point to “record evidence or legislative findings” demonstrating the need to address a special problem. *Ibid.* We have “never accepted mere conjecture as adequate to carry a First Amendment burden.” *McCutcheon*, 572 U. S., at 210 (quoting *Nixon v. Shrink Missouri Government PAC*, 528 U. S. 377, 392 (2000)).

Yet the Government is unable to identify a single case of *quid pro quo* corruption in this context—even though most States do not impose a limit on the use of post-election contributions to repay candidate loans. Cf. Brief for Campaign Legal Center et al. as *Amici Curiae* 17–18 (citing the 10 States that do impose such a prohibition). Our previous cases have found the absence of such evidence significant. See *Citizens United*, 558 U. S., at 357 (the Government did not claim that the political process was corrupted in the 26 States that allowed unrestricted independent expenditures by corporations); *McCutcheon*, 572 U. S., at 209, n. 7 (the Government presented no evidence of corruption in the 30

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States that did not impose aggregate limits on individual contributions).

The Government instead puts forward a handful of media reports and anecdotes that it says illustrate the special risks associated with repaying candidate loans after an election. But as the District Court found, those reports “merely hypothesize that individuals who contribute after the election to help retire a candidate’s debt might have greater influence with or access to the candidate.” 542 F. Supp. 3d, at 15. That is not the type of *quid pro quo* corruption the Government may target consistent with the First Amendment. See *McCutcheon*, 572 U. S., at 207–208.

The dissent at points shrugs off this distinction, see *post*, at 2, 12, n. 3, 13, but our cases make clear that “the Government may not seek to limit the appearance of mere influence or access.” *McCutcheon*, 572 U. S., at 208. As we have explained, influence and access “embody a central feature of democracy—that constituents support candidates who share their beliefs and interests, and candidates who are elected can be expected to be responsive to those concerns.” *Id.*, at 192.

To be sure, the “line between *quid pro quo* corruption and general influence may seem vague at times, but the distinction must be respected in order to safeguard basic First Amendment rights.” *Id.*, at 209. And in drawing that line, “the First Amendment requires us to err on the side of protecting political speech rather than suppressing it.” *Ibid.* (quoting *Wisconsin Right to Life*, 551 U. S., at 457 (opinion of ROBERTS, C. J.)).

2

In the absence of direct evidence, the Government turns elsewhere. It contends that a scholarly article, a poll, and statements by Members of Congress show that these contributions carry a heightened risk of at least the appear-

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ance of corruption. Essentially all the Government’s evidence, however, concerns the sort of “corruption,” loosely conceived, that we have repeatedly explained is not legitimately regulated under the First Amendment.

The academic article—cited for various propositions by both sides—concludes that “indebted politicians” are “more likely to switch their votes” if they receive contributions from the banking or insurance industries. Ovtchinnikov, Debt 31. But the authors explicitly note that they cannot distinguish between voting pattern changes traceable to legitimate donor influence or access, and voting pattern changes as part of an illicit *quid pro quo*. See A. Ovtchinnikov & P. Valta, Self-Funding of Political Campaigns, Management Science, Articles in Advance 18 (April 7, 2022) (Ovtchinnikov, Self-Funding). As noted, our precedents demand adherence to that distinction. See, e.g., *McCutcheon*, 572 U. S., at 209. The authors also state that their analysis is merely a “first step” in understanding whether politicians’ self-funding decisions impact voting behavior, because they cannot “pin down a causal link” yet. Ovtchinnikov, Self-Funding 21.

The online poll the Government asks us to consider similarly misses the mark. The poll, conducted at the Government’s behest for this litigation, reports that most respondents thought it “very likely” or “likely” that a person who “donate[s] money to a candidate’s campaign after the election expect[s] a political favor in return.” App. 351–352. But it failed to ask whether those same respondents thought it likely that donors who contribute to a campaign *before* the election also are likely to expect political favors in return. Nor did the poll mention that the individual base limits still apply to such contributions. And it failed to define the term “political favor,” leaving unclear the critical issue whether the respondents associated such contributions with the direct exchange of money for official acts,

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which Congress may regulate, or simply increased influence and access, which Congress may not.

Finally, the Government places great weight on statements made by certain Members of Congress during debates that preceded the enactment of BCRA. One Senator, for example, remarked that without the loan-repayment limitation, a winning candidate who loaned money to his campaign could “get it back from [his] constituents [at] fundraising events” where he could ask, “How would you like me to vote now that I am a Senator?” 147 Cong. Rec. S2462 (March 19, 2001) (remarks of Sen. Domenici). Another stated that candidates “have a constitutional right to try to buy the office, but they do not have a constitutional right to resell it.” 147 Cong. Rec. S2541 (March 20, 2001) (remarks of Sen. Hutchison). Nothing these legislators said, however, constitutes actual evidence that the loan-repayment limitation was necessary to prevent *quid pro quo* corruption or its appearance. And a few stray floor statements are not the same as “legislative findings” that might suggest a special problem to be addressed. *Colorado Republican Federal Campaign Comm.*, 518 U. S., at 618.

All the above is pretty meager, given that we are considering restrictions on “the most fundamental First Amendment activities”—the right of candidates for political office to make their case to the American people. *Buckley*, 434 U. S., at 14. In any event, the legislative record helps appellees just as much as the Government, given that some Senators evidently viewed the limit as designed to protect incumbents like themselves from wealthy challengers. See 147 Cong. Rec. S2465 (March 19, 2001) (remarks of Sen. Sessions) (“[Section 304] prohibits wealthy candidates, who incur personal loans in connection with their campaign that exceed \$250,000, from repaying those loans from any contributions made to the candidate. . . . I am glad I didn’t face a person who could write a check for \$60 million, \$10 million—or \$5 million, for that matter. If so, I would like to be

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able to have a level playing field so I could stay in the ball game.”); see also 147 Cong. Rec. S2541 (March 20, 2001) (remarks of Sen. Hutchison) (“Our purpose is to level the playing field.”).

That the limit may have been designed to protect incumbents should come as no surprise. Section 304 was enacted as part of the “Millionaire’s Amendment” to BCRA, designed to hobble wealthy candidates mounting self-financed campaigns. See *Davis*, 554 U. S., at 739. And it was debated together with another provision we have already held unconstitutional, in part because it pursued the same impermissible goal of “level[ing] electoral opportunities for candidates of different personal wealth.” *Id.*, at 741. The connection between these two provisions casts further doubt on the anticorruption interest the Government now asserts in this case.

3

Perhaps to make up for its evidentiary shortcomings, the Government falls back on what it calls a “common sense” analogy: Post-election contributions used to repay a candidate’s loans are akin to a “gift” because they “add to the candidate’s personal wealth” as opposed to the campaign’s treasury. Brief for Appellant 33. The risk of corruption is thus greater, the Government argues, because the donor is lining the pockets of a legislator or legislator-elect.

The dissent at multiple points makes the same argument, contending that contributions that go toward repaying a candidate’s loan “enrich the candidate personally,” allowing him to “buy a car or make tuition payments or join a country club.” *Post*, at 7, 14; see also *post*, at 2, 3, 8, 13. But this forgets that we are talking about repayment of a *loan*, not a gift. If the candidate did not have the money to buy a car before he made a loan to his campaign, repayment of the loan would not change that in any way.

On top of that, contributions that go toward retiring a

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candidate's debt could only arguably enrich the candidate if the candidate does not otherwise expect to be repaid. In other words, the Government's gift comparison is meaningful only if the baseline is that the campaign will default. The Government, however, provides no reason to believe that most or even many *winning* candidates—the only candidates with whom its anticorruption interest is concerned—expect not to be repaid by their campaigns. To the contrary, the Government has recognized throughout this litigation that winning candidates are commonly repaid in full. See App. 31–32 (citing the former FEC Commissioner's statement that “only winners have an easy time dealing with debt”); *id.*, at 317 (same); see also Ovtchinnikov, Self-Funding 11 (concluding that, even with BCRA's limitations on loan repayment in place, two out of three winning campaigns were able to repay a candidate's loans in full). For such a candidate, then, post-election contributions bear little resemblance to a gift, because there is less of a chance that his campaign will default. Such contributions instead restore the candidate to the status quo ante, a position to which he legitimately expected to return. As for losing candidates, they are of course in no position to grant official favors, and the Government does not provide any anticorruption rationale to explain why post-election contributions to those candidates should be restricted. See Brief for Appellant 45–46.

The analogy also proves too much. By the Government's logic, post-election contributions to retire candidate loans are little different from gifts given directly to the candidate. But that logic is belied by how the Government treats the two categories of purported “gifts.” On the one hand, federal law flatly prohibits candidates from using campaign contributions for personal purposes. See 52 U. S. C. §30114(b)(2). And it forbids Senators from accepting gifts worth \$250 or more. See 2 U. S. C. §4725(a)(1). By contrast, the postulated “gift-by-loan-repayment” limits are

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simply the individual contribution limits, which are now more than ten times higher than the gift limit: \$2,900 per election. And Section 304 allows over 86 such “gifts” before a campaign hits the Act’s \$250,000 cap. Either the Government is openly tolerating a significant number of “gifts” far more generous than what it would normally think fit to allow, or post-election contributions that go toward retiring campaign debt are in no real sense “gifts” to a candidate. We find the latter answer more persuasive.

As a final argument, the Government claims that if the matter is otherwise in doubt, we should defer to Congress’s “legislative judgment” that Section 304 furthers an anticorruption goal. Brief for Appellant 39; see also *post*, at 8 (KAGAN, J., dissenting) (also arguing that we have no “reason to second-guess Congress’s experience-based judgment”). Such deference, the Government contends, is grounded “in part on the understanding that Congress ‘is far better equipped than the judiciary to amass and evaluate the vast amounts of data bearing upon legislative questions.’” Brief for Appellant 40 (quoting *Turner Broadcasting System, Inc. v. FCC*, 520 U. S. 180, 195 (1997) (some internal quotation marks omitted)). But as explained, the evidence here is scant, and Congress’s judgment is hardly based on “vast amounts of data.” *Id.*, at 195. Moreover, deference to Congress would be especially inappropriate where, as here, the legislative act may have been an effort to “insulate[] legislators from effective electoral challenge.” *Shrink Missouri Government PAC*, 528 U. S., at 404 (BREYER, J., concurring); see also *Randall v. Sorrell*, 548 U. S. 230, 248–249 (2006) (plurality opinion).

In the end, it remains our role to decide whether a particular legislative choice is constitutional. See *Sable Communications of Cal., Inc. v. FCC*, 492 U. S. 115, 129 (1989); see also *Randall*, 548 U. S., at 248–249 (stressing need for “the exercise of independent judicial judgment” in case raising concern that “contribution limits that are too low [may]

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harm the electoral process by preventing challengers from mounting effective campaigns against incumbent officeholders”). And here the Government has not shown that Section 304 furthers a permissible anticorruption goal, rather than the impermissible objective of simply limiting the amount of money in politics.

* * *

For the reasons set forth, we conclude that Cruz and the Committee have standing to challenge the threatened enforcement of Section 304 of BCRA. We also conclude that this provision burdens core political speech without proper justification. The judgment of the District Court is affirmed.

It is so ordered.

KAGAN, J., dissenting

SUPREME COURT OF THE UNITED STATES

No. 21–12

FEDERAL ELECTION COMMISSION, APPELLANT *v.*
TED CRUZ FOR SENATE, ET AL.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR
THE DISTRICT OF COLUMBIA

[May 16, 2022]

JUSTICE KAGAN, with whom JUSTICE BREYER and
JUSTICE SOTOMAYOR join, dissenting.

A candidate for public office extends a \$500,000 loan to his campaign organization, hoping to recoup the amount from benefactors’ post-election contributions. Once elected, he devotes himself assiduously to recovering the money; his personal bank account, after all, now has a gaping half-million-dollar hole. The politician solicits donations from wealthy individuals and corporate lobbyists, making clear that the money they give will go straight from the campaign to him, as repayment for his loan. He is deeply grateful to those who help, as they know he will be—more grateful than for ordinary campaign contributions (which do not increase his personal wealth). And as they paid him, so he will pay them. In the coming months and years, they receive government benefits—maybe favorable legislation, maybe prized appointments, maybe lucrative contracts. The politician is happy; the donors are happy. The only loser is the public. It inevitably suffers from government corruption.

The campaign finance measure at issue here has for two decades checked the crooked exchanges just described. The provision, Section 304 of the Bipartisan Campaign Reform Act of 2002, prohibited a candidate from using post-election donations to repay loans exceeding \$250,000 that he made

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to his campaign. The theory of the legislation is easy to grasp. Political contributions that will line a candidate's own pockets, given after his election to office, pose a special danger of corruption. The candidate has a more-than-usual interest in obtaining the money (to replenish his personal finances), and is now in a position to give something in return. The donors well understand his situation, and are eager to take advantage of it. In short, everyone's incentives are stacked to enhance the risk of dirty dealing. At the very least—even if an illicit exchange does not occur—the public will predictably perceive corruption in post-election payments directly enriching an officeholder. Congress enacted Section 304 to protect against those harms.

In striking down the law today, the Court greenlights all the sordid bargains Congress thought right to stop. The theory of the decision (unlike of the statute) is hard to fathom. The majority says that Section 304 violates the candidate's First Amendment rights by interfering with his ability to "self-fund" his campaign. *Ante*, at 12. But the candidate can in fact *self-fund* all he likes. The law impedes only his ability to use *other people's* money to finance his campaign—much as standard (and permissible) contribution limits do. And even that third-party restriction is a modest one, applying only to post- (not pre-) election donations to repay sizable (not small) loans. So the majority overstates the First Amendment burdens Section 304 imposes. At the same time, the majority understates the anti-corruption values Section 304 serves. In the majority's view, there is "scant" danger here of *quid pro quo* corruption; loan repayments produce only the "sort of 'corruption'" in which contributors wield "greater influence" over candidates than they otherwise would. *Ante*, at 16–17, 21. Assume away all objections to that distinction, which even the majority concedes is "vague," *ante*, at 16; for better or worse, it underlies this Court's recent campaign finance decisions.

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Still, the conduct targeted by Section 304 threatens, if anything does, both corruption and the appearance of corruption of the *quid pro quo* kind. That is because the regulated transactions—as Members of Congress well knew from experience—personally enrich those already elected to office. In allowing those payments to go forward unrestrained, today’s decision can only bring this country’s political system into further disrepute.

I

In assessing a law’s burden on speech, this Court’s decisions all distinguish between restricting expenditures and restricting contributions. See, e.g., *Buckley v. Valeo*, 424 U. S. 1, 19–23 (1976) (*per curiam*). (The majority glosses over that core distinction, for reasons that will soon become clear.) According to settled precedent, expenditure restrictions—caps on a campaign’s or candidate’s electoral spending—impose the greatest burdens on expression. The First Amendment, as the majority notes, “has its fullest and most urgent application” when a “legislative limit” prevents a candidate from “us[ing] personal funds to finance campaign speech”—that is, speech “on behalf of his own candidacy.” *Ante*, at 10 (internal quotation marks omitted). By contrast, laws focused on third-party contributions to a campaign (a category the majority mostly prefers to ignore) typically “entail[] only a marginal restriction” on First Amendment interests. *Buckley*, 424 U. S., at 20. Take, for example, a simple limit on the amount someone can donate to a campaign, like the federal \$2,900 ceiling. That kind of restriction, we have reasoned, in no way interferes with the donor’s “freedom to discuss candidates and issues” through independent spending. *Id.*, at 21. And it has only an indirect effect on the campaign itself. To be sure, the cap makes raising money (for speech and other things) harder: It forces candidates “to raise funds from a greater number” of people and generally results in the campaign taking in less money

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than it otherwise would. *Id.*, at 22. But the Court has viewed such limits as troublesome only if they are so low as to prevent candidates from raising “the resources necessary for effective advocacy.” *Randall v. Sorrell*, 548 U. S. 230, 247 (2006) (plurality opinion) (quoting *Buckley*, 424 U. S., at 21). In the usual case, the incidental effect of a contribution restriction on a campaign’s speech does not count as a significant First Amendment burden. See *Randall*, 548 U. S., at 246–247.

Under that precedent, Section 304 “entails only a marginal restriction” on speech, because it regulates contributions alone. *Buckley*, 424 U. S., at 20. The provision leaves a campaign free to spend any amount of money for speech. Likewise, it leaves the candidate himself—here, Senator Ted Cruz—free to do so. The candidate can (in the majority’s words) “use personal funds to finance campaign speech” without limit; if he wishes, he can devote his whole fortune to “speech on behalf of his own candidacy.” *Ante*, at 10–11. Section 304 restricts only the use of third-party contributions to support his efforts—which, as just shown, imposes a far more modest First Amendment burden. Recall how Section 304 works: It prevents post-election campaign contributions from going to repay large loans that the candidate has made to his campaign. So the provision limits—much as standard contribution caps do—only the candidate’s ability to shift the costs of his electoral speech to others. Or said a bit differently, it addresses not a candidate’s “self-fund[ing],” *ante*, at 12, but only his reliance on third-party financing.

And even that regulation of third-party contributions is a narrow one. Under Section 304, a campaign can always accept donations for small loans a candidate makes. And it can use *pre*-election donations to retire even his sizable loans. The statute just insists that donations for that purpose occur when speech is ongoing, and before everyone

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knows which candidate won (and so is in a position to return the favor by delivering government benefits). Consistent with our caselaw, that minor restriction on a candidate's use of other people's money does not severely burden his (or anyone else's) expression.

The majority's argument to the contrary focuses not on the restriction Section 304 actually imposes, but on the indirect effects the provision might have. The majority does not dispute that Section 304 places no limits on the amount a candidate can spend for expression. See *ante*, at 11. Nor does (or could) the majority even claim that the provision caps what a candidate can lend his campaign. Instead, the majority argues that the law "may deter" a candidate from making large loans because it curtails a potential source of repayment—*i.e.*, post-election donations. *Ante*, at 12. In that way, the majority insists, the law—though concededly regulating only the use of contributions—functions to "restrict[] a candidate's speech." *Ante*, at 11; see *ante*, at 13.

But every contribution regulation has some kind of indirect effect on electoral speech, and we have still understood them to impose only minimal burdens. Consider again a standard contribution ceiling, like the federal \$2,900 cap. That limit, as we have acknowledged, makes raising money harder. See *Randall*, 548 U. S., at 247; *Buckley*, 424 U. S., at 20–21. And so it predictably gives a campaign less money to spend. (In fact, a lot less: Just think of a world in which a candidate could raise an unlimited sum from every supporter.) With the contribution cap in effect, the campaign cannot pay for (nearly) as many advertisements, mailings, signs, and so forth. And likewise, to return to the fact pattern here, the campaign has less money available than it otherwise would to repay a candidate's (or any other) loans. By the majority's logic, that downstream effect would mean the contribution cap imposes a significant First Amendment burden. But as noted above, we have always held to the contrary, save for the rare case in which

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the limit is so low as to preclude effective advocacy. See *supra*, at 3–4. There is no reason to treat Section 304 differently. In fact, its restriction on post-election contributions for loan repayment probably has much smaller indirect effects on a campaign's or candidate's speech than the contribution ceilings this Court has approved. (Again, just think of all the multi-million-dollar donations those ceilings prevent.) So the majority's view cannot be right.

And more fundamentally, the majority fails to appreciate what Section 304 has an indirect effect *on*: lending, rather than spending, money. In the majority's view, those two activities count as one and the same. See *ante*, at 10–11. But they are not, in an obvious way. The *expenditure* of “personal funds” for speech, this Court has observed, “reduces the candidate's dependence” on donors—precisely because he is not trying to speak on their dime. *Buckley*, 424 U. S., at 53. The *loan* of personal funds has the opposite effect, as further shown in this opinion's next part. When a candidate lends substantial funds to his campaign, he wants (maybe desperately needs) them returned; he thus risks—indeed, invites—dependence on donors, who alone can make him financially whole. Section 304 responds to that difference in whether a candidate is speaking independently, or instead relying on others' largesse. The provision at most deters a single mechanism for financing electoral activities, because it carries a heightened threat of corruption.

II

Preventing *quid pro quo* corruption or its appearance is a compelling interest by any measure. See *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U. S. 480, 496–497 (1985). *Quid pro quo* corruption—which extends beyond criminal bribery to “less blatant and specific” arrangements—“subver[ts] the political process” and threatens “the integrity of our system of representative

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democracy.” *Nixon v. Shrink Missouri Government PAC*, 528 U. S. 377, 388–389 (2000) (internal quotation marks omitted). And the appearance of that corruption (though scarcely mentioned in the majority opinion) is “[o]f almost equal concern.” *Id.*, at 388. Avoiding that appearance is “critical” if public “confidence in the system of representative Government is not to be eroded to a disastrous extent.” *Id.*, at 389.

Serious dangers of actual and apparent *quid pro quo* corruption attend the transactions Section 304 regulates—again, the use of post-election contributions to repay a candidate’s personal loans. Consider a simple comparison. When a campaign uses a donation to fund routine electoral activities (including speech), the money marginally aids the candidate’s electoral odds, but in no way adds to his personal wealth. By contrast, when a campaign uses a donation to repay the candidate’s loan, every dollar given goes straight into the candidate’s pocket. With each such contribution, his assets increase; he can now buy a car or make tuition payments or join a country club—all with his donors’ dollars. So contributions going to loan repayment have exceptional value to the candidate—which his donors of course realize. And when the contributions occur after the election, their corrupting potential further increases. At that time, a campaign can use donations only to repay loans, of which some 97% come from candidates. See 11 CFR 110.1(b)(3)(i) (2017); A. Ovtchinnikov & P. Valta, Self-Funding of Political Campaigns, *Management Science, Articles in Advance* 5 (Apr. 7, 2022) (Ovtchinnikov, Self-Funding). So post-election donors can be confident their money will enrich a candidate personally. And those donors have of course learned which candidate won. When they give money to repay the victor’s loan, they know—not merely hope—he will be in a position to perform official favors. The recipe for *quid pro quo* corruption is thus in place: a donation to enhance the candidate’s own wealth (the *quid*), made

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when he has become able to use the power of public office to the donor's advantage (the *quo*). The heightened threat of corruption—and, even more, of its appearance—is self-evident (except, it seems, to observers allergic to all campaign finance regulation).

In addressing that special danger, Section 304 is anything but a “prophylaxis-upon-prophylaxis,” as the majority labels it. *Ante*, at 14. The idea behind that fancy-sounding epithet is just that the statute is a needless precaution: The \$2,900 contribution ceiling, the majority asserts, already provides generous protection against the corrupting potential of donations, so the loan-repayment provision is unnecessary. See *ibid*. But that claim ignores that Section 304 targets only a subset of contributions, which raise (as just described) unique corruption risks. When an added protection addresses an added danger, the existence of a basic protection (however ordinarily ample) fails to show the supplement's pointlessness. Regular seatbelts might suffice to protect drivers on the interstate, but special belts—and roll cages to boot—are essential measures on the racetrack. So too, a \$2,900 cap might suffice to prevent corruption from normal campaign contributions—but not from post-election contributions to repay a candidate's loan, and thus to enrich him personally. When Congress, as here, responds to a heightened threat with a heightened safeguard, the majority has no call to “greet” it “with a measure of skepticism.” *Ibid*.

Nor does the majority have reason to second-guess Congress's experience-based judgment about the specially corrupting effects of post-election donations to repay candidate loans. The majority's first attempt to counter that judgment is that “we are only talking about repayment of a *loan*”: “If the candidate did not have the money to buy a car before he made a loan to his campaign, repayment of the loan would not change that in any way.” *Ante*, at 19. But that altogether misses the point. However much money the

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candidate had before he makes a loan to his campaign, he has less after it: The amount of the loan is the size of the hole in his bank account. So whatever he could buy with, say, \$250,000—surely a car, but that’s beside the point—he cannot buy any longer. Until, that is, donors pay him back. Then, the hole is filled, the bank account replenished, and the purchasing power restored. That is a significant financial gain to the officeholder, courtesy of donors. If they had not stepped up, the officeholder would have been \$250,000 poorer.

The majority’s second theory fares no better. Contributions to repay loans, the majority argues, do not really enrich an officeholder, because he has, from the beginning, “expect[ed] to be repaid.” *Ante*, at 20. But the record provides no support for that self-assured statement. Contra the majority, the Government “has recognized throughout this litigation” not that winning candidates are usually repaid, but only that they are repaid more often than losing ones. *Ibid.*; see App. 31–32, 317.¹ That is no surprise—and the fact is affirmatively unhelpful for the majority’s position, because it shows how post-election donations reflect an expectation of payback from the recipient. Nothing else in the record (or outside it) is helpful to the majority either. The best empirical study suggests that a substantial portion of winning campaigns fail to retire candidate loans,

¹The statement the majority quotes from a former FEC Commissioner does not support any broader understanding of the Government’s claim. That statement appears in a parenthetical to a citation for the Government’s actual argument: that winning candidates “possess a greater capacity” than losing ones do to get their loans repaid. App. 31. And the statement—that “only winners” have “an easy time dealing with debt”—means not that all or most winners do, but instead that no losers do. *Id.*, at 31–32. The former Commissioner who made the remark had also served as counsel to a losing presidential campaign, and he was merely observing how hard that campaign had found it to repay debt. See P. Overby, *How Will Clinton Resolve Campaign Debt?* National Public Radio, May 14, 2008.

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even when their amounts are too small to trigger Section 304's restrictions. See Ovtchinnikov, Self-Funding 11; see also Brief for Campaign Legal Center et al. as *Amici Curiae* 12–13 (summarizing research “show[ing] that most campaigns fail to pay off candidates’ personal loans in any amount at any time,” in confirmation of the “[c]onventional wisdom” that post-election fundraising is “notoriously difficult”). So a candidate with a loan outstanding has plenty of reason to feel anxious—and to see the loan’s repayment as a gratitude-inducing personal benefit. The donor takes him off a sharp hook. And even a candidate who expects repayment is far from impervious to corruption. He may have that confidence exactly because he knows that a raft of lobbyists will be eager to pay for political benefits. And with his bank account depleted, he has a great temptation to perform his part in such an exchange.²

The common sense of Section 304—the obviousness of the theory behind it—lessens the need for the Government to identify past cases of *quid pro quo* corruption involving candidate loan repayments. As this Court has made clear, “[t]he quantum of empirical evidence needed” to sustain a campaign finance law “var[ies] up or down with the novelty and plausibility of the [law’s] justification.” *McConnell v. Federal Election Comm’n*, 540 U. S. 93, 144 (2003). There

²The majority also fails to recognize that post-election contributions can go toward interest payments, enabling a candidate to turn a tidy profit on top of recovering the amount loaned. Consider the case of one member of the U. S. House Transportation and Infrastructure Committee. She loaned her campaign \$150,000 at an 18% interest rate (no, that is not a typo), and over time collected more than \$200,000 in interest payments. Much of that money came from fundraising events hosted by a lobbying firm representing members of the transportation industry. See A. Zajac, Interest on Campaign Loan Pays, L. A. Times, Feb. 14, 2009, p. B1. The example is extreme, but the FEC typically allows candidates to charge their campaigns—which then tap contributors for—a commercially reasonable rate of interest. See FEC, Campaign Guide for Congressional Candidates and Committees 101 (2021).

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is nothing novel or implausible about Section 304's rationale—once again, that payments going to line an elected official's pockets pose an especial risk of corruption. It is in fact what everyone knows to be true—because everyone knows people (including politicians) will often do things for money. The majority suggests that we should discard our understanding of how the world works because the Government has not come forward with adjudicated instances of corruption in the loan-repayment context. See *ante*, at 15–16. But *quid pro quo* exchanges, in that and every other setting, are nigh-impossible to detect and prove. That is indeed why we have campaign finance laws like Section 304. They prohibit conduct posing a heightened risk of corruption, so that the Government does not have to ferret out illicit exchanges case by case. To strike down Section 304 because the Government has not proved to a certainty some number of loan-repayments-for-political-paybacks is to miss the provision's essential point.

In any event, the Government and its *amici* have marshalled significant evidence showing that the loan repayments Section 304 targets have exactly the dangers Congress thought. See Brief for Appellant 37–40; Brief for Campaign Legal Center et al. 27–29. Here is a sampling from the record, involving jurisdictions unprotected by either Section 304 or a state equivalent. In Ohio, various law firms donated almost \$200,000 to help the newly elected attorney general recoup his personal loans. Those donors later received more than 200 state contracts worth nearly \$10 million in legal fees. See L. Bischoff, Donations Helping DeWine Pay Down Campaign Loan, *Springfield News-Sun*, Feb. 2, 2012, p. A1. In Alaska, a lobbyist collected almost \$100,000 for post-election repayment of the Governor's personal loans. A business in which he held an interest later received a \$9 million state contract. See B. Curry, Alaska Gov. Sheffield's Impeachment Inquiry Has Overtones of Watergate Scandal, *L. A. Times*, July 19, 1985, p.

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11. In Kentucky, two Governors loaned their campaigns millions of dollars, “only to be repaid after the election by contributors seeking no-bid contracts.” J. Moore, Campaign Finance Reform in Kentucky: The Race for Governor, 85 Ky. L. J. 723, 746 (1997). The scandal those transactions created led to a new state campaign-finance law similar to Section 304. In upholding that statute, a court more cognizant than this one about how corruption works explained that “heavily indebted candidates” were “easy bedfellows for *quid pro quo* contributors.” *Wilkinson v. Jones*, 876 F. Supp. 916, 930 (WD Ky. 1995). That is also true on the local level. In San Diego, to take just one instance, three city council members cast critical votes benefiting lobbyists who had raised funds to retire their campaign debts. See C. Gustafson, Lobbyists See Benefit From Three City Officials, San Diego Union-Tribune, June 13, 2009, p. A1.³

An empirical study in the record confirms the dangers of corruption shown in those examples. The study first found, based on data preceding Section 304’s enactment, that politicians carrying campaign debt were “significantly more likely” than their “debt-free counterparts” to “switch their votes” after receiving contributions from special interests. A. Ovtchinnikov & P. Valt, Debt in Political Campaigns (2020), in No. 1:19-cv-00908 (D DC, July 14, 2020), ECF

³The majority asserts without explanation that these and other similar examples involve not *quid pro quo* corruption, but only contributors’ exercise of their “greater influence” over candidates. *Ante*, at 16. Even accepting that distinction (as our caselaw does), the majority’s claim is hard to understand. Here is the *quid* in the examples: a donation paying off a successful candidate’s personal loan. And here is the *quo*: a government contract, or a key vote. However “vague” the “line between *quid pro quo* corruption and general influence,” *ibid.*, those exchanges cross it. The majority must mean that the Government has not proved beyond a doubt that the trades in fact occurred. But again, that is the wrong standard given (1) the difficulty of such proof and (2) the significant risks of *quid pro quo* corruption inherent in the above fact patterns. See *supra*, at 10–11.

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Doc. 65–1, p. 31. In other words, officeholders did more in exchange for donations repaying their personal loans than for other donations. The analysis next looked at Section 304’s effect. Here, the data showed that politicians with debt exceeding the law’s \$250,000 threshold became “significantly less responsive” to contributions than before: They began to “behave remarkably similar to their debt free counterparts.” *Id.*, at 28; see Ovtchinnikov, Self-Funding 3 (similarly stating that those politicians became more “independent of contributions from special interest[s]”). In other words, Section 304 did just what Congress thought it would. By preventing post-election contributions from personally enriching politicians, the provision diminished donor-responsive voting. The majority tries to undermine those findings by quoting the kind of careful caveats always accompanying good social science. See *ante*, at 17; Ovtchinnikov, Self-Funding 21 (noting that the study is a “first step in understanding” and that more work is needed to “fully pin down” all aspects of causation). But the authors are confident—and rightly so—in the findings just described: that Section 304 markedly decreased the frequency with which officeholders voted as donors would like. And although the authors could not responsibly claim that all the shifted votes they tallied were part of *quid pro quo* deals—they are, after all, professors, not the FBI—they deduce from the data that politicians carrying campaign debt were “less likely to [be] sell[ing] access” than to be “sell[ing] votes.” *Id.*, at 18.

Finally, the record evidence addresses the “almost equal[ly]” important matter of the appearance of corruption. *Shrink Missouri*, 528 U. S., at 390; see *supra*, at 6–7. A Government-commissioned survey of public opinion found that 81% of respondents believed it “very likely” or “likely” that a person who “donate[s] money to a candidate’s campaign after the election expect[s] a political favor in re-

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turn.” App. 351–353. That bears repeating: 81%—an overwhelming perception across all demographic categories, as well as across all party affiliations and political ideologies. See *ibid.* As the court reviewing the Kentucky version of Section 304 explained: “[T]here is an impression” when a contribution repays a loan after an election that the contributor is simply “lining the candidate’s pocket, as there is no ongoing campaign to which the contribution may be made.” *Wilkinson*, 876 F. Supp., at 930; see *supra*, at 12. The majority fliespecks the polling questions: Why didn’t the poll define “political favor”? Did the poll mention that the contributions had to comply with the \$2,900 cap? And so forth. See *ante*, at 17–18. But really—is it likely that such tinkering would have made a real difference? The poll results were so lopsided because the post-election contributions Section 304 targets—ones adding to the candidate’s personal wealth—have so conspicuous a potential to corrupt. The public knows that to be true. The public’s representatives in Congress knew it to be true. Only this Court—somehow—does not.

* * *

“Democracy works only if the people have faith in those who govern.” *Shrink Missouri*, 528 U. S., at 390 (internal quotation marks omitted). And the people cannot have faith in representatives who trade official acts for financial gain. Section 304 prevents that kind of corruption, at barely discernable cost to First Amendment freedoms. The provision limits one narrow use of third-party contributions to a campaign, thus “entail[ing] only a marginal restriction” on speech. *Buckley*, 424 U. S., at 20. And the provision targets a practice posing exceptional risks of *quid pro quo* deals. Repaying a candidate’s loan after he has won election cannot serve the usual purposes of a contribution: The money comes too late to aid in any of his campaign activities. All the money does is enrich the candidate personally

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at a time when he can return the favor—by a vote, a contract, an appointment. It takes no political genius to see the heightened risk of corruption—the danger of “I’ll make you richer and you’ll make me richer” arrangements between donors and officeholders. Section 304 has guarded against that threat for two decades, but no longer. In discarding the statute, the Court fuels non-public-serving, self-interested governance. It injures the integrity, both actual and apparent, of the political process. I respectfully dissent.



Administrative Report

N.2., File # 22-3849

Meeting Date: 4/5/2022

To: MAYOR AND CITY COUNCIL

**From: ELEANOR MANZANO, CITY CLERK
ATTORNEY
TO THE CITY MANAGER**

**MICHAEL W. WEBB, CITY
ELIZABETH HAUSE, ASSISTANT**

TITLE

DISCUSSION AND POSSIBLE ACTION ON A REPORT REGARDING UPDATES TO THE CAMPAIGN FINANCE ORDINANCE AND ENFORCEMENT OPTIONS

EXECUTIVE SUMMARY

One of the Objectives within the Strategic Plan is a report to the City Council on possible updates to the City's Campaign Finance Ordinance and a review of enforcement options. The report provides three enforcement options for City Council discussion and consideration:

- 1) Assign investigatory duties of the Ordinance to the Redondo Beach Police Department; 2) Contract with an outside consultant to provide investigation services; or
- 3) Rescind the City's Ordinance, thereby making State limits on city campaign donations applicable to all candidates for elective office within Redondo Beach and passing investigatory duties to the Fair Political Practices Commission (FPPC).

Prosecution responsibility would remain with the City Attorney's Office for any cases referred under all three options. From an objectivity and consistency of enforcement and an overall operational efficiency standpoint the City Manager, City Clerk, and the City Attorney unanimously recommend the City Council pursue option 3.

BACKGROUND

The City's Campaign Finance Ordinance (RB Ordinance 3184-18 - Exhibit A) was adopted on January 8, 2019, and placed limits on the amount donors may contribute to political campaigns in municipal elections for the positions of Mayor and City Council. At the time of Ordinance adoption there were no State limits on the amount of political donations that applied to city elections. However, later that year, in October 2019, Assembly Bill 571 was enacted to amend the California Political Reform Act, creating campaign contribution limits (\$4,900 per election) for elective offices not covered by local ordinance (effective January 1, 2020, operative January 1, 2021). For the City of Redondo Beach, this includes the offices of the City Attorney, City Clerk, City Treasurer and the School Board. Table 1 below shows current campaign contribution limits which is a mix of those set by Ordinance 3184-18 and AB 571.

Table 1

Office	Regulatory Document	Campaign Contribution Limits
Mayor	O 3184-18 (CRB)	\$2,700.00
City Council	O 3184-18 (CRB)	\$1,050.00
City Attorney	AB 571 (CA)	\$4,900.00
City Clerk	AB 571 (CA)	\$4,900.00
City Treasurer	AB 571 (CA)	\$4,900.00
School Board	AB 571 (CA)	\$4,900.00

One important provision of AB 571 is that the FPPC is not responsible for the administration or enforcement of any city's local campaign finance ordinance if it differs from the limit set forth in AB 571. As an example of this, prior to the adoption of AB 571, the FPPC had investigated and referred to the Torrance City Attorney for criminal prosecution an allegation that a candidate had violated the City of Torrance contribution limits. This method of processing allegations changed with the adoption of AB 571. The Redondo Beach City Council was advised of this change last year and a Budget Response Report (BRR #58, Exhibit B) was prepared by then City Manager Joe Hoefgen and City Clerk Eleanor Manzano. The BRR presented options for investigation of alleged violations of campaign contributions. No action was taken by the City Council at that time.

The City's Campaign Finance Ordinance provides for enforcement only through criminal prosecution, rather than less punitive potential administrative or civil sanctions, stating "Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor" (Section 2-2.309). However, the enforcement of the Ordinance requires two separate actions take place: investigation and then - if findings deem it appropriate - prosecution.

Currently, the City's Campaign Finance Ordinance does not specify the method of investigation nor has a method of investigation been established since its adoption. By contrast, under California's regulations (specifically Government Code § 11180 and 11181), the State has vested investigatory authority in the Fair Political Practices Commission (FPPC) for violations of the Political Reform Act. For prosecution, the Political Reform Act provides that "(i)n any case in which a district attorney could act as the civil or criminal prosecutor under the provisions of this title, the elected city attorney of any charter city may act as the civil or criminal prosecutor with respect to any violations of this title occurring within the city." As such, candidates for the offices of City Attorney, City Clerk, City Treasurer and the School Board operate under a clearly-defined and established enforcement framework, whereas candidates for the offices of Mayor and City Council do not.

There are three options available to the City in the pursuance of investigations of alleged violations of the local Ordinance:

1. Assign investigation duties to the Redondo Beach Police Department, with criminal prosecution falling under the purview of the City Attorney's office.
2. Contract with an outside consultant to provide investigation services, with prosecution falling under the purview of the City Attorney's office.
3. Rescind the City's Ordinance, thereby passing investigatory duties to the FPPC. Should FPPC findings deem a violation was committed, enforcement may take place administratively,

civily, or by referral for criminal prosecution to the City Attorney.

1. Redondo Beach PD Investigation, City Attorney Criminal Prosecution

Under this option, the Redondo Beach Police Department would undertake investigatory responsibility. This new assignment would require the institution of a formal investigatory framework, the establishment of a specialized unit, and training of officers assigned to the unit. Although feasible, the installation of this enforcement program would take time and continual assessments would need to occur to ensure the efficiency and efficacy of the unit. What should also be considered with this option is the prospective repercussions of having an otherwise un-politicized arm of the City's administration lead investigations of elected officials.

Once an investigation is complete, should a violation be found, the case would be referred to the City Attorney's office for prosecution.

2. External Consultant Investigation, City Attorney Criminal Prosecution

Under this enforcement option, the City would retain the services of a consultant to perform investigations. Once an investigation is complete, should a violation be found prosecution of the case would be referred to the City Attorney's office.

The cost of this option is largely based on the number of claims filed as well as the extent of investigation demanded by the allegations, and is therefore difficult to estimate. Based on comparable service contracts currently in place, preliminary cost estimates indicate a potential rate of \$15,000-\$30,000 per investigation. Staff contacted surrounding cities with this particular investigatory framework in place and inquired about costs incurred. Thus far, these cities have not retained consultant services for violation investigations.

3. Rescind City Ordinance, FPPC Assumes Investigative Responsibility, City Attorney Criminal Prosecution

Under this option, the City would rescind its Campaign Finance Ordinance, thereby defaulting to the State's Political Reform Act for campaign financing parameters and the FPPC for investigation. Should FPPC findings deem a violation was committed, enforcement may take place administratively, civilly, or - for the most egregious violations - by referral for criminal prosecution by the City Attorney. This option would have the benefit of candidates for all elected positions in the City being under the same regulatory and enforcement framework. Also, the investigation would be done by an independent State Agency with extensive experience in doing these types of investigations. A review of the FPPC's authority and methodology is attached to this report (Exhibit D).

The Council should decide which of the three options it prefers.

1) If the Council prefers the first option, the City Manager can task the Police Chief with undertaking investigatory responsibility of any future allegations regarding violation of the City's Campaign Finance Ordinance. Under this option further budget/organizational assessment will be needed to determine what specific PD personnel would be directed to campaign investigative efforts and the impact that allocation of resources would have on current Department services.

2) If the Council prefers the second option, the City Manager will return with a list of outside consultants who can perform investigations of any future allegations regarding violation of the City's

Campaign Finance Ordinance.

3) If the Council prefers the third option, the City Attorney will return with an item to rescind the City's Ordinance at a future City Council Meeting, thereby defaulting to the State's Political Reform Act for campaign financing parameters and the FPPC for investigation for all candidates for elective office in the City.

Given the adoption of AB 571 and the recent implementation of State campaign limits for local elective offices it is the unanimous recommendation of the City Manager, City Clerk, and the City Attorney that the City Council pursue option 3.

COORDINATION

The City Clerk's office, City Manager's office and City Attorney's office collaborated on the development of this administrative report.

FISCAL IMPACT

Option 1 would incur additional staff and training costs for Police Department personnel assigned to the investigation of allegations of violations of the City's Campaign Finance Ordinance. This cost has not yet been determined. Option 2 would incur approximately \$15,000-\$30,000 in consultant fees per investigation, though the ultimate fiscal impact is difficult to determine as it is dependent on the number and scope of future complaints. Option 3 would pass all investigation costs to the FPPC.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Exhibit A: City Ordinance 3184-18

Exhibit B: Budget Response Report #58

Exhibit C: FPPC 2021 Contribution Limits Sheet

Exhibit D: FPPC Presentation on Investigation and Enforcement Methodology

ORDINANCE NO. 3184-18

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE
2, CHAPTER 2 OF THE REDONDO BEACH MUNICIPAL
CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS
FOR ELECTIONS**

WHEREAS, the problem of campaign expenditures has become a serious reality of American politics and campaigns in the City of Redondo Beach are not excepted; and

WHEREAS, incidental to the high cost of election campaigning is the problem of improper influence, real or potential, exercised by campaign contributors over elected officials; and

WHEREAS, it is important to place reasonable and enforceable limits on the amounts that persons may contribute to political campaigns in municipal elections for the prevention of corruption and the appearance of corruption spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and on their actions if elected to office.

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

SECTION 1. AMENDMENT OF CODE. Title 2, Chapter 2, Sections 2-2.301 through 2-2.309 of the Redondo Beach Municipal Code are hereby added to read as follows:

"Chapter 2 ELECTIONS

2-2.301 Purpose

It is the intent of the City Council in enacting this Article to place realistic and enforceable limits on the amounts persons may contribute to political campaigns in municipal elections. The City Council finds that the provisions of this Article are necessary to prevent the actuality or appearance of corruption in the election process.

2-2.302 Definitions

Unless otherwise defined in this chapter, words and phrases used hereinafter shall have the same meaning as defined in the Political Reform Act of 1974 which is codified in Title 9 of the California Government Code as it now exists or may hereafter be amended.

2-2.303 Campaign contribution limits: Candidates for City Council

For general municipal and runoff elections, no person shall make to any candidate for City Council or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than One Thousand dollars (\$1000.00) for the

general municipal election and One Thousand dollars (\$1000.00) for the runoff election. The One Thousand dollar (\$1000.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.304 Campaign contribution limits: Candidates for Mayor

For general municipal and runoff elections, no person shall make to any candidate for any of the office of Mayor or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from any such person, a contribution or contributions totaling more than Two Thousand, Five Hundred dollars (\$2,500.00) for the general municipal election and Two Thousand, Five Hundred dollars (\$2,500.00) for the runoff election. The Two Thousand, Five Hundred dollar (\$2,500.00) limit specified above shall be adjusted in June of every odd numbered year commencing in 2019 for changes in the consumer price index for the Los Angeles Area, CPI-U rounded to the nearest \$50.00. Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.305 Loans

- (1) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to the contribution limitations of this Chapter.
- (2) Every loan to a candidate's controlled committee shall be by written agreement.
- (3) Notwithstanding any other provision of this Section 2-2.306, a candidate for City Council shall not loan to his or her campaign, funds in excess of Fifteen Thousand dollars (\$15,000.00) in a general municipal election and Fifteen Thousand dollars (\$15,000.00) in a runoff election.
- (4) Notwithstanding any other provision of this Section 2-2.306, a candidate for Mayor shall not loan to his or her campaign, funds in excess of Twenty-Five Thousand dollars (\$25,000.00) in a general municipal election and Twenty-Five Thousand dollars (\$25,000.00) in a runoff election.
- (5) Nothing herein shall be construed to restrict a candidate from contributing his or her own funds or assets to his or her campaign.

2-2.306 Prohibition on nonelection cycle contributions

No candidate or the controlled committee of such a person shall accept any contribution except during the election cycle in which the candidate or officeholder intends to run for or be a write-in candidate for the office for which the contribution is made. Election cycle means that period commencing with January 1 of the even numbered year immediately preceding the general municipal election for that office and ending six (6) months after the general municipal election. For a special election, the

election cycle commences with the declaration of a vacancy in an elective office and ends six (6) months after the special election date.

2-2.307 Return of contributions

A contribution will not be considered to be received or accepted if it is not negotiated or deposited, and in addition it is returned to the donor within fourteen (14) days of receipt.

2-2.308 Family Contributions

Contributions from spouses shall be treated as contributions by separate persons and shall not be aggregated. Contributions by children under the age of eighteen (18) years of age shall be treated as contributions by their parents (or legal guardians) and attributed one-half (1/2) to each parent (or legal guardian) or the total amount to a single parent (or legal guardian).

2-2.309 Violations; Misdemeanor

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor."

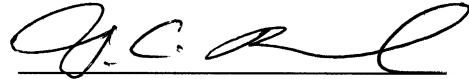
SECTION 2. EXEMPT FROM CEQA. The City Council determines that this ordinance is exempt from review under the California Environmental Quality Act (Cal. Pub. Regs. Code Section 15000, et seq.) because the only potential physical effect on the environment that could foreseeably result from its implementation is a reduction in environmental impacts associated with vehicle traffic including, but not limited to, traffic congestion and greenhouse gas emissions. Such a reduction in the use or operation of an existing City street or property is categorically exempt from further CEQA review under Cal. Code Regs. Title 14, Section 15301. This ordinance, therefore, is an action that does not have the potential to cause significant effects on the environment.

SECTION 3. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 4. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 5. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in The Beach Reporter, the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 8th day of January, 2019.


Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:


Michael W. Webb, City Attorney


Eleanor Manzano, CMC, City Clerk

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

I, Eleanor Manzano, City Clerk of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3184-18 was duly introduced at a regular meeting of the City Council held on the 18th day of December, 2018, and was duly approved and adopted at a regular meeting of said City Council held on the 8th day of January, 2019, by the following roll call vote:

AYES: NEHRENHEIM, LOEWENSTEIN, HORVATH

NOES: GRAN, EMDEE

ABSENT: NONE

ABSTAIN: NONE



Eleanor Manzano, CMC
City Clerk

CITY OF REDONDO BEACH BUDGET RESPONSE REPORT #58

June 15, 2021

Question:

What are possible options for investigating financial violations related to campaign contributions?

Response:

City Ordinance 3184-18 (attached) was adopted on January 18, 2019 to “place realistic and enforceable limits on the amounts persons may contribute to political campaigns in municipal elections” to “prevent the actuality or appearance of corruption in the election process” of which the ordinance limits are imposed on candidates for the positions of Mayor and City Council. Subsequently, Assembly 571 was enacted to amend the Political Reform Act in October 2019, and effective January 1, 2020 affecting campaign contribution limits for elective offices not covered by local ordinance. This statute was not in place when the City Council enacted our ordinance. The FPPC advises they conduct investigations only on alleged state law campaign finance violations not covered by City Ordinance (City Attorney, City Clerk, City Treasurer, and School Board) and advised that local ordinances are to be investigated by the local jurisdiction.

Due to the fact that the City Attorney’s Office would handle the prosecution of violations as misdemeanors, they cannot also conduct the investigations leading to prosecution. California City Clerks for cities with campaign finance ordinances were queried for methods of violation investigations. Of the five responses received, the method of investigations ranged from in-house code enforcement to outside contracted investigation firms. Two of the five cities that responded have a City Council-appointed ethics boards/commission that review alleged violations that work in concert with outside firms.

CITY	METHOD OF INVESTIGATION
Berkeley	Our Fair Campaign Practices Commission was created specifically to enforce the campaign finance ordinance. City Attorney’s Office supports the commission and does the investigative work.
Chula Vista	Our Board of Ethics appoints a panel of outside attorneys to review complaints.
Rohnert Park	We currently use our code compliance department to enforce the ordinance.
Sacramento	We have an Ethics Commission that oversees campaign finance and the evaluator/investigator (attorney) is hired by them by RFQ process.

Santa Monica	Complaints received by City Clerk who works with my City Attorney's Office to send a letter to the filer. Works with the Attorney's Office to bring the filer into compliance, fine or refer them to the District Attorney's Office. (But the District Attorney's Office has indicated they can't file such cases.)
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In summary, because the City of Redondo Beach has its own local campaign contribution limits applicable to the Mayor and City Council campaigns, the FPPC will not investigate violations for these campaigns. Should the City Council wish to allocate funds to retain outside investigators/counsel to investigate Mayor/Council campaign violations, it is difficult to estimate a dollar amount to deal with an unknown number of violations that may be alleged. However, if pressed for a placeholder dollar amount, staff would suggest \$50,000 should the City Council wish to allocate some resources. Another possible alternative could be to rescind ordinance 3184-18 which would enable the FPPC to investigate alleged campaign violations of State law.

Attachment A: Ordinance 3184-18

Attachment B: Campaign Contribution Limits current summary

ORDINANCE NO. 3184-18

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 2 OF THE REDONDO BEACH MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS FOR ELECTIONS

WHEREAS, the problem of campaign expenditures has become a serious reality of American politics and campaigns in the City of Redondo Beach are not excepted; and

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Mayor William C. Brand

APPROVED AS TO FORM:

ATTEST:


Michael W. Webb, City Attorney


Eleanor Manzano, CMC, City Clerk

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

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AYES: NEHRENHEIM, LOEWENSTEIN, HORVATH

NOES: GRAN, EMDEE

ABSENT: NONE

ABSTAIN: NONE



Eleanor Manzano, CMC
City Clerk

CAMPAIGN CONTRIBUTION LIMITS

<u>Contest</u>	<u>Contribution Limits – per Election</u>	<u>Personal Loans</u>
Mayor	\$2,550.00	\$25,000
City Council	\$1,000.00	\$15,000
City Attorney	\$4,700.00 (thru 12/31/20) \$4,900.00 (eff. 1/1/2021)*	\$100,000
School Board Member	\$4,700.00 (thru 12/31/20) \$4,900.00 (eff. 1/1/2021)*	\$100,000

BACKGROUND:

- On January 8, 2019 the City Council adopted Ordinance No. 3184-18 regarding Campaign Contribution limits for Candidates for Mayor and for City Council, which are to be adjusted every June of odd-numbered years commencing June 2019 subject to Los Angeles Area Consumer Price Index (CPI-U).
- Effective January 1, 2020, California Assembly Bill 571 came into effect, which amends Government Code sections pertaining to campaign contribution limits that apply to elective offices that do not have limits under City ordinance. Therefore, contribution limits for the Offices of City Attorney, City Clerk, City Treasurer, and School Board are subject to the state law.

See Section 17 for Full Text of California Government Code 85300 – 85321 (Article 3 of Chapter 5, Title 9 of Political Reform Act). Assembly Bill 571 adds or amends Government Code Sections 85301, 85305-85307, and 85315-85318.

*Effective January 1, 2021, per the FPPC, the adjusted total Campaign Contribution limit for these offices is \$4900.00. If a single contributor gives \$4700 up to December 31, 2020, they may only give an additional \$200 on or after January 1, 2021.

California Fair Political Practices Commission

California State Contribution Limits

(Effective January 1, 2021 - December 31, 2022)

Candidates seeking a state office and committees that make contributions to state candidates are subject to contribution limits from a single source. Beginning January 1, 2021 a state campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates. (Sections 85301 - 85303.) Contributions from affiliated entities are aggregated for purposes of the limits. (Regulation 18215.1.) The chart below shows the current limits per contributor for state offices and city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates. The primary, general, special, and special run-off elections are considered separate elections. Contribution limits to candidates apply to each election. Contribution limits to officeholder and other committees apply on a calendar year basis. Contact your city or county about contribution limits for local offices, state campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates.

Contribution Limits to State and Local* Candidates Per Election

Candidate or Officeholder	Contributor Sources		
	Person (individual, business entity, committee/PAC)	Small Contributor Committee (see definition on page 2)	Political Party
City and County Candidates subject to Section 85301 (d)	\$4,900	\$4,900	\$4,900
Senate and Assembly	\$4,900	\$9,700	No Limit
CalPERS/CalSTRS	\$4,900	\$9,700	No Limit
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	\$8,100	\$16,200	No Limit
Governor	\$32,400	\$32,400	No Limit

*State campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates

Contributions to Other State Committees Per Calendar Year

Committee	Contributor Sources	
	Person (individual, business entity, committee/PAC)	
Committee (Not Political Party) that Contributes to State Candidates (PAC)	\$8,100	
Political Party Account for State Candidates	\$40,500	
Small Contributor Committee	\$200	
Committee Account NOT for State Candidates (Ballot Measure, PAC, Political Party)	No Limit*	

*State committees (including political parties and PACs) may receive contributions in excess of the limits identified above as long as the contributions are NOT used for state candidate contributions. (Regulation 18534.)

Contributions to State Officeholder Committees Per Calendar Year

Committee	Contributor Sources	
	Any Source (Person, Small Contributor Committee or Political Party)	Aggregate From All Sources
Senate and Assembly	\$4,000	\$67,300
CalPERS/CalSTRS	\$4,000	\$67,300
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	\$6,700	\$134,600
Governor	\$26,900	\$269,300

California Fair Political Practices Commission

California State Contribution Limits

(Effective January 1, 2021 - December 31, 2022)

The contribution limits are effective for elections held between January 1, 2021 and December 31, 2022. (Regulation 18545.) These limits do not apply to contributions made to elections in previous years. Such contributions are subject to the limits in place for that year see previous charts.

Legal Defense Funds

Contributions raised for a legal defense fund are not subject to contribution limits or the voluntary expenditure ceiling. However, a candidate or officeholder may raise, in total, no more than is reasonably necessary to cover attorney's fees and other legal costs related to the proceeding for which the fund is created. (Section 85304; Regulation 18530.4.)

Recall Elections

A state officeholder and city or county officeholder subject to Section 85301 (d) who is the subject of a recall may set up a separate committee to oppose the qualification of the recall measure and, if the recall petition qualifies, the recall election. Neither contribution limits nor voluntary expenditure ceilings apply to the committee to oppose the recall that is controlled by the officeholder who is the target of the recall attempt. Candidates running to replace an officeholder who is the target of a recall are subject to the contribution limits and the expenditure limits applicable to the election for that office. (Section 85315; Regulation 18531.5.)

Ballot Measure Committees

Contributions to ballot measure committees controlled by a candidate for elective state office or a candidate for elective city or county office subject to Section 85301 (d) are not limited.

Contributions from State Candidates and Candidates subject to Section 85301 (d)

A state candidate or candidate for elective city or county office subject to Section 85301 (d) may not contribute more than \$4,900 to a committee controlled by another state candidate or candidate for elective city or county office subject to Section 85301 (d) (This limit applies on a per election basis and includes, in the aggregate, contributions made from the candidate's personal funds and from campaign funds. (Section 85305; Regulation 18535.) This limit does not apply to a committee controlled by a state candidate or a committee controlled by a candidate for elective city or county office subject to Section 85301 (d) to oppose his or her recall or their contributions made to a legal defense fund established by a candidate for elective state office or candidate for elective city or county office subject to Section 85301(d). It also does not apply to contributions made by a candidate for elective state office or a candidate for elective city or county office subject to Section 85301 (d) to a ballot measure committee controlled by another state candidate or candidate for elective city or county office subject to Section 85301 (d). Please note there are certain rules applicable to use of funds held by state officeholder committees (See Regulation 18531.62.)

Communications Identifying State Candidates

Any committee that makes a payment or a promise of payment totaling \$50,000 or more for a communication that:

1. Clearly identifies a state candidate; but
2. Does not expressly advocate the election or defeat of the candidate; and
3. Is disseminated, broadcast, or otherwise published within 45 days of an election, may not receive a contribution from any single source of more than \$40,500 in a calendar year if the communication is made at the behest of the candidate featured in the communication. (Section 85310.)

Officeholder Committees

Officeholder contributions must be cumulated (in full) with any other contributions from the same contributor(s) for any other future elective state office or elective city or county office subject to Section 85301 (d) for which the officeholder maintains a controlled committee during the term of office in which the contribution is received. Contributions to candidates for future elections and to their officeholder account are cumulated for purposes of contribution limits. (Regulation 18531.62.)

Contributions from State Lobbyists

A state lobbyist may not contribute to a state officeholder's or candidate's committee if the lobbyist is registered to lobby the agency of the elected officer or the agency to which the candidate is seeking election. The lobbyist also may not contribute to a local committee controlled by any such state candidate. (Section 85702; Regulation 18572.) In addition, effective January 1, 2015, lobbyists and lobbying firms may no longer take advantage of the \$500 or less home/office fundraiser exception that is available to other individuals and entities. (Section 82015(f).)

Local Elections

Many cities and counties have local contribution limits and other election rules. "Local Campaign Ordinances" are listed on the FPPC's website. Check with your city or county about contribution limits for local elections. A State campaign contribution limit will by default apply to city and county candidates when the city or county does not have laws addressing a contribution limit on such candidates.

Definitions

Person: An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert. (Section 82047.)

Small Contributor Committee: Any committee that meets all of the following criteria:

- (a) The committee has been in existence for at least six months.
- (b) The committee receives contributions from 100 or more persons.
- (c) No one person has contributed to the committee more than \$200 per calendar year.
- (d) The committee makes contributions to five or more candidates. (Section 85203; Regulation 18503.)

Political Party Committee: The state central committee or county central committee of an organization that meets the requirements for recognition as a political party under Elections Code Section 5100. (Section 85205.)

FAIR POLITICAL PRACTICES COMMISSION



Mission of the Commission

- The mission of the Fair Political Practices Commission is to promote the integrity of state and local government in California through fair, impartial interpretation and enforcement of political campaign, lobbying and conflict of interest laws.
- Advice, Train and Educate - Legal and Education Divisions
- Audit, Investigate, and Prosecute - Enforcement Division

Enforcement Division Mission

To fairly, effectively and efficiently enforce the provisions of the Political Reform Act.

Enforcement Division

- 30 Employees
- 9 Attorneys
- 9 Investigators
- 8 Specialists
- 4 Support Staff

Enforcement Under the PRA

- “In enacting the Political Reform Act, the people find and declare that previously laws regulating political practices have suffered from inadequate enforcement by state and local authorities.” (Gov’t Code § 81001(h))
- “Adequate enforcement mechanisms should be provided to public officials and private citizens in order that the Political Reform Act will be vigorously enforced.” (Gov’t Code § 81002(f))

Duty to Investigate

- “Upon the sworn complaint of any person or on its own initiative, the Commission shall investigate possible violations of this title relating to any agency, official, election, lobbyist or legislative or administrative action.” (Gov’t Code § 83115)
- “...the Commission may make investigations and audits with respect to any reports or statements required by this title.” (Gov’t Code § 90003)

Administrative Investigations

- Gov't Code § 11180 authorizes investigations and prosecutions concerning “all matters relating to the business activities and subjects under the jurisdiction of the department” including “violations of any law.”
- Gov't Code § 11181 provides that in connection with investigations, the department head may “issue subpoenas for the . . . production of papers, books, accounts, documents . . . and testimony in an inquiry, investigation, hearing or proceeding pertinent or material thereto in any part of the state.”
 - FPPC has administrative subpoena power through this section and from within the Act itself (Gov't Code § 83118)

Administrative Investigations

(cont.)

The California Supreme Court stated in *Brovelli v. Superior Court of Los Angeles County* (1961) 56 Cal.2d 524, 529:

“As has been said by the United States Supreme Court, the power to make administrative inquiry is not derived from a judicial function but is more analogous to the power of a grand jury, which does not depend on a case or controversy in order to get evidence but can investigate **‘merely on suspicion that the law is being violated, or even just because it wants assurance that it is not.’**” (*United States v. Morton Salt Co.*, 338 U.S. 632, 642-643.)
(emphasis added)

What the Commission Enforces

- Financial Reporting by Public Officials (SEIs)
- Conflicts-of-Interest for Public Officials (GC 87100 & 1090)
- Gifts and Honoraria
- Post-Governmental Employment (State & Local)
- Mass Mailings & Advertising Disclosure
- Campaign Finance and Reporting
- State Lobbying

Enforcement Options

Most violations of the Act can be prosecuted three ways:

- Administrative
- Civil
- Criminal

Administrative Prosecution

- Most common type of FPPC action
- Can seek penalties of up to \$5,000 per violation
 - More for certain advertising violations
- Statute of Limitations – 5 years
 - Can be tolled with a PC Report, tolling agreement, or if intent to conceal
- Applicable to all violations of Act
- Faster and more efficient resolution than civil court

Civil Prosecution

- Can be initiated by FPPC, private citizens, Attorney General or District Attorneys (Gov't Code § 91001)
- FPPC – State or any State agency, or local with written DA permission
- Attorney General – FPPC only
- District Attorneys – Any other agency
- Private Citizens – Must request action from DA, FPPC or AG first.
 - 120 days to respond.

Criminal Prosecution

- Must knowingly or willfully violate Act (Gov't Code § 91000)
- Violations are misdemeanors
- Statute of Limitations – 4 years
- If convicted, can't be candidate or lobbyist for four years
 - Judge may waive this, but must do so explicitly
 - Violation of this is a felony

Sources of Cases

Enforcement cases are initiated by:

1. Complaints (Sworn, Non-sworn or Anonymous)
2. FPPC SEI Unit and filing officer referrals
3. Audits and audit referrals
4. Media reports
5. Staff-initiated investigations
6. Tips
7. Referrals from law enforcement agencies

Cases, Complaints and Referrals

2016 (Election year)

- 1,180 Complaints
- 350 Referrals
- 1,530 Total

2017 (Non-election year)

- 564 Complaints
- 1,616 Referrals
- 2,180 Total

Intake

- All complaints and referrals go through the intake process to determine whether Enforcement should open a case.
- In determining whether to open a case, intake staff review the complaint or referral, any additional information provided by the complainant, publicly available information, and any material submitted by the subject of a complaint.
- If the Intake staff determines sufficient evidence is present to suggest a violation may have occurred then a case is opened.

Intake Timeline

(Regulation 18360)

- Sworn Complaints:
 - Within 3 days, respondent is sent a copy of the complaint
 - Enforcement staff has 14 days to send investigate/won't investigate letter/need more time letter to complainant with a copy to respondent (Gov't Code § 83115)
- Commission-initiated cases (includes everything else):
 - No legally-mandated deadlines
 - Letter of Inquiry sent when appropriate
 - Generally, 10 days to respond
- Enforcement sends respondents notice of allegations against them 5 days prior to disclosure to the public/media.

Investigations

- Investigators and attorneys work together to gather the evidence to prove or disprove violations occurred. Auditors and other staff assist with these investigations.
- FPPC has subpoena power but must seek voluntary compliance prior to issuing subpoena unless:
 - Bank/business records
 - Threat of record destruction
- Executive Director authorizes issuance of administrative subpoenas if:
 - Records are material to the matter, and
 - the ED reasonably believes the person has the information under their control.

Audits

- The PRA requires the FPPC perform audits of the candidates and their committees for State Controller, Public Employees Retirement Board and State Board of Equalization
- FTB performs all other statutorily required audits
- FPPC has the authority to perform discretionary audits
- Contract with County of San Bernardino
- Auditors also routinely assist with complicated campaign investigations

Types of Resolutions

- **No Action closure letter** – If there is insufficient evidence to prosecute a case and no further information would be helpful or informative. (318)
- **Advisory letter** – If there is insufficient evidence to prosecute a case but the person complained about appears to need information about the Act to ensure future compliance. (17)
- **Warning letter** – If a violation of the Act is found but the seriousness of the offense is low, public harm is minimal, or other mitigation is found so that a monetary fine is not warranted. (505)
- **Stipulation** – negotiated settlement. (Mainline (66)/Streamline (262))
- **Default judgment** – Respondent does not participate in settlement or administrative hearing process. (12)
- **Administrative Law Judge Decision** – The decision is issued after an administrative hearing conducted pursuant to the Administrative Procedures Act. The decision must be approved by the Commission before being final. (1)
- **Civil action** – Judgment issued by a superior court. (0)

Streamline Program

- 77% of all cases prosecuted with fines go through the streamline program.
- Commission approved (May 2015): lower fines based on a formula for violations involving small amounts of contributions rec'd or expenditures made as well as SEI non-filing and SEI non-reporting.
- Commission will start discussions regarding modifying the program to change the fine amounts and possibly add additional violations, like advertising and recordkeeping violations.

Mainline Settlements

- Work with respondent (or counsel) to negotiate a mutually agreeable result, which must include:
 - An admission of violations,
 - Agreement on relevant facts, and
 - Public disclosure of any previously undisclosed information.
- “Settlement is the offspring of compromise; the question we address is not whether the final product could be prettier, smarter or snazzier, but whether it is fair, adequate and free from collusion.” (*Hanlon v. Chrysler Corp.*, (1998) 150 F.3d 1011, 1027.)

Penalties

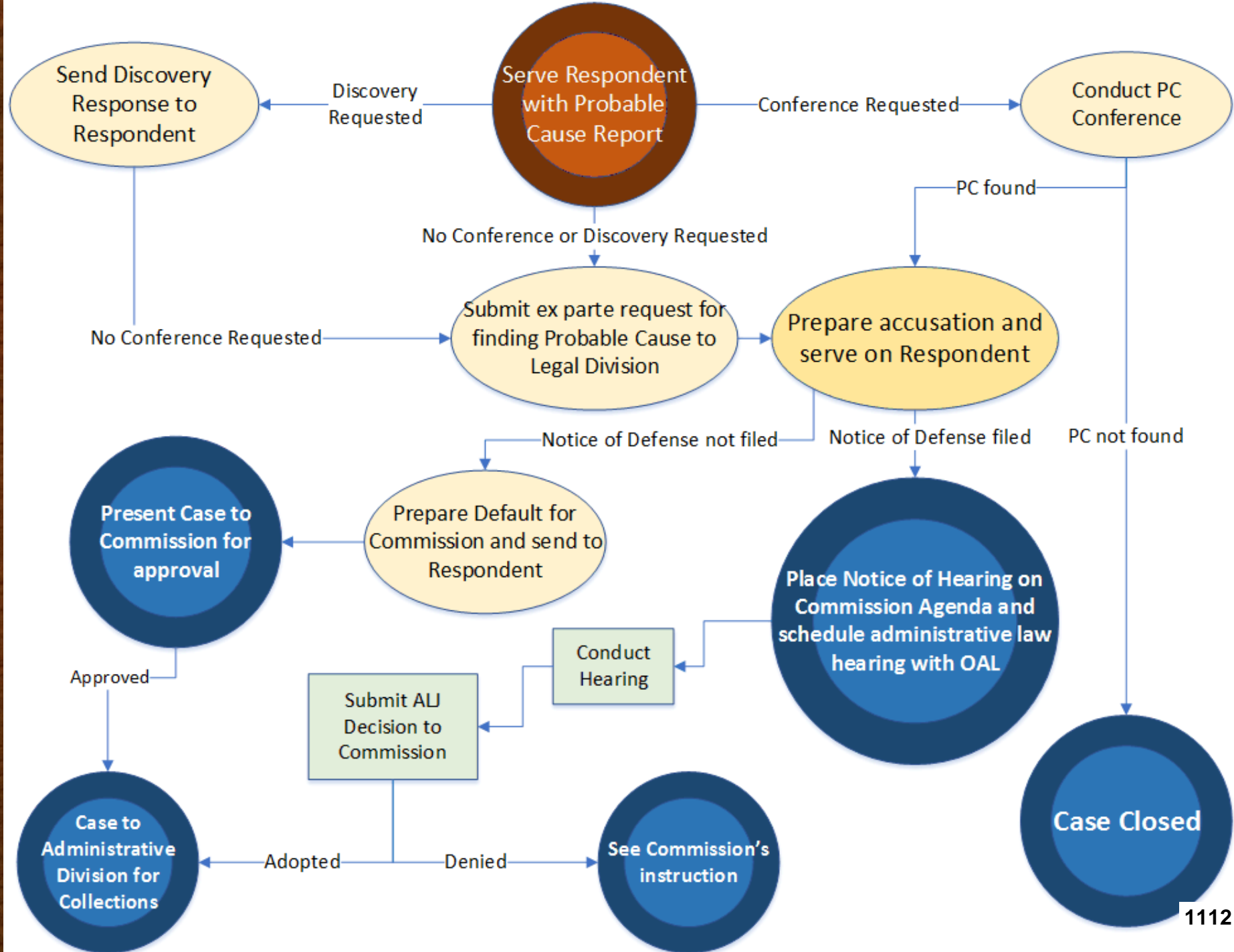
Recommended penalties determined by:

- Prior similar cases
- Commission Direction
- Factors set forth in Regulation 18361.5, subdivision (d):
 - the seriousness of the violations;
 - the presence or lack of intent to deceive the voting public;
 - whether the violation was deliberate, negligent, or inadvertent;
 - whether the Respondent demonstrated good faith in consulting with Commission staff; and
 - whether there was a pattern of violations.
- Public harm

Approval of Penalties

All penalties are approved by Commission

- 3 votes are required to approve or reject
- Can accept or reject stipulated agreements
- Enforcement cannot discuss facts not included in stipulations, except otherwise public information
- For defaults, Enforcement can discuss facts and penalty and Commission can unilaterally change the proposed penalty



Probable Cause

- Probable Cause Report. Enforcement Division files a probable cause report by serving it on the respondent. The respondent has the right to submit written argument, request discovery of evidence, and request a hearing at which respondent may submit evidence, including witness testimony.
- Probable Cause Conference. A neutral hearing officer determines whether there is sufficient evidence to lead a reasonable person to believe, or entertain a strong suspicion, the respondent violated the PRA. Respondent may request that an ALJ act as hearing officer for a probable cause hearing.

Administrative Hearings

- Administrative Hearing. If a hearing officer finds probable cause, the hearing officer orders the Enforcement Division to issue an Accusation and the case proceeds to administrative hearing pursuant to the California Administrative Procedures Act. Hearings may be conducted by the Commission, or an administrative law judge from the Office of Administrative Law. If the hearing office does not find probable cause, the case is closed.
- ALJ Finding. If an administrative law judge finds a respondent violated the PRA, the Commission may adopt or reject the ALJ's decision. The respondent may submit a brief to the Commission prior to its determination on a proposed decision.
- Further Review. Respondents have the right to request reconsideration of a decision adopted by the Commission, and may file a writ of mandate in superior court challenging a final Commission decision.

October 4, 2022

Eleanor Manzano
Elected City Clerk
City of Redondo Beach
415 Diamond Street, Door 1
Redondo Beach, CA 90277

Eleanor Manzano

RE: Investigations

Dear Ms. Manzano:

The W Group, Inc. is pleased to confirm the engagement of our services which is memorialized in the Agreement that follows.

Services

You have asked that we perform a variety of investigative and consulting services (the "Assignment"). This Agreement applies to all agents and/or representatives engaged by The W Group on the Assignment.

We understand that you may ask us to undertake additional tasks on the Assignment that will be governed by the terms set forth in this document, unless different terms are set forth and agreed to by both of us. During the course of the Assignment, please let us know if you have any questions at any time. It is our hope to provide timely services to you through an open line of communication.

We agree to perform the Assignment under your direction. We understand that you may supply us with certain information and materials which are confidential and, in certain limited cases, might be protected by attorney-client privilege, and we agree that such information and materials are attorney work product and are protected by the attorney-client privilege. We also agree that all work performed by The W Group during this Assignment is governed by the City of Redondo Beach Municipal Code, and any amendments thereto. We will keep such information in strict confidence and will not disclose it to anyone not authorized by you, we will not use it for any other purpose, both during the time of our work on this matter and afterwards. We further agree that, at the end of our engagement on this matter, we will return to you all documents containing any such confidential information.

We understand that we should, as a general matter, refrain from discussing our work on this matter with others unless directed by the City of Redondo Beach. If we have any questions now or in the future about what we can or cannot say about this case or our work for you, we will discuss it with you or another representative designated by you.

Indemnification

You agree to hold harmless, indemnify and defend The W Group, Inc., (including costs of any retained counsel mutually approved by The W Group, Inc. and the City of Redondo Beach) its officers, employees, contractors and agents from any and all claims, actions, losses, damages and liability arising out of the performance of this Agreement, or from the enforcement or interpretation of any provision of the City of Redondo Beach Municipal Code, from any cause

whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by The W Group, Inc. on account of any claim except where such indemnification is prohibited by law. Your agreement to hold harmless and to indemnify us does not extend to such claims, damages and costs resulting from any actions by us constituting gross negligence, fraud, willful or unlawful conduct or a breach of this Agreement.

Confidentiality

Unless otherwise directed by the City of Redondo Beach, we agree to maintain the confidentiality of all confidential and proprietary information we receive from you. While investigations authorized by the City of Redondo Beach are pending and/or awaiting a final prosecution decision, you, and third-party partners of City of Redondo Beach, agree that reports and information received from us will be treated as confidential and are intended solely for your private and exclusive use, except with our prior consent. If a prosecution declination decision results from any work performed by us, the City of Redondo Beach agrees to protect all non-disclosable information as well as any personally identifiable information (PII) that is otherwise protected by California statutes.

Notwithstanding the foregoing, The W Group, Inc. and the City of Redondo Beach agree that confidential or proprietary information does not include any information that is:

- Required to be disclosed by law, including without limitation the California Public Records Act; and
- Required to be disclosed by government order.

Termination

City may terminate this Agreement upon at least thirty days written notice to The W Group prior to the termination date. The W Group shall be paid for all services and reasonable out-of-pocket expenses incurred prior to the termination date. Written notice must be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Eleanor Manzano
Elected City Clerk
City of Redondo Beach
415 Diamond Street, Door 1
Redondo Beach, CA 90277

The W Group
1630 N. Main Street
Suite 318
Walnut Creek, CA 94596

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

Fees and Charges

We have agreed to charge for our professional services at our agreed upon project rate of \$200 per hour per professional assigned to any aspect of the Assignment, plus reasonable out-of-pocket expenses. Any reasonable out-of-pocket expenses arising out of performance of this Agreement, including database fees, court costs, copying fees, parking, mileage in accordance with the IRS rate, and tolls are in addition to professional fees and will be passed along at cost. From time to time, and with the prior written approval of the City of Redondo Beach, The W Group, Inc, may retain the services of court-certified experts, such as videographers, questioned

document examiners or election accountants. The costs for those professionals will be incorporated into any invoices submitted to the City of Redondo Beach. However, no costs described in this section shall be paid unless receipts substantiating the expenses are attached to the invoices.

We agree that, as an independent consultant, we are not employees of the City of Redondo Beach. As such, we are responsible for any tax obligations arising from payment of consulting fees to us.

We shall provide invoices on a monthly basis, and payment of those invoices are due within forty five (45) days of City of Redondo Beach's receipt of the invoice; provided, however, that there is no dispute over the amount. The invoices will detail reasonable out-of-pocket expenses, as well as provide a brief description of relevant tasks of each project.

This Agreement shall be effective as of the date on which we first provide services to you. If this engagement letter is satisfactory to you, kindly execute and return this document.

We look forward to assisting your efforts on this Assignment.

Very truly yours,

Scott A. Wilcox
President

Michael G. Wagner
Vice President

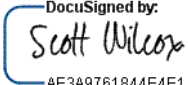
SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 4th day of October, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

THE W GROUP, INC.,
a California corporation

William C. Brand, Mayor

DocuSigned by:

AE3A9761844E4E1...
By: _____
Name: Scott A. Wilcox
Title: President

Eleanor Manzano, City Clerk

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/01/2022

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

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

PRODUCER	Costanza Ins. Agency, Inc 3010 LBJ Freeway Suite 925 Dallas TX 75234-	CONTACT NAME:	
		PHONE (A/C, No., Ext): (972)991-6084	FAX (A/C, No.): (972)991-2139
INSURED	The W Group, Inc. 1630 N. Main Street Suite 318 Walnut Creek CA 94596-	E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A : Steadfast Insurance	NAIC # 26387
		INSURER B :	
		INSURER C :	
		INSURER D :	
		INSURER E :	
		INSURER F :	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> ERRORS AND OMISSIONS GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			EOL0288485-04	12/11/2021	12/11/2022	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N	N / A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

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

CERTIFICATE HOLDER

CANCELLATION

AI 016641

CITY OF REDONDO BEACH 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

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

**FEDERAL ELECTION COMMISSION *v.* TED CRUZ FOR
SENATE ET AL.****APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF COLUMBIA**

No. 21–12. Argued January 19, 2022—Decided May 16, 2022

During his 2018 Senate reelection campaign and consistent with federal law, see 11 CFR §110.10; 52 U. S. C. §30101(9)(A)(i), appellee Ted Cruz loaned \$260,000 to his campaign committee, Ted Cruz for Senate (Committee). To repay these and other campaign debts, campaigns may continue to receive contributions after election day. See 11 CFR §110.1(b)(3)(i). Section 304 of the Bipartisan Campaign Reform Act of 2002 (BCRA) restricts the use of post-election contributions by limiting the amount that a candidate may be repaid from such funds to \$250,000. 52 U. S. C. §30116(j). Relevant here, the Federal Election Commission (FEC) has promulgated regulations establishing three rules to implement that limitation: First, a campaign may repay up to \$250,000 in candidate loans using contributions made “at any time.” 11 CFR §116.12(a). Second, to the extent the loans exceed \$250,000, a campaign may use pre-election funds to repay the portion exceeding \$250,000 only if the repayment occurs “within 20 days of the election.” §116.11(c)(1). Third, when the 20-day post-election deadline expires, the campaign must treat any portion above \$250,000 as a contribution to the campaign, precluding later repayment. §116.11(c)(2).

The Committee began repaying Cruz’s loans after the 20-day post-election window for repaying amounts over \$250,000 had closed. It accordingly repaid Cruz only \$250,000, leaving \$10,000 of his personal loans unpaid. Cruz and the Committee filed this action in Federal District Court, alleging that Section 304 of BCRA violates the First Amendment and raising challenges to the FEC’s implementing regulation, §116.11. The District Court granted Cruz and his Committee summary judgment on their constitutional claim, holding that the loan-repayment limitation burdens political speech without sufficient

Syllabus

justification, and dismissed as moot their challenges to the regulation.

Held:

1. Appellees have standing to challenge the threatened enforcement of Section 304. Pp. 3–10.

(a) The Government recognizes that the Committee’s present inability to repay the final \$10,000 of Cruz’s loans constitutes an injury in fact both to Cruz and his Committee. It maintains, however, that appellees lack Article III standing because these injuries are not traceable to the threatened enforcement of Section 304, see *Lujan v. Defenders of Wildlife*, 504 U. S. 555, 560–561. First, the Government argues that appellees knowingly triggered the application of the loan-repayment limitation and thus their injuries are traceable to themselves, not the Government. This Court has never recognized an exception to Article III standing’s traceability requirement for injuries that a party purposely incurs. Moreover, this Court has made clear that an injury resulting from the application or threatened application of an unlawful enactment remains fairly traceable to such application, even if the injury could be described in some sense as willingly incurred. See *Evers v. Dwyer*, 358 U. S. 202, 204 (*per curiam*). Cases cited by the Government—*Clapper v. Amnesty Int’l USA*, 568 U. S. 398, and *Pennsylvania v. New Jersey*, 426 U. S. 660 (*per curiam*)—do not alter that conclusion. In contrast to those cases, here the appellees’ injuries are directly inflicted by the FEC’s threatened enforcement of the provisions they now challenge. That appellees chose to subject themselves to those provisions does not change the fact that they *are* subject to them, and will face genuine legal penalties if they do not comply. Finally, the Government’s observation that it should not be blamed for appellees’ injuries because the Committee had a legally available alternative—*i.e.*, repaying Cruz’s loans in full with pre-election funds, within 20 days of the election—misses the point. Demanding that the Committee do so would require it to forgo the exercise of the First Amendment right the Court must assume it has when assessing standing—the right to repay its campaign debts in full, at any time. Pp. 3–6.

(b) The Government next argues that although appellees would have standing to challenge the FEC’s implementing regulation, §116.11, they do not have standing to challenge Section 304 itself. The Government contends that the Committee used pre-election funds to repay the first \$250,000, and thus Section 304’s cap on using post-election funds to repay a candidate’s loan does not prohibit repayment of the final \$10,000 here. Instead, it is the agency’s regulation—with its 20-day limit—that prevents repayment. Appellees insist that they used post-election funds—in the form of overlimit contributions to the 2018 campaign that were “redesignated” as contributions to the 2024

Syllabus

campaign—to repay Cruz’s loans. Ordinarily, it would not matter whether a plaintiff was challenging the statute’s enforcement or instead the enforcement of a regulation. Here, however, the parties assume that the distinction makes a difference because the subject-matter jurisdiction of the three-judge District Court is limited to actions challenging the enforcement of the statute. See BRCA §304(a). Even under the Government’s account, the present inability of the Committee to repay and Cruz to recover the final \$10,000 is traceable to the operation of Section 304 itself. An agency’s regulation cannot “operate independently of” the statute that authorized it. *California v. Texas*, 593 U. S. ___, ___. Here, the FEC’s 20-day rule was expressly promulgated to implement Section 304. Thus, if Section 304 is invalid and unenforceable, the agency’s 20-day rule is as well, and the remedy appellees sought in the District Court would redress appellees’ harm by preventing enforcement of the agency’s 20-day rule. See *Lujan*, 504 U. S., at 561. In challenging the FEC’s threatened enforcement of the loan-repayment limitation, through its implementing regulation, appellees may raise constitutional claims against Section 304, the statutory provision that, through the agency’s regulation, is being enforced. Cf. *Collins v. Yellen*, 594 U. S. ___, ___–___. And because they are challenging “the constitutionality of [a] provision of [BCRA],” §403(a), jurisdiction was proper in the three-judge District Court. Pp. 6–10.

2. Section 304 of BCRA burdens core political speech without proper justification. Pp. 10–22.

(a) The loan-repayment limitation abridges First Amendment rights by burdening candidates who wish to make expenditures on behalf of their own candidacy through personal loans. Restricting the sources of funds that campaigns may use to repay candidate loans increases the risk that such loans will not be repaid in full, which, in turn, deters candidates from loaning money to their campaigns. This burden is no small matter. Debt is a ubiquitous tool for financing electoral campaigns, especially for new candidates and challengers. By inhibiting a candidate from using this critical source of campaign funding, Section 304 raises a barrier to entry—thus abridging political speech. Pp. 10–13.

(b) The Government has not demonstrated that the loan-repayment limitation furthers a permissible goal. Any law that burdens First Amendment freedoms, even slightly, must be justified by a permissible interest. Pp. 13–22.

(i) The only permissible ground for restricting political speech recognized by this Court is the prevention of “*quid pro quo*” corruption or its appearance. See *McCutcheon v. Federal Election Comm’n*, 572 U. S. 185, 207. Here, the Government argues that the contributions at issue raise a heightened risk of corruption because they are used to

Syllabus

repay a candidate's personal loans. But given that these contributions are already capped at \$2,900 per election in order to prevent corruption or its appearance, the approach of adding an additional layer of regulation is a significant indicator that the regulation may not be necessary for the interest it seeks to protect. See *id.*, at 221. Because the Government is defending a restriction on speech, it must do more than "simply posit the existence of the disease sought to be cured"; it must instead point to "record evidence or legislative findings" demonstrating the need to address a special problem. *Colorado Republican Federal Campaign Comm. v. Federal Election Comm'n*, 518 U. S. 604, 618. "[M]ere conjecture" is "[in]adequate to carry a First Amendment burden." *McCutcheon*, 572 U. S., at 210. Yet the Government is unable to identify a single case of *quid pro quo* corruption in this context, even though most States do not impose a limit on the use of post-election contributions to repay candidate loans. Pp. 13–16.

(ii) In the absence of direct evidence, the Government turns to a scholarly article, a poll, and statements by Members of Congress to show that the contributions used to repay candidate loans carry a heightened risk of at least the appearance of corruption. All of this evidence, however, concerns the sort of "corruption," loosely conceived, that this Court has repeatedly explained is not legitimately regulated under the First Amendment. Nor is it equivalent to "legislative findings" that demonstrate the need to address a special problem. Pp. 16–19.

(iii) As a fallback argument, the Government analogizes post-election contributions used to repay a candidate's loans to gifts because they enrich the candidate as opposed to the campaign's treasury. But this analogy is meaningful only if the baseline is that the campaign will default. The record suggests, however, that winning candidates are commonly repaid in full. For these candidates, post-election contributions bear little resemblance to a gift; they instead restore the candidate to the status quo ante. As for losing candidates, the Government does not provide any anticorruption rationale to explain why contributions to those candidates should be restricted. Finally, the Government argues for deference to Congress's "legislative judgment" that Section 304 furthers an anticorruption goal. Given scant evidence of corruption, deference to Congress would be especially inappropriate where, as here, the legislative act may have been an effort to "insulate[] legislators from effective electoral challenge." *Nixon v. Shrink Missouri Government PAC*, 528 U. S. 377, 404 (BREYER, J., concurring). In the end, it remains the role of this Court to decide whether a particular legislative choice is constitutional. *Sable Communications of Cal., Inc. v. FCC*, 492 U. S. 115, 129. Pp. 19–22.

542 F. Supp. 3d 1, affirmed.

Syllabus

ROBERTS, C. J., delivered the opinion of the Court, in which THOMAS, ALITO, GORSUCH, KAVANAUGH, and BARRETT, JJ., joined. KAGAN, J., filed a dissenting opinion, in which BREYER and SOTOMAYOR, JJ., joined.

Opinion of the Court

NOTICE: This opinion is subject to formal revision before publication in the preliminary print of the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, of any typographical or other formal errors, in order that corrections may be made before the preliminary print goes to press.

SUPREME COURT OF THE UNITED STATES

No. 21–12

FEDERAL ELECTION COMMISSION, APPELLANT *v.*
TED CRUZ FOR SENATE, ET AL.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR
THE DISTRICT OF COLUMBIA

[May 16, 2022]

CHIEF JUSTICE ROBERTS delivered the opinion of the Court.

In order to jumpstart a fledgling campaign or finish strong in a tight race, candidates for federal office often loan money to their campaign committees. A provision of federal law regulates the repayment of such loans. Among other things, it bars campaigns from using more than \$250,000 of funds raised after election day to repay a candidate’s personal loans. This limit on the use of post-election funds increases the risk that candidate loans over \$250,000 will not be repaid in full, inhibiting candidates from making such loans in the first place. The question is whether this restriction violates the First Amendment rights of candidates and their campaigns to engage in political speech.

I
A

Candidates for federal office may, consistent with federal law, use various sources to fund their campaigns. A candidate may spend an unlimited amount of his own money in support of his campaign. See *Buckley v. Valeo*, 424 U. S. 1, 52–54 (1976) (*per curiam*). His campaign—a legal entity

Opinion of the Court

distinct from the candidate himself—may borrow an unlimited amount from third-party lenders or from the candidate himself. See 11 CFR §110.10 (2017); 52 U.S.C. §30101(9)(A)(i); see also *Buckley*, 424 U.S., at 52–54. And campaigns may, of course, accept contributions directly from other organizations or from individuals, subject to monetary limitations. Individual contributions are capped at \$2,900 for the primary and \$2,900 for the general election. See §§30116(a), (c); 86 Fed. Reg. 7869 (2021). Campaigns may continue to receive contributions after election day, so long as those contributions go toward repaying campaign debts. See 11 CFR §110.1(b)(3)(i).

Section 304 of the Bipartisan Campaign Reform Act of 2002 (BCRA), 116 Stat. 98, 52 U.S.C. §30116(j), further restricts the use of post-election funds. Under that provision, a candidate who loans money to his campaign may not be repaid more than \$250,000 of such loans from contributions made to the campaign after the date of the election. *Ibid.* To implement that limit, the Federal Election Commission (FEC) has promulgated regulations establishing three rules pertinent here: First, a campaign may repay up to \$250,000 in candidate loans using contributions made “at any time before, on, or after the date of the election.” 11 CFR §116.12(a). Second, to the extent the loans exceed \$250,000, a campaign may use pre-election funds to repay the portion exceeding \$250,000 only if the repayment occurs “within 20 days of the election.” §116.11(c)(1). And third, if more than \$250,000 remains unpaid when the 20-day post-election deadline expires, the campaign must treat the portion above \$250,000 as a contribution to the campaign, precluding later repayment. §116.11(c)(2).

B

Appellee Ted Cruz represents Texas in the United States Senate. This case arises from his 2018 reelection campaign, which was, at the time, the most expensive Senate race in

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history. Before election day, Cruz loaned \$260,000 to the other appellee here, Ted Cruz for Senate (Committee). At the end of election day, however, the Committee was in the red by approximately \$340,000. App. 285. It eventually began repaying Cruz’s loans, but by that time the 20-day post-election window for repaying amounts over \$250,000 had closed. See 11 CFR §§116.11(c)(1), (2). The Committee accordingly repaid Cruz only \$250,000, leaving \$10,000 of his personal loans unpaid.

Cruz and the Committee filed this action in the United States District Court for the District of Columbia, alleging that Section 304 of BCRA violates the First Amendment. They also raised challenges to the FEC’s implementing regulation, 11 CFR §116.11. A three-judge panel was convened to hear the case. See BCRA §403(a)(1), 116 Stat. 113; see also 28 U. S. C. §2284.

The three-judge District Court granted Cruz and his Committee summary judgment on their constitutional claim, holding that the loan-repayment limitation burdens political speech without sufficient justification. 542 F. Supp. 3d 1 (2021). The District Court also ordered that appellees’ challenges to the regulation, previously held in abeyance, be dismissed as moot. The Government appealed directly to this Court, as authorized by 28 U. S. C. §1253. We postponed consideration of our jurisdiction. 594 U. S. ____ (2021).

II

The Constitution limits federal courts to deciding “Cases” and “Controversies.” Art. III, §2. Among other things, that limitation requires a plaintiff to have standing. The requisite elements of Article III standing are well established: A plaintiff must show (1) an injury in fact, (2) fairly traceable to the challenged conduct of the defendant, (3) that is likely to be redressed by the requested relief. *Lujan v. Defenders of Wildlife*, 504 U. S. 555, 560–561 (1992).

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As the Government recognizes, the Committee's present inability to repay the final \$10,000 of Cruz's loans constitutes an injury in fact both to Cruz and to his Committee. See Reply Brief 8. Cruz, of course, suffers a \$10,000 pocketbook harm. See *Czyzewski v. Jevic Holding Corp.*, 580 U. S. 451, 464 (2017). And the bar on repayment injures the Committee by preventing it from discharging its obligation to repay its debt, which may inhibit that form of financing in the future. The Government maintains, however, that these injuries are not traceable to the threatened enforcement of Section 304, for two reasons: first, because the inability to repay Cruz's loans was "self-inflicted," and second, because it is the threatened enforcement of an agency regulation, not the statute itself, that causes the harm. We address each argument in turn.

A

First, the Government argues that appellees lack standing because their injuries were "self-inflicted." Brief for Appellant 20. Because appellees knowingly triggered the application of the loan-repayment limitation, the Government says, any resulting injury is in essence traceable to *them*, not the Government. The predicate for this argument is appellees' stipulation in the District Court that "the sole and exclusive motivation behind Senator Cruz's actions in making the 2018 loan[s] and the [C]ommittee's actions in waiting to repay them was to establish the factual basis for this challenge." App. 325. At bottom, the Government asks us to recognize an exception to traceability for injuries that a party purposely incurs.

We have never recognized a rule of this kind under Article III. To the contrary, we have made clear that an injury resulting from the application or threatened application of an unlawful enactment remains fairly traceable to such application, even if the injury could be described in some sense as willingly incurred. See *Evers v. Dwyer*, 358 U. S. 202,

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204 (1958) (*per curiam*) (that the plaintiff subjected himself to discrimination “for the purpose of instituting th[e] litigation” did not defeat his standing); *Havens Realty Corp. v. Coleman*, 455 U. S. 363, 374 (1982) (a “tester” plaintiff posing as a renter for purposes of housing-discrimination litigation still suffered an injury under Article III).

The cases the Government cites do not alter our conclusion. In *Clapper v. Amnesty Int’l USA*, 568 U. S. 398 (2013), for example, the plaintiffs attempted to manufacture standing by voluntarily taking costly and burdensome measures that they said were necessary to protect the confidentiality of their communications in light of the Government surveillance policy they sought to challenge. *Id.*, at 402. Their problem, however, was that they could not show that they had been or were likely to be subjected to that policy in any event. *Id.*, at 416. Likewise, in *Pennsylvania v. New Jersey*, 426 U. S. 660 (1976) (*per curiam*), we held that the unilateral decisions by a group of States to reimburse their residents for taxes levied by other States was not a basis to attack the legality of those taxes. Nothing in the challenged taxes required the plaintiff States to offer reimbursements; accordingly, the financial injury those States suffered was due to their own independent response to taxes levied on others. *Id.*, at 664. Here, by contrast, the appellees’ injuries are directly inflicted by the FEC’s threatened enforcement of the provisions they now challenge. That appellees chose to subject themselves to those provisions does not change the fact that they *are* subject to them, and will face genuine legal penalties if they do not comply. See 52 U. S. C. §30109(a)(5); 11 CFR §111.24.

One final point bears mentioning. The Government maintains that it should not be blamed for appellees’ injuries because it provided the Committee with a legally available “alternative” that would have avoided any liability—repaying Cruz’s loans in full with pre-election funds, within

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20 days of the election. But even if such funds were available, the Government's argument largely misses the point. For standing purposes, we accept as valid the merits of appellees' legal claims, so we must assume that the loan-repayment limitation—including the 20-day rule—unconstitutionally burdens speech. See *Warth v. Seldin*, 422 U. S. 490, 500 (1975) (“standing in no way depends on the merits of the plaintiff's contention that particular conduct is illegal”). Demanding that the Committee comply with the Government's “alternative” would therefore require it to forgo the exercise of a First Amendment right we must assume it has—the right to repay its campaign debts in full, at any time. And this would require the Committee to subject itself to the very framework it says unconstitutionally burdens its speech. Such a principle finds no support in our standing jurisprudence. See, e.g., *Susan B. Anthony List v. Driehaus*, 573 U. S. 149, 158–159 (2014).

B

The Government next asserts that although appellees would have standing to challenge the FEC's implementing regulation, 11 CFR §116.11, they do not have standing to challenge Section 304 itself. As a reminder, Section 304 prohibits the use of post-election funds to repay a candidate's personal loans; it does not restrict the use of funds raised before the election. See 52 U. S. C. §30116(j). That restriction comes instead from Section 304's implementing regulation, 11 CFR §116.11. This regulation provides that neither pre-election nor post-election funds may be used to repay candidate loans above \$250,000 outstanding 20 days after the election. §§116.11(c)(1)–(2). Such amounts must instead be treated as contributions to the campaign, barring their repayment.

Bearing that in mind, the Government contends that the record before the District Court reveals that the Committee used funds raised *before* the election to repay the first

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\$250,000 of Cruz’s loans. For support, it naturally points to appellees’ stipulation that “none of the \$250,000 of the loan that was repaid was from contributions raised after the election.” App. 329. Thus, the Government says, the Committee has not yet reached the cap in Section 304 on the use of post-election funds, and can still repay the remaining balance without running afoul of that *statutory* restriction. It is instead the agency’s *regulation*—with its 20-day limit—that prevents repayment of the final \$10,000. This matters, the Government insists, because “[s]tanding is not dispensed in gross,” and plaintiffs must establish standing separately for each claim that they press and each form of relief that they seek. Brief for Appellant 17 (quoting *TransUnion LLC v. Ramirez*, 594 U. S. ___, ___ (2021) (slip op., at 15)). A challenge to the regulation, the Government argues, is separate from a challenge to the statute that authorized it.

For their part, appellees insist that the record, properly interpreted, shows that the Committee used post-election funds to repay Cruz. During the period between election day and when the Committee repaid Cruz’s loans, the Committee received more than \$250,000 in “redesignated” contributions to Cruz’s 2024 campaign. Those contributions came from individuals who donated to the 2018 election in amounts exceeding their base limit and who, subsequent to the election, redesignated the overlimit amount to the 2024 campaign. See 11 CFR §110.1(b)(5). Such funds, appellees say, qualify as “post-election contributions” for purposes of Section 304, and may have been used to repay the first \$250,000 of Cruz’s loans. See §116.12(a).

These arguments have an Alice in Wonderland air about them, with the Government arguing that appellees would *not* violate the statute by repaying Cruz, and the appellees arguing that they *would*. But this case has unfolded in an unusual way. After all, Cruz and the Committee likely

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would have had standing to bring a pre-enforcement challenge (as they do now) to Section 304 in a much easier manner—by simply alleging and credibly demonstrating that Cruz wished to loan his campaign an amount larger than \$250,000, but would not do so only because the loan-repayment limitation made it unlikely that such amount would be repaid. See *Susan B. Anthony List*, 573 U. S., at 158–159. In addition, it ordinarily would not matter whether a plaintiff was challenging the statute’s enforcement or instead the enforcement of a regulation and, in doing so, raising arguments about the validity of the statute that authorized the regulation. Cf. *Collins v. Yellen*, 594 U. S. ___, ___–___ (2021) (slip op., at 18–19). The parties here, however, assume that the distinction makes a difference because the subject-matter jurisdiction of the three-judge District Court is limited to actions challenging the enforcement of the statute. See BCRA §403(a) (authorizing a three-judge court to hear any “action . . . brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act”).

It seems to us that the Government is likely correct that appellees have not shown that they exhausted Section 304’s cap on the use of post-election funds. The loan-repayment limitation applies to contributions “made” after the date of the election. 52 U. S. C. §30116(j). And a contribution is “considered to be made when the contributor relinquishes control” over it, which occurs when the contribution is “delivered” to the Committee or the candidate. 11 CFR §110.1(b)(6). The redesignated contributions on which appellees now rely, however, involve funds that were delivered to the Committee *before* the 2018 election. And those funds have remained under the Committee’s control from that date, even if they were later redesignated to a different campaign.

But we need not go further down this rabbit hole. Even

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under the Government’s account, appellees have standing to challenge the threatened enforcement of Section 304. The present inability of the Committee to repay and Cruz to recover the final \$10,000 Cruz loaned his campaign is, even if brought about by the agency’s threatened enforcement of its regulation, traceable to the operation of Section 304 itself. An agency, after all, “literally has no power to act”—including under its regulations—unless and until Congress authorizes it to do so by statute. *Louisiana Pub. Serv. Comm’n v. FCC*, 476 U. S. 355, 374 (1986); see also *FDA v. Brown & Williamson Tobacco Corp.*, 529 U. S. 120, 161 (2000). An agency’s regulation cannot “operate independently of” the statute that authorized it. *California v. Texas*, 593 U. S. ___, ___ (2021) (slip op., at 15). And here, the FEC’s 20-day rule was expressly promulgated to implement Section 304. See 68 Fed. Reg. 3973 (2003). Indeed, the Government admitted at oral argument that it could find no other basis to authorize enforcement of this regulation, Tr. of Oral Arg. 5, and “concede[d]” that “the most likely result, if the statute were declared invalid, is that the regulation would cease to be on the books or would cease to be enforceable,” *ibid.* Thus, if Section 304 is invalid and unenforceable—as Cruz and the Committee contend—the agency’s 20-day rule is as well. And the remedy appellees sought in the District Court—an order enjoining the Government from taking any action to enforce the loan-repayment limitation, App. 27—would redress appellees’ harm by preventing enforcement of the agency’s 20-day rule. See *Lujan*, 504 U. S., at 561.

Contrary to the Government’s suggestion, the foregoing analysis does not call into question the principle that “a plaintiff injured by one law does not thereby acquire standing to challenge a different law.” Brief for Appellant 17. It is true that a litigant cannot, “by virtue of his standing to challenge one government action, challenge other governmental actions that did not injure him.” *DaimlerChrysler*

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Corp. v. Cuno, 547 U. S. 332, 353, n. 5 (2006). Here, however, appellees seek to challenge the *one* Government action that causes their harm: the FEC's threatened enforcement of the loan-repayment limitation, through its implementing regulation. In doing so, they may raise constitutional claims against Section 304, the statutory provision that, through the agency's regulation, is being enforced. Cf. *Collins*, 594 U. S., at ___—___ (slip op., at 18–19). Even on the Government's version of the facts, then, we are satisfied that appellees have standing to challenge the threatened enforcement of Section 304. And because they are challenging “the constitutionality of [a] provision of [BCRA],” §403(a), jurisdiction was proper in the three-judge District Court. We thus proceed to the merits.

III

A

The First Amendment “has its fullest and most urgent application precisely to the conduct of campaigns for political office.” *Monitor Patriot Co. v. Roy*, 401 U. S. 265, 272 (1971). It safeguards the ability of a candidate to use personal funds to finance campaign speech, protecting his freedom “to speak without legislative limit on behalf of his own candidacy.” *Buckley*, 424 U. S., at 54. This broad protection, we have explained, “reflects our profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open.” *Id.*, at 14 (internal quotation marks omitted).

The Government seems to agree with appellees that the loan-repayment limitation abridges First Amendment rights, at least to some extent, see Brief for Appellant 27–32, and we reach the same conclusion. This provision, by design and effect, burdens candidates who wish to make expenditures on behalf of their own candidacy through personal loans. See 52 U. S. C. §30101(9)(A)(i) (defining “expenditure” to include loans); see also *Buckley*, 424 U. S., at

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52. By restricting the sources of funds that campaigns may use to repay candidate loans, Section 304 increases the risk that such loans will not be repaid. That in turn inhibits candidates from loaning money to their campaigns in the first place, burdening core speech.

The data bear out the deterrent effect of Section 304. After BCRA was passed, there appeared a “clear clustering of [candidate] loans right at the \$250,000 threshold.” A. Ovtchinnikov & P. Valta, *Debt in Political Campaigns* 26 (2020), Record 65–1 (Ovtchinnikov, *Debt*); see also Brief for United States Senator Roy Blunt et al. as *Amici Curiae* 6–7. There was no such clustering before the loan-repayment limitation went into effect. The Government’s evidence in the District Court, moreover, reflects that the percentage of loans by Senate candidates for exactly \$250,000 has increased tenfold since BCRA was passed. See App. 312–313. Section 304, then, has altered “the propensity of many politicians to make large loans.” Ovtchinnikov, *Debt* 26; see also Brief for Protect the First Foundation as *Amicus Curiae* 10–11. In doing so, it has predictably restricted a candidate’s speech on behalf of his own candidacy. See *Buckley*, 424 U. S., at 54.

Quite apart from this record evidence, the burden on First Amendment expression is “evident and inherent” in the choice that candidates and their campaigns must confront. *Arizona Free Enterprise Club’s Freedom Club PAC v. Bennett*, 564 U. S. 721, 745 (2011); see also *id.*, at 746 (“we do not need empirical evidence to determinate that the law at issue is burdensome”); *Davis v. Federal Election Comm’n*, 554 U. S. 724, 738–740 (2008) (requiring no empirical evidence of a burden). Although Section 304 “does not impose a cap on a candidate’s expenditure of personal funds, it imposes an unprecedented penalty on any candidate who robustly exercises that First Amendment right.” *Id.*, at 738–739. That penalty, of course, is the significant risk that a

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candidate will not be repaid if he chooses to loan his campaign more than \$250,000. And that risk in turn may deter some candidates from loaning money to their campaigns when they otherwise would, reducing the amount of political speech. This “drag” on a candidate’s First Amendment right to use his own money to facilitate political speech is no less burdensome “simply because it attaches as a consequence of a statutorily imposed choice.” *Id.*, at 739.

The “drag,” moreover, is no small matter. Debt is a ubiquitous tool for financing electoral campaigns. The raw dollar amount of loans made to campaigns in any one election cycle is in the nine figures, “significantly exceeding” the amount of independent expenditures. Ovtchinnikov, Debt 11. And personal loans from candidates themselves constitute the bulk of this financing. See Brief for Appellant 35 (“more than 90% of campaign debt consists of candidate loans”). In fact, candidates who self-fund usually do so using personal loans. See J. Steen, *Self-Financed Candidates in Congressional Elections* 21 (2006).

The ability to lend money to a campaign is especially important for new candidates and challengers. As a practical matter, personal loans will sometimes be the only way for an unknown challenger with limited connections to front-load campaign spending. See G. Jacobson, *Money in Congressional Elections* 97–101 (1980). And early spending—and thus early expression—is critical to a newcomer’s success. See Steen, *Self-Financed Candidates in Congressional Elections*, at 35, 171. A large personal loan also may be a useful tool to signal that the political outsider is confident enough in his campaign to have skin in the game, attracting the attention of donors and voters alike. See R. Biersack, P. Herrnson, C. Wilcox, *Seeds for Success: Early Money in Congressional Elections*, 18 *Leg. Studies Q.* 535, 537 (1993); see also Brief for United States Senator Roy Blunt et al. as *Amici Curiae* 13. By inhibiting a candidate

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from using this critical source of campaign funding, however, Section 304 raises a barrier to entry—thus abridging political speech.

The dissent cannot and does not claim that Section 304 imposes no burden on candidate speech. See *post*, at 5 (opinion of KAGAN, J.) (“every contribution regulation has some kind of indirect effect on electoral speech”). The dissent instead dismisses that burden as minor and insignificant. *Post*, at 4–6. As just explained, the extent of the burden may vary depending on the circumstances of a particular candidate and particular election. But there is no doubt that the law does burden First Amendment electoral speech, and any such law must at least be justified by a permissible interest. See *McCutcheon v. Federal Election Comm’n*, 572 U. S. 185, 210 (2014) (plurality opinion) (“When the Government restricts speech, the Government bears the burden of proving the constitutionality of its actions.”).

B

With those First Amendment costs in mind, we turn to whether the loan-repayment limitation is justified. The parties debate whether strict or “closely drawn” scrutiny should apply in answering that question. *Buckley*, 424 U. S., at 25. We need not resolve this dispute because, under either standard, the Government must prove at the outset that it is in fact pursuing a legitimate objective. See *McCutcheon*, 572 U. S., at 210. It has not done so here.

1

This Court has recognized only one permissible ground for restricting political speech: the prevention of “*quid pro quo*” corruption or its appearance. See *id.*, at 207; see also *Federal Election Comm’n v. National Conservative Political Action Comm.*, 470 U. S. 480, 497 (1985). We have consistently rejected attempts to restrict campaign speech based

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on other legislative aims. For example, we have denied attempts to reduce the amount of money in politics, see *McCutcheon*, 572 U. S., at 191, to level electoral opportunities by equalizing candidate resources, see *Bennett*, 564 U. S., at 749–750, and to limit the general influence a contributor may have over an elected official, see *Citizens United v. Federal Election Comm'n*, 558 U. S. 310, 359–360 (2010). However well intentioned such proposals may be, the First Amendment—as this Court has repeatedly emphasized—prohibits such attempts to tamper with the “right of citizens to choose who shall govern them.” *McCutcheon*, 572 U. S., at 227; see also *Davis*, 554 U. S., at 742; *Bennett*, 564 U. S., at 750.

The Government argues that the contributions at issue raise a heightened risk of corruption because of the use to which they are put: repaying a candidate’s personal loans. It also maintains that post-election contributions are particularly troubling because the contributor will know—not merely hope—that the recipient, having prevailed, will be in a position to do him some good.

We greet the assertion of an anticorruption interest here with a measure of skepticism, for the loan-repayment limitation is yet another in a long line of “prophylaxis-upon-prophylaxis approach[es]” to regulating campaign finance. *McCutcheon*, 572 U. S., at 221 (quoting *Federal Election Comm'n v. Wisconsin Right to Life, Inc.*, 551 U. S. 449, 479 (2007) (opinion of ROBERTS, C. J.)). Individual contributions to candidates for federal office, including those made after the candidate has won the election, are already regulated in order to prevent corruption or its appearance. Such contributions are capped at \$2,900 per election, see 86 Fed. Reg. 7869, and nontrivial contributions must be publicly disclosed, see 52 U. S. C. §§30104(b)(3)(A), (c)(1). The dissent’s dire predictions about the impact of today’s decision elide the fact that the contributions at issue remain subject

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to these requirements. See *post*, at 3, 14–15. And the requirements are themselves prophylactic measures, given that “few if any contributions to candidates will involve *quid pro quo* arrangements.” *Citizens United*, 558 U. S., at 357. Such a prophylaxis-upon-prophylaxis approach, we have explained, is a significant indicator that the regulation may not be necessary for the interest it seeks to protect. See *McCutcheon*, 572 U. S., at 221; see also *Bennett*, 564 U. S., at 752 (“In the face of [the State’s] contribution limits [and] strict disclosure requirements . . . it is hard to imagine what marginal corruption deterrence could be generated by [an additional measure].”).

There is no cause for a different conclusion here. Because the Government is defending a restriction on speech as necessary to prevent an anticipated harm, it must do more than “simply posit the existence of the disease sought to be cured.” *Colorado Republican Federal Campaign Comm. v. Federal Election Comm’n*, 518 U. S. 604, 618 (1996). It must instead point to “record evidence or legislative findings” demonstrating the need to address a special problem. *Ibid.* We have “never accepted mere conjecture as adequate to carry a First Amendment burden.” *McCutcheon*, 572 U. S., at 210 (quoting *Nixon v. Shrink Missouri Government PAC*, 528 U. S. 377, 392 (2000)).

Yet the Government is unable to identify a single case of *quid pro quo* corruption in this context—even though most States do not impose a limit on the use of post-election contributions to repay candidate loans. Cf. Brief for Campaign Legal Center et al. as *Amici Curiae* 17–18 (citing the 10 States that do impose such a prohibition). Our previous cases have found the absence of such evidence significant. See *Citizens United*, 558 U. S., at 357 (the Government did not claim that the political process was corrupted in the 26 States that allowed unrestricted independent expenditures by corporations); *McCutcheon*, 572 U. S., at 209, n. 7 (the Government presented no evidence of corruption in the 30

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States that did not impose aggregate limits on individual contributions).

The Government instead puts forward a handful of media reports and anecdotes that it says illustrate the special risks associated with repaying candidate loans after an election. But as the District Court found, those reports “merely hypothesize that individuals who contribute after the election to help retire a candidate’s debt might have greater influence with or access to the candidate.” 542 F. Supp. 3d, at 15. That is not the type of *quid pro quo* corruption the Government may target consistent with the First Amendment. See *McCutcheon*, 572 U. S., at 207–208.

The dissent at points shrugs off this distinction, see *post*, at 2, 12, n. 3, 13, but our cases make clear that “the Government may not seek to limit the appearance of mere influence or access.” *McCutcheon*, 572 U. S., at 208. As we have explained, influence and access “embody a central feature of democracy—that constituents support candidates who share their beliefs and interests, and candidates who are elected can be expected to be responsive to those concerns.” *Id.*, at 192.

To be sure, the “line between *quid pro quo* corruption and general influence may seem vague at times, but the distinction must be respected in order to safeguard basic First Amendment rights.” *Id.*, at 209. And in drawing that line, “the First Amendment requires us to err on the side of protecting political speech rather than suppressing it.” *Ibid.* (quoting *Wisconsin Right to Life*, 551 U. S., at 457 (opinion of ROBERTS, C. J.)).

2

In the absence of direct evidence, the Government turns elsewhere. It contends that a scholarly article, a poll, and statements by Members of Congress show that these contributions carry a heightened risk of at least the appear-

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ance of corruption. Essentially all the Government’s evidence, however, concerns the sort of “corruption,” loosely conceived, that we have repeatedly explained is not legitimately regulated under the First Amendment.

The academic article—cited for various propositions by both sides—concludes that “indebted politicians” are “more likely to switch their votes” if they receive contributions from the banking or insurance industries. Ovtchinnikov, Debt 31. But the authors explicitly note that they cannot distinguish between voting pattern changes traceable to legitimate donor influence or access, and voting pattern changes as part of an illicit *quid pro quo*. See A. Ovtchinnikov & P. Valta, Self-Funding of Political Campaigns, Management Science, Articles in Advance 18 (April 7, 2022) (Ovtchinnikov, Self-Funding). As noted, our precedents demand adherence to that distinction. See, e.g., *McCutcheon*, 572 U. S., at 209. The authors also state that their analysis is merely a “first step” in understanding whether politicians’ self-funding decisions impact voting behavior, because they cannot “pin down a causal link” yet. Ovtchinnikov, Self-Funding 21.

The online poll the Government asks us to consider similarly misses the mark. The poll, conducted at the Government’s behest for this litigation, reports that most respondents thought it “very likely” or “likely” that a person who “donate[s] money to a candidate’s campaign after the election expect[s] a political favor in return.” App. 351–352. But it failed to ask whether those same respondents thought it likely that donors who contribute to a campaign *before* the election also are likely to expect political favors in return. Nor did the poll mention that the individual base limits still apply to such contributions. And it failed to define the term “political favor,” leaving unclear the critical issue whether the respondents associated such contributions with the direct exchange of money for official acts,

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which Congress may regulate, or simply increased influence and access, which Congress may not.

Finally, the Government places great weight on statements made by certain Members of Congress during debates that preceded the enactment of BCRA. One Senator, for example, remarked that without the loan-repayment limitation, a winning candidate who loaned money to his campaign could “get it back from [his] constituents [at] fundraising events” where he could ask, “How would you like me to vote now that I am a Senator?” 147 Cong. Rec. S2462 (March 19, 2001) (remarks of Sen. Domenici). Another stated that candidates “have a constitutional right to try to buy the office, but they do not have a constitutional right to resell it.” 147 Cong. Rec. S2541 (March 20, 2001) (remarks of Sen. Hutchison). Nothing these legislators said, however, constitutes actual evidence that the loan-repayment limitation was necessary to prevent *quid pro quo* corruption or its appearance. And a few stray floor statements are not the same as “legislative findings” that might suggest a special problem to be addressed. *Colorado Republican Federal Campaign Comm.*, 518 U. S., at 618.

All the above is pretty meager, given that we are considering restrictions on “the most fundamental First Amendment activities”—the right of candidates for political office to make their case to the American people. *Buckley*, 434 U. S., at 14. In any event, the legislative record helps appellees just as much as the Government, given that some Senators evidently viewed the limit as designed to protect incumbents like themselves from wealthy challengers. See 147 Cong. Rec. S2465 (March 19, 2001) (remarks of Sen. Sessions) (“[Section 304] prohibits wealthy candidates, who incur personal loans in connection with their campaign that exceed \$250,000, from repaying those loans from any contributions made to the candidate. . . . I am glad I didn’t face a person who could write a check for \$60 million, \$10 million—or \$5 million, for that matter. If so, I would like to be

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able to have a level playing field so I could stay in the ball game.”); see also 147 Cong. Rec. S2541 (March 20, 2001) (remarks of Sen. Hutchison) (“Our purpose is to level the playing field.”).

That the limit may have been designed to protect incumbents should come as no surprise. Section 304 was enacted as part of the “Millionaire’s Amendment” to BCRA, designed to hobble wealthy candidates mounting self-financed campaigns. See *Davis*, 554 U. S., at 739. And it was debated together with another provision we have already held unconstitutional, in part because it pursued the same impermissible goal of “level[ing] electoral opportunities for candidates of different personal wealth.” *Id.*, at 741. The connection between these two provisions casts further doubt on the anticorruption interest the Government now asserts in this case.

3

Perhaps to make up for its evidentiary shortcomings, the Government falls back on what it calls a “common sense” analogy: Post-election contributions used to repay a candidate’s loans are akin to a “gift” because they “add to the candidate’s personal wealth” as opposed to the campaign’s treasury. Brief for Appellant 33. The risk of corruption is thus greater, the Government argues, because the donor is lining the pockets of a legislator or legislator-elect.

The dissent at multiple points makes the same argument, contending that contributions that go toward repaying a candidate’s loan “enrich the candidate personally,” allowing him to “buy a car or make tuition payments or join a country club.” *Post*, at 7, 14; see also *post*, at 2, 3, 8, 13. But this forgets that we are talking about repayment of a *loan*, not a gift. If the candidate did not have the money to buy a car before he made a loan to his campaign, repayment of the loan would not change that in any way.

On top of that, contributions that go toward retiring a

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candidate's debt could only arguably enrich the candidate if the candidate does not otherwise expect to be repaid. In other words, the Government's gift comparison is meaningful only if the baseline is that the campaign will default. The Government, however, provides no reason to believe that most or even many *winning* candidates—the only candidates with whom its anticorruption interest is concerned—expect not to be repaid by their campaigns. To the contrary, the Government has recognized throughout this litigation that winning candidates are commonly repaid in full. See App. 31–32 (citing the former FEC Commissioner's statement that “only winners have an easy time dealing with debt”); *id.*, at 317 (same); see also Ovtchinnikov, Self-Funding 11 (concluding that, even with BCRA's limitations on loan repayment in place, two out of three winning campaigns were able to repay a candidate's loans in full). For such a candidate, then, post-election contributions bear little resemblance to a gift, because there is less of a chance that his campaign will default. Such contributions instead restore the candidate to the status quo ante, a position to which he legitimately expected to return. As for losing candidates, they are of course in no position to grant official favors, and the Government does not provide any anticorruption rationale to explain why post-election contributions to those candidates should be restricted. See Brief for Appellant 45–46.

The analogy also proves too much. By the Government's logic, post-election contributions to retire candidate loans are little different from gifts given directly to the candidate. But that logic is belied by how the Government treats the two categories of purported “gifts.” On the one hand, federal law flatly prohibits candidates from using campaign contributions for personal purposes. See 52 U. S. C. §30114(b)(2). And it forbids Senators from accepting gifts worth \$250 or more. See 2 U. S. C. §4725(a)(1). By contrast, the postulated “gift-by-loan-repayment” limits are

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simply the individual contribution limits, which are now more than ten times higher than the gift limit: \$2,900 per election. And Section 304 allows over 86 such “gifts” before a campaign hits the Act’s \$250,000 cap. Either the Government is openly tolerating a significant number of “gifts” far more generous than what it would normally think fit to allow, or post-election contributions that go toward retiring campaign debt are in no real sense “gifts” to a candidate. We find the latter answer more persuasive.

As a final argument, the Government claims that if the matter is otherwise in doubt, we should defer to Congress’s “legislative judgment” that Section 304 furthers an anticorruption goal. Brief for Appellant 39; see also *post*, at 8 (KAGAN, J., dissenting) (also arguing that we have no “reason to second-guess Congress’s experience-based judgment”). Such deference, the Government contends, is grounded “in part on the understanding that Congress ‘is far better equipped than the judiciary to amass and evaluate the vast amounts of data bearing upon legislative questions.’” Brief for Appellant 40 (quoting *Turner Broadcasting System, Inc. v. FCC*, 520 U. S. 180, 195 (1997) (some internal quotation marks omitted)). But as explained, the evidence here is scant, and Congress’s judgment is hardly based on “vast amounts of data.” *Id.*, at 195. Moreover, deference to Congress would be especially inappropriate where, as here, the legislative act may have been an effort to “insulate[] legislators from effective electoral challenge.” *Shrink Missouri Government PAC*, 528 U. S., at 404 (BREYER, J., concurring); see also *Randall v. Sorrell*, 548 U. S. 230, 248–249 (2006) (plurality opinion).

In the end, it remains our role to decide whether a particular legislative choice is constitutional. See *Sable Communications of Cal., Inc. v. FCC*, 492 U. S. 115, 129 (1989); see also *Randall*, 548 U. S., at 248–249 (stressing need for “the exercise of independent judicial judgment” in case raising concern that “contribution limits that are too low [may]

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harm the electoral process by preventing challengers from mounting effective campaigns against incumbent officeholders”). And here the Government has not shown that Section 304 furthers a permissible anticorruption goal, rather than the impermissible objective of simply limiting the amount of money in politics.

* * *

For the reasons set forth, we conclude that Cruz and the Committee have standing to challenge the threatened enforcement of Section 304 of BCRA. We also conclude that this provision burdens core political speech without proper justification. The judgment of the District Court is affirmed.

It is so ordered.

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SUPREME COURT OF THE UNITED STATES

No. 21–12

FEDERAL ELECTION COMMISSION, APPELLANT *v.*
TED CRUZ FOR SENATE, ET AL.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR
THE DISTRICT OF COLUMBIA

[May 16, 2022]

JUSTICE KAGAN, with whom JUSTICE BREYER and JUSTICE SOTOMAYOR join, dissenting.

A candidate for public office extends a \$500,000 loan to his campaign organization, hoping to recoup the amount from benefactors’ post-election contributions. Once elected, he devotes himself assiduously to recovering the money; his personal bank account, after all, now has a gaping half-million-dollar hole. The politician solicits donations from wealthy individuals and corporate lobbyists, making clear that the money they give will go straight from the campaign to him, as repayment for his loan. He is deeply grateful to those who help, as they know he will be—more grateful than for ordinary campaign contributions (which do not increase his personal wealth). And as they paid him, so he will pay them. In the coming months and years, they receive government benefits—maybe favorable legislation, maybe prized appointments, maybe lucrative contracts. The politician is happy; the donors are happy. The only loser is the public. It inevitably suffers from government corruption.

The campaign finance measure at issue here has for two decades checked the crooked exchanges just described. The provision, Section 304 of the Bipartisan Campaign Reform Act of 2002, prohibited a candidate from using post-election donations to repay loans exceeding \$250,000 that he made

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to his campaign. The theory of the legislation is easy to grasp. Political contributions that will line a candidate's own pockets, given after his election to office, pose a special danger of corruption. The candidate has a more-than-usual interest in obtaining the money (to replenish his personal finances), and is now in a position to give something in return. The donors well understand his situation, and are eager to take advantage of it. In short, everyone's incentives are stacked to enhance the risk of dirty dealing. At the very least—even if an illicit exchange does not occur—the public will predictably perceive corruption in post-election payments directly enriching an officeholder. Congress enacted Section 304 to protect against those harms.

In striking down the law today, the Court greenlights all the sordid bargains Congress thought right to stop. The theory of the decision (unlike of the statute) is hard to fathom. The majority says that Section 304 violates the candidate's First Amendment rights by interfering with his ability to "self-fund" his campaign. *Ante*, at 12. But the candidate can in fact *self-fund* all he likes. The law impedes only his ability to use *other people's* money to finance his campaign—much as standard (and permissible) contribution limits do. And even that third-party restriction is a modest one, applying only to post- (not pre-) election donations to repay sizable (not small) loans. So the majority overstates the First Amendment burdens Section 304 imposes. At the same time, the majority understates the anti-corruption values Section 304 serves. In the majority's view, there is "scant" danger here of *quid pro quo* corruption; loan repayments produce only the "sort of 'corruption'" in which contributors wield "greater influence" over candidates than they otherwise would. *Ante*, at 16–17, 21. Assume away all objections to that distinction, which even the majority concedes is "vague," *ante*, at 16; for better or worse, it underlies this Court's recent campaign finance decisions.

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Still, the conduct targeted by Section 304 threatens, if anything does, both corruption and the appearance of corruption of the *quid pro quo* kind. That is because the regulated transactions—as Members of Congress well knew from experience—personally enrich those already elected to office. In allowing those payments to go forward unrestrained, today’s decision can only bring this country’s political system into further disrepute.

I

In assessing a law’s burden on speech, this Court’s decisions all distinguish between restricting expenditures and restricting contributions. See, e.g., *Buckley v. Valeo*, 424 U. S. 1, 19–23 (1976) (*per curiam*). (The majority glosses over that core distinction, for reasons that will soon become clear.) According to settled precedent, expenditure restrictions—caps on a campaign’s or candidate’s electoral spending—impose the greatest burdens on expression. The First Amendment, as the majority notes, “has its fullest and most urgent application” when a “legislative limit” prevents a candidate from “us[ing] personal funds to finance campaign speech”—that is, speech “on behalf of his own candidacy.” *Ante*, at 10 (internal quotation marks omitted). By contrast, laws focused on third-party contributions to a campaign (a category the majority mostly prefers to ignore) typically “entail[] only a marginal restriction” on First Amendment interests. *Buckley*, 424 U. S., at 20. Take, for example, a simple limit on the amount someone can donate to a campaign, like the federal \$2,900 ceiling. That kind of restriction, we have reasoned, in no way interferes with the donor’s “freedom to discuss candidates and issues” through independent spending. *Id.*, at 21. And it has only an indirect effect on the campaign itself. To be sure, the cap makes raising money (for speech and other things) harder: It forces candidates “to raise funds from a greater number” of people and generally results in the campaign taking in less money

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than it otherwise would. *Id.*, at 22. But the Court has viewed such limits as troublesome only if they are so low as to prevent candidates from raising “the resources necessary for effective advocacy.” *Randall v. Sorrell*, 548 U. S. 230, 247 (2006) (plurality opinion) (quoting *Buckley*, 424 U. S., at 21). In the usual case, the incidental effect of a contribution restriction on a campaign’s speech does not count as a significant First Amendment burden. See *Randall*, 548 U. S., at 246–247.

Under that precedent, Section 304 “entails only a marginal restriction” on speech, because it regulates contributions alone. *Buckley*, 424 U. S., at 20. The provision leaves a campaign free to spend any amount of money for speech. Likewise, it leaves the candidate himself—here, Senator Ted Cruz—free to do so. The candidate can (in the majority’s words) “use personal funds to finance campaign speech” without limit; if he wishes, he can devote his whole fortune to “speech on behalf of his own candidacy.” *Ante*, at 10–11. Section 304 restricts only the use of third-party contributions to support his efforts—which, as just shown, imposes a far more modest First Amendment burden. Recall how Section 304 works: It prevents post-election campaign contributions from going to repay large loans that the candidate has made to his campaign. So the provision limits—much as standard contribution caps do—only the candidate’s ability to shift the costs of his electoral speech to others. Or said a bit differently, it addresses not a candidate’s “self-fund[ing],” *ante*, at 12, but only his reliance on third-party financing.

And even that regulation of third-party contributions is a narrow one. Under Section 304, a campaign can always accept donations for small loans a candidate makes. And it can use *pre*-election donations to retire even his sizable loans. The statute just insists that donations for that purpose occur when speech is ongoing, and before everyone

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knows which candidate won (and so is in a position to return the favor by delivering government benefits). Consistent with our caselaw, that minor restriction on a candidate's use of other people's money does not severely burden his (or anyone else's) expression.

The majority's argument to the contrary focuses not on the restriction Section 304 actually imposes, but on the indirect effects the provision might have. The majority does not dispute that Section 304 places no limits on the amount a candidate can spend for expression. See *ante*, at 11. Nor does (or could) the majority even claim that the provision caps what a candidate can lend his campaign. Instead, the majority argues that the law "may deter" a candidate from making large loans because it curtails a potential source of repayment—*i.e.*, post-election donations. *Ante*, at 12. In that way, the majority insists, the law—though concededly regulating only the use of contributions—functions to "restrict[] a candidate's speech." *Ante*, at 11; see *ante*, at 13.

But every contribution regulation has some kind of indirect effect on electoral speech, and we have still understood them to impose only minimal burdens. Consider again a standard contribution ceiling, like the federal \$2,900 cap. That limit, as we have acknowledged, makes raising money harder. See *Randall*, 548 U. S., at 247; *Buckley*, 424 U. S., at 20–21. And so it predictably gives a campaign less money to spend. (In fact, a lot less: Just think of a world in which a candidate could raise an unlimited sum from every supporter.) With the contribution cap in effect, the campaign cannot pay for (nearly) as many advertisements, mailings, signs, and so forth. And likewise, to return to the fact pattern here, the campaign has less money available than it otherwise would to repay a candidate's (or any other) loans. By the majority's logic, that downstream effect would mean the contribution cap imposes a significant First Amendment burden. But as noted above, we have always held to the contrary, save for the rare case in which

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the limit is so low as to preclude effective advocacy. See *supra*, at 3–4. There is no reason to treat Section 304 differently. In fact, its restriction on post-election contributions for loan repayment probably has much smaller indirect effects on a campaign's or candidate's speech than the contribution ceilings this Court has approved. (Again, just think of all the multi-million-dollar donations those ceilings prevent.) So the majority's view cannot be right.

And more fundamentally, the majority fails to appreciate what Section 304 has an indirect effect *on*: lending, rather than spending, money. In the majority's view, those two activities count as one and the same. See *ante*, at 10–11. But they are not, in an obvious way. The *expenditure* of “personal funds” for speech, this Court has observed, “reduces the candidate's dependence” on donors—precisely because he is not trying to speak on their dime. *Buckley*, 424 U. S., at 53. The *loan* of personal funds has the opposite effect, as further shown in this opinion's next part. When a candidate lends substantial funds to his campaign, he wants (maybe desperately needs) them returned; he thus risks—indeed, invites—dependence on donors, who alone can make him financially whole. Section 304 responds to that difference in whether a candidate is speaking independently, or instead relying on others' largesse. The provision at most deters a single mechanism for financing electoral activities, because it carries a heightened threat of corruption.

II

Preventing *quid pro quo* corruption or its appearance is a compelling interest by any measure. See *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U. S. 480, 496–497 (1985). *Quid pro quo* corruption—which extends beyond criminal bribery to “less blatant and specific” arrangements—“subver[ts] the political process” and threatens “the integrity of our system of representative

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democracy.” *Nixon v. Shrink Missouri Government PAC*, 528 U. S. 377, 388–389 (2000) (internal quotation marks omitted). And the appearance of that corruption (though scarcely mentioned in the majority opinion) is “[o]f almost equal concern.” *Id.*, at 388. Avoiding that appearance is “critical” if public “confidence in the system of representative Government is not to be eroded to a disastrous extent.” *Id.*, at 389.

Serious dangers of actual and apparent *quid pro quo* corruption attend the transactions Section 304 regulates—again, the use of post-election contributions to repay a candidate’s personal loans. Consider a simple comparison. When a campaign uses a donation to fund routine electoral activities (including speech), the money marginally aids the candidate’s electoral odds, but in no way adds to his personal wealth. By contrast, when a campaign uses a donation to repay the candidate’s loan, every dollar given goes straight into the candidate’s pocket. With each such contribution, his assets increase; he can now buy a car or make tuition payments or join a country club—all with his donors’ dollars. So contributions going to loan repayment have exceptional value to the candidate—which his donors of course realize. And when the contributions occur after the election, their corrupting potential further increases. At that time, a campaign can use donations only to repay loans, of which some 97% come from candidates. See 11 CFR 110.1(b)(3)(i) (2017); A. Ovtchinnikov & P. Valta, Self-Funding of Political Campaigns, *Management Science, Articles in Advance* 5 (Apr. 7, 2022) (Ovtchinnikov, Self-Funding). So post-election donors can be confident their money will enrich a candidate personally. And those donors have of course learned which candidate won. When they give money to repay the victor’s loan, they know—not merely hope—he will be in a position to perform official favors. The recipe for *quid pro quo* corruption is thus in place: a donation to enhance the candidate’s own wealth (the *quid*), made

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when he has become able to use the power of public office to the donor's advantage (the *quo*). The heightened threat of corruption—and, even more, of its appearance—is self-evident (except, it seems, to observers allergic to all campaign finance regulation).

In addressing that special danger, Section 304 is anything but a “prophylaxis-upon-prophylaxis,” as the majority labels it. *Ante*, at 14. The idea behind that fancy-sounding epithet is just that the statute is a needless precaution: The \$2,900 contribution ceiling, the majority asserts, already provides generous protection against the corrupting potential of donations, so the loan-repayment provision is unnecessary. See *ibid*. But that claim ignores that Section 304 targets only a subset of contributions, which raise (as just described) unique corruption risks. When an added protection addresses an added danger, the existence of a basic protection (however ordinarily ample) fails to show the supplement's pointlessness. Regular seatbelts might suffice to protect drivers on the interstate, but special belts—and roll cages to boot—are essential measures on the racetrack. So too, a \$2,900 cap might suffice to prevent corruption from normal campaign contributions—but not from post-election contributions to repay a candidate's loan, and thus to enrich him personally. When Congress, as here, responds to a heightened threat with a heightened safeguard, the majority has no call to “greet” it “with a measure of skepticism.” *Ibid*.

Nor does the majority have reason to second-guess Congress's experience-based judgment about the specially corrupting effects of post-election donations to repay candidate loans. The majority's first attempt to counter that judgment is that “we are only talking about repayment of a *loan*”: “If the candidate did not have the money to buy a car before he made a loan to his campaign, repayment of the loan would not change that in any way.” *Ante*, at 19. But that altogether misses the point. However much money the

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candidate had before he makes a loan to his campaign, he has less after it: The amount of the loan is the size of the hole in his bank account. So whatever he could buy with, say, \$250,000—surely a car, but that’s beside the point—he cannot buy any longer. Until, that is, donors pay him back. Then, the hole is filled, the bank account replenished, and the purchasing power restored. That is a significant financial gain to the officeholder, courtesy of donors. If they had not stepped up, the officeholder would have been \$250,000 poorer.

The majority’s second theory fares no better. Contributions to repay loans, the majority argues, do not really enrich an officeholder, because he has, from the beginning, “expect[ed] to be repaid.” *Ante*, at 20. But the record provides no support for that self-assured statement. Contra the majority, the Government “has recognized throughout this litigation” not that winning candidates are usually repaid, but only that they are repaid more often than losing ones. *Ibid.*; see App. 31–32, 317.¹ That is no surprise—and the fact is affirmatively unhelpful for the majority’s position, because it shows how post-election donations reflect an expectation of payback from the recipient. Nothing else in the record (or outside it) is helpful to the majority either. The best empirical study suggests that a substantial portion of winning campaigns fail to retire candidate loans,

¹The statement the majority quotes from a former FEC Commissioner does not support any broader understanding of the Government’s claim. That statement appears in a parenthetical to a citation for the Government’s actual argument: that winning candidates “possess a greater capacity” than losing ones do to get their loans repaid. App. 31. And the statement—that “only winners” have “an easy time dealing with debt”—means not that all or most winners do, but instead that no losers do. *Id.*, at 31–32. The former Commissioner who made the remark had also served as counsel to a losing presidential campaign, and he was merely observing how hard that campaign had found it to repay debt. See P. Overby, *How Will Clinton Resolve Campaign Debt?* National Public Radio, May 14, 2008.

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even when their amounts are too small to trigger Section 304's restrictions. See Ovtchinnikov, Self-Funding 11; see also Brief for Campaign Legal Center et al. as *Amici Curiae* 12–13 (summarizing research “show[ing] that most campaigns fail to pay off candidates’ personal loans in any amount at any time,” in confirmation of the “[c]onventional wisdom” that post-election fundraising is “notoriously difficult”). So a candidate with a loan outstanding has plenty of reason to feel anxious—and to see the loan’s repayment as a gratitude-inducing personal benefit. The donor takes him off a sharp hook. And even a candidate who expects repayment is far from impervious to corruption. He may have that confidence exactly because he knows that a raft of lobbyists will be eager to pay for political benefits. And with his bank account depleted, he has a great temptation to perform his part in such an exchange.²

The common sense of Section 304—the obviousness of the theory behind it—lessens the need for the Government to identify past cases of *quid pro quo* corruption involving candidate loan repayments. As this Court has made clear, “[t]he quantum of empirical evidence needed” to sustain a campaign finance law “var[ies] up or down with the novelty and plausibility of the [law’s] justification.” *McConnell v. Federal Election Comm’n*, 540 U. S. 93, 144 (2003). There

²The majority also fails to recognize that post-election contributions can go toward interest payments, enabling a candidate to turn a tidy profit on top of recovering the amount loaned. Consider the case of one member of the U. S. House Transportation and Infrastructure Committee. She loaned her campaign \$150,000 at an 18% interest rate (no, that is not a typo), and over time collected more than \$200,000 in interest payments. Much of that money came from fundraising events hosted by a lobbying firm representing members of the transportation industry. See A. Zajac, Interest on Campaign Loan Pays, L. A. Times, Feb. 14, 2009, p. B1. The example is extreme, but the FEC typically allows candidates to charge their campaigns—which then tap contributors for—a commercially reasonable rate of interest. See FEC, Campaign Guide for Congressional Candidates and Committees 101 (2021).

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is nothing novel or implausible about Section 304's rationale—once again, that payments going to line an elected official's pockets pose an especial risk of corruption. It is in fact what everyone knows to be true—because everyone knows people (including politicians) will often do things for money. The majority suggests that we should discard our understanding of how the world works because the Government has not come forward with adjudicated instances of corruption in the loan-repayment context. See *ante*, at 15–16. But *quid pro quo* exchanges, in that and every other setting, are nigh-impossible to detect and prove. That is indeed why we have campaign finance laws like Section 304. They prohibit conduct posing a heightened risk of corruption, so that the Government does not have to ferret out illicit exchanges case by case. To strike down Section 304 because the Government has not proved to a certainty some number of loan-repayments-for-political-paybacks is to miss the provision's essential point.

In any event, the Government and its *amici* have marshalled significant evidence showing that the loan repayments Section 304 targets have exactly the dangers Congress thought. See Brief for Appellant 37–40; Brief for Campaign Legal Center et al. 27–29. Here is a sampling from the record, involving jurisdictions unprotected by either Section 304 or a state equivalent. In Ohio, various law firms donated almost \$200,000 to help the newly elected attorney general recoup his personal loans. Those donors later received more than 200 state contracts worth nearly \$10 million in legal fees. See L. Bischoff, Donations Helping DeWine Pay Down Campaign Loan, *Springfield News-Sun*, Feb. 2, 2012, p. A1. In Alaska, a lobbyist collected almost \$100,000 for post-election repayment of the Governor's personal loans. A business in which he held an interest later received a \$9 million state contract. See B. Curry, Alaska Gov. Sheffield's Impeachment Inquiry Has Overtones of Watergate Scandal, *L. A. Times*, July 19, 1985, p.

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11. In Kentucky, two Governors loaned their campaigns millions of dollars, “only to be repaid after the election by contributors seeking no-bid contracts.” J. Moore, Campaign Finance Reform in Kentucky: The Race for Governor, 85 Ky. L. J. 723, 746 (1997). The scandal those transactions created led to a new state campaign-finance law similar to Section 304. In upholding that statute, a court more cognizant than this one about how corruption works explained that “heavily indebted candidates” were “easy bedfellows for *quid pro quo* contributors.” *Wilkinson v. Jones*, 876 F. Supp. 916, 930 (WD Ky. 1995). That is also true on the local level. In San Diego, to take just one instance, three city council members cast critical votes benefiting lobbyists who had raised funds to retire their campaign debts. See C. Gustafson, Lobbyists See Benefit From Three City Officials, San Diego Union-Tribune, June 13, 2009, p. A1.³

An empirical study in the record confirms the dangers of corruption shown in those examples. The study first found, based on data preceding Section 304’s enactment, that politicians carrying campaign debt were “significantly more likely” than their “debt-free counterparts” to “switch their votes” after receiving contributions from special interests. A. Ovtchinnikov & P. Valt, Debt in Political Campaigns (2020), in No. 1:19-cv-00908 (D DC, July 14, 2020), ECF

³The majority asserts without explanation that these and other similar examples involve not *quid pro quo* corruption, but only contributors’ exercise of their “greater influence” over candidates. *Ante*, at 16. Even accepting that distinction (as our caselaw does), the majority’s claim is hard to understand. Here is the *quid* in the examples: a donation paying off a successful candidate’s personal loan. And here is the *quo*: a government contract, or a key vote. However “vague” the “line between *quid pro quo* corruption and general influence,” *ibid.*, those exchanges cross it. The majority must mean that the Government has not proved beyond a doubt that the trades in fact occurred. But again, that is the wrong standard given (1) the difficulty of such proof and (2) the significant risks of *quid pro quo* corruption inherent in the above fact patterns. See *supra*, at 10–11.

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Doc. 65–1, p. 31. In other words, officeholders did more in exchange for donations repaying their personal loans than for other donations. The analysis next looked at Section 304’s effect. Here, the data showed that politicians with debt exceeding the law’s \$250,000 threshold became “significantly less responsive” to contributions than before: They began to “behave remarkably similar to their debt free counterparts.” *Id.*, at 28; see Ovtchinnikov, Self-Funding 3 (similarly stating that those politicians became more “independent of contributions from special interest[s]”). In other words, Section 304 did just what Congress thought it would. By preventing post-election contributions from personally enriching politicians, the provision diminished donor-responsive voting. The majority tries to undermine those findings by quoting the kind of careful caveats always accompanying good social science. See *ante*, at 17; Ovtchinnikov, Self-Funding 21 (noting that the study is a “first step in understanding” and that more work is needed to “fully pin down” all aspects of causation). But the authors are confident—and rightly so—in the findings just described: that Section 304 markedly decreased the frequency with which officeholders voted as donors would like. And although the authors could not responsibly claim that all the shifted votes they tallied were part of *quid pro quo* deals—they are, after all, professors, not the FBI—they deduce from the data that politicians carrying campaign debt were “less likely to [be] sell[ing] access” than to be “sell[ing] votes.” *Id.*, at 18.

Finally, the record evidence addresses the “almost equal[ly]” important matter of the appearance of corruption. *Shrink Missouri*, 528 U. S., at 390; see *supra*, at 6–7. A Government-commissioned survey of public opinion found that 81% of respondents believed it “very likely” or “likely” that a person who “donate[s] money to a candidate’s campaign after the election expect[s] a political favor in re-

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turn.” App. 351–353. That bears repeating: 81%—an overwhelming perception across all demographic categories, as well as across all party affiliations and political ideologies. See *ibid.* As the court reviewing the Kentucky version of Section 304 explained: “[T]here is an impression” when a contribution repays a loan after an election that the contributor is simply “lining the candidate’s pocket, as there is no ongoing campaign to which the contribution may be made.” *Wilkinson*, 876 F. Supp., at 930; see *supra*, at 12. The majority flyspecks the polling questions: Why didn’t the poll define “political favor”? Did the poll mention that the contributions had to comply with the \$2,900 cap? And so forth. See *ante*, at 17–18. But really—is it likely that such tinkering would have made a real difference? The poll results were so lopsided because the post-election contributions Section 304 targets—ones adding to the candidate’s personal wealth—have so conspicuous a potential to corrupt. The public knows that to be true. The public’s representatives in Congress knew it to be true. Only this Court—somehow—does not.

* * *

“Democracy works only if the people have faith in those who govern.” *Shrink Missouri*, 528 U. S., at 390 (internal quotation marks omitted). And the people cannot have faith in representatives who trade official acts for financial gain. Section 304 prevents that kind of corruption, at barely discernable cost to First Amendment freedoms. The provision limits one narrow use of third-party contributions to a campaign, thus “entail[ing] only a marginal restriction” on speech. *Buckley*, 424 U. S., at 20. And the provision targets a practice posing exceptional risks of *quid pro quo* deals. Repaying a candidate’s loan after he has won election cannot serve the usual purposes of a contribution: The money comes too late to aid in any of his campaign activities. All the money does is enrich the candidate personally

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at a time when he can return the favor—by a vote, a contract, an appointment. It takes no political genius to see the heightened risk of corruption—the danger of “I’ll make you richer and you’ll make me richer” arrangements between donors and officeholders. Section 304 has guarded against that threat for two decades, but no longer. In discarding the statute, the Court fuels non-public-serving, self-interested governance. It injures the integrity, both actual and apparent, of the political process. I respectfully dissent.



Administrative Report

N.1., File # 22-4796

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING ALL WAY STOP REQUESTS AT EIGHT INTERSECTIONS IN COUNCIL DISTRICT 4

EXECUTIVE SUMMARY

In response to a referral from the City Council, staff is presenting information for additional consideration related to the results of neighborhood outreach for all way stop requests at eight intersections in Council District 4. The intersections included in the referral are Mathews Avenue & Felton Lane, Mathews Avenue & Perkins Lane, Huntington Lane & Blossom Lane, Huntington Lane & Rindge Lane, Stanford Avenue & Marshallfield Lane, Ormond Lane & Wollacott Street, Harkness Lane & Clark Lane, and Felton Lane & Huntington Lane.

Per the City Council approved policy (see attached), staff completed two initial assessments at each of the requested intersections. The assessments included a resident survey to determine neighborhood support and a review of each of the intersection's traffic collision history and potential for site line obstruction. These assessments were initiated by staff at the time of the initial resident requests to determine whether the stop signs should move forward for consideration of approval. None of the initial assessments produced data that met the threshold required for automatic advancement. The City's policy allows for Councilmembers in these instances to direct that a request be brought forward for additional consideration regardless of the results of the initial assessments. This item provides for that consideration at the above mentioned intersections.

BACKGROUND

In recent years, the City Council has reviewed processes related to City staff response to resident requests for traffic infrastructure improvements, including all way stop (AWS) requests. In May of 2022, Council adopted a policy for the City's response to AWS requests that is meant to shorten and simplify the process to evaluate whether these requests warrant the installation of additional stop signs at a given intersection. The updated process relieved the burden on the requestor to determine neighborhood support by having staff initiate a survey and analyze responses from residents within 150 feet of a given intersection. Staff initiated this practice in 2020, however, due to the pandemic, it was not formalized by Council until May 2022.

The new process also accelerated the timeline in two ways. First, by shortening the active period of the survey from 18 weeks to 4 weeks, and, second, by conducting the safety evaluation (collision history and site line verification) simultaneously with the neighborhood survey. In order for a request

to be advanced by staff to the next level, an AWS request needs to receive support of two thirds of the residences surveyed (counting one vote per residence), or have technical concerns related to line of sight or collision history. Staff performs a field review for line of site concerns and follows the state guidelines for placement of stop signs published in the California Manual of Uniform Traffic Control Devices (CA MUTCD) when determining thresholds based on collision history. Those guidelines indicate a stop sign installation is appropriate when there are five or more correctible collisions as reported by SWITRS data.

AWS requests for the eight subject intersections were made between November of 2021 and July of 2022. Process initiation was delayed due to staffing shortages and turnover, however, the accelerated timeline did yield prompt initial results in assessing each intersection location. In addition to feedback collected by staff, the Council Member from District 4 invited his constituents to provide their input on AWS controls at these intersections via his website. Staff saved the input it received from those outside the 150-foot radius and tracked it as "additional support."

The following tables summarizes the request date, survey mailing date, survey response rate, number of residents providing additional support, and the reported correctible crashes for the four-year period preceding the request for each intersection.

	Intersection	Date Requested	Date Surveys Sent	Survey Response Rate (Rec'd/Sent & % Support)	Additional Support Letters (Revised % Support)	Reported Correctable Crashes 2018-2022
1	Stanford/ Marshallfield	11/20/2021	2/9/22	6/26 (23%)	0	0
2	Felton/ Huntington	3/30/2022	5/26/22	6/24 (25%)	0	0
3	Ormand/ Wollacott	3/15/2022	5/26/22	10/47 (21%)	0	0
4	Huntington/ Blossom	3/15/2022	5/26/22	9/29 (31%)	1 (34%)	0
5	Huntington/ Rindge	6/2/2022	7/14/22	3/28 (11%)	1 (14%)	0
6	Mathews/ Perkins	3/15/2022	5/26/22	7/47 (15%)	4 (23%)	1
7	Mathews/ Felton	6/2/2022	7/14/22	10/50 (20%)	4 (28%)	1
8	Harkness/Clark	7/26/2022	7/26/22	9/22 (41%)	2 (50%)	1

Due to the fact that none of the intersections reached the thresholds triggering automatic follow up action, the requesting resident for each intersection was notified of the results and that the matter would be considered closed by staff unless resurrected with the support of the District Council Member.

Since the time of the notification letter sent for the Blossom and Huntington intersection, staff learned that a fence was installed in the front and side yards of the residence on the northwestern corner of the intersection. This installation, coupled with the vertical curve on Blossom and the alignment of the southbound traffic against the curb (i.e. no parking lane) make the line of sight more difficult. These physical changes have altered staff's initial assessment of the intersection. Given the new conditions it is now staff's recommendation that an AWS be installed at the intersection.

Per its approved policy, Council may direct staff to perform additional studies, bring the matter to the Public Works Commission for advisement, or decide immediately to implement all way stop controls at any of the considered intersections.

COORDINATION

This report was coordinated within the Engineering Services Division of the Public Works Department.

FISCAL IMPACT

The fiscal impact depends on the direction from City Council. The cost to implement way stop controls is roughly \$3,000 per intersection. The cost to conduct further traffic studies is roughly \$5,000 per intersection, depending on the nature of the data/analysis requested. Funds for the installation of the AWS signs can be accommodated in the maintenance budget of the Public Works Department. Funds for further traffic studies are available in the Public Works Engineering Services Division budget.

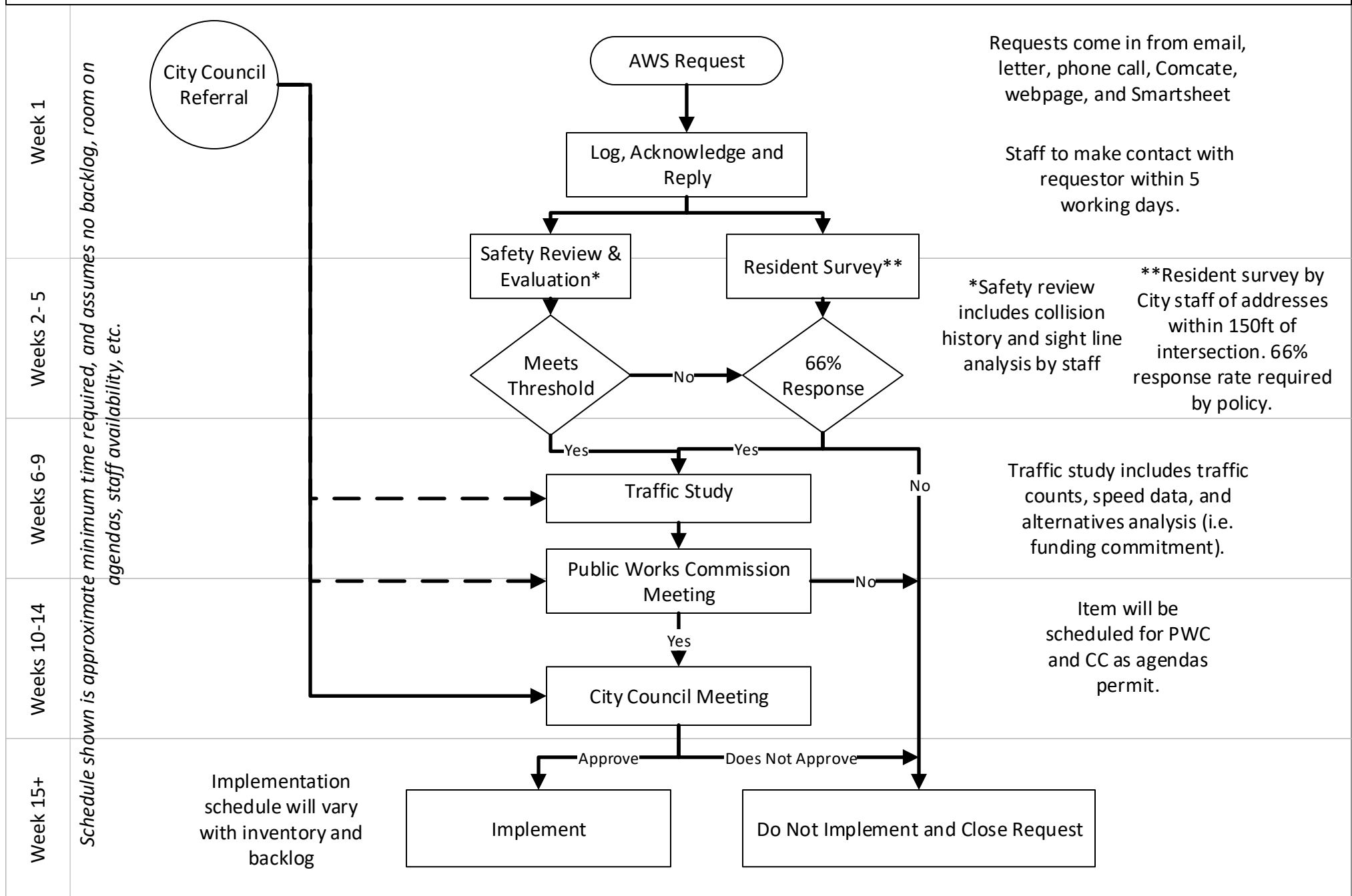
APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Flowchart - All-way Stop Requests

All-way Stop (AWS) Request Flow Chart





Administrative Report

N.2., File # 22-4700

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A FIFTH EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE FIFTH EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a fifth extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, the Los Angeles County DBH submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns. The County completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit.

Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021.

Since the initial 60-day period, DBH has submitted applications for five extensions, as allowed by the Coastal Land Use Plan Implementing Ordinance, RBMC Section 10-5.2228. During the extended time, engineering consultant work was initiated on the scope and design of the repair project, and DBH began analyzing estimated project costs and potential sources of funding. The fourth extension was scheduled to expire on September 24, 2022.

On September 22, 2022, DBH submitted an application to the City for the fifth 60-day extension to the emergency closure permit to allow time to complete additional engineering design work and to appropriate funding. DBH has obtained a cost estimate of \$2.5 million for the project. DBH is seeking approval to utilize \$2.5 million of the Department's operating budget to complete the capital project. The Community Development Director approved the fifth extension on September 27, 2022.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- 5th Extension to Emergency Coastal Development Permit, September 27, 2022
- 4th Extension to Emergency Coastal Development Permit, July 27, 2022
- 3rd Extension to Emergency Coastal Development Permit, May, 27, 2022
- 2nd Extension to Emergency Coastal Development Permit, April 7, 2022
- 1st Extension to Emergency Coastal Development Permit, January 31, 2022
- Emergency Coastal Development Permit, November 30, 2021

- Application for 5th extension to Emergency Coastal Development Permit, September 22, 2022
- City Council Administrative Report August 2, 2022 4th Extension
- City Council Administrative Report June 14, 2022 3rd Extension
- City Council Administrative Report April 12, 2022 2nd Extension
- City Council Administrative Report February 8, 2022 1st Extension
- City Council Administrative Report December 7, 2021 Original Emergency Permit
- RBMC Section 10-5.2228



City of Redondo Beach
Community Development Department
415 Diamond Street, Redondo Beach, CA 90277
(310) 318-0637

September 27, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on September 27, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: CDP-2021-12

Applicant: County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Applicant's Representative: Porsche White
County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Location: Esplanade at Avenue A, Redondo Beach

Original Permit Date: November 30, 2021

Original Expiration	January 28, 2022	4 th Extension Expiration	September 22, 2022
2 nd Extension Expiration	March 29, 2022	5 th Extension Expiration	November 20, 2022
3 rd Extension Expiration	May 27, 2022		

Description of Request/Nature of Emergency:

On November 30, 2021, the City of Redondo Beach (City) approved emergency coastal development permit (eCDP) No. CDP-2021-12 authorizing the closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade in Redondo Beach, California. The County of Los Angeles Department of Beaches and Harbors (DBH) requested the closure following an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A CMU retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

On July 27, 2022, the City issued an eCDP extension for the access ramp closure, which is set to expire on September 22, 2022. DBH is requesting an additional extension of eCDP No. CDP-2021-12 to allow for more time to complete construction drawings for the ramp repair project. A subsequent Coastal Development Permit application will be submitted for the replacement of the access ramp.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on September 27, 2022.
4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
2. Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:



Brandy Forbes, AICP
Community Development Director



City of Redondo Beach
Community Development Department
415 Diamond Street, Redondo Beach, CA 90277
(310) 318-0637

July 27, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on July 27, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: **CDP-2021-12**

Applicant: County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Applicant's Representative: Porsche White
County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Location: **Esplanade at Avenue A, Redondo Beach**

Original Date of Permit Issuance: November 30, 2021
Original Permit Expiration Date: January 28, 2022 (60 days)
Extension Expiration Date: March 29, 2022 (60 days)
2nd Extension Expiration Date: May 27, 2022 (60 days)
3rd Extension Expiration Date: July 25, 2022 (60 days)
4th Extension Expiration Date: September 22, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on July 27, 2022.
4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
2. Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal

Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.

3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:

A handwritten signature in black ink, appearing to read 'Brandy Forbes', is written over a horizontal line.

Brandy Forbes, AICP
Community Development Director



City of Redondo Beach
Community Development Department
415 Diamond Street, Redondo Beach, CA 90277
(310) 318-0637

May 27, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on May 27, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: **CDP-2021-12**

Applicant: County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Applicant's Representative: Porsche White
County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Location: **Esplanade at Avenue A, Redondo Beach**

Original Date of Permit Issuance: November 30, 2021

Original Permit Expiration Date: January 28, 2022 (60 days)

Extension Expiration Date: March 29, 2022 (60 days)

2nd Extension Expiration Date: May 27, 2022 (60 days)

3rd Extension Expiration Date: July 25, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on May 27, 2022.
4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.

2. Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:



Brandy Forbes, AICP
Community Development Director



City of Redondo Beach
Community Development Department
415 Diamond Street, Redondo Beach, CA 90277
(310) 318-0637

April 7, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on April 1, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: **CDP-2021-12**

Applicant: County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Applicant's Representative: Porsche White
County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Location: **Esplanade at Avenue A, Redondo Beach**

Original Date of Permit Issuance: November 30, 2021

Original Permit Expiration Date: January 28, 2022 (60 days)

Extension Expiration Date: March 29, 2022 (60 days)

2nd Extension Expiration Date: May 27, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an additional extension of the emergency permit to allow further time for development of the plans and to secure project funding through the County's annual budget process.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los Angeles County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. A formal application for a Coastal Development Permit shall be submitted for repair work.
3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on April 7, 2022.
4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.

2. Within sixty (60) days of the issuance of this extension, or subsequent extension thereof, to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
3. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
4. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
5. This additional extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of previous expiration, unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

Issued By:



Brandy Forbes, AICP
Community Development Director



City of Redondo Beach
Community Development Department
415 Diamond Street, Redondo Beach, CA 90277
(310) 318-0637

January 31, 2022

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an extension to an emergency coastal permit was rendered on January 31, 2022 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: **CDP-2021-12**

Applicant: County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Applicant's Representative: Porsche White
County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Location: **Esplanade at Avenue A, Redondo Beach**

Original Date of Permit Issuance: November 30, 2021

Original Permit Expiration Date: January 28, 2022 (60 days)

Extension Expiration Date: March 29, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

DBH has begun the preparation of construction drawings for the repair project, and requests an extension of the original emergency permit to allow additional time for development of the plans. The plans will be included with an application for a full Coastal Development Permit for the rehabilitation project.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard. Extension is granted for additional time to prepare the construction drawings that will be submitted with a full Coastal Development Permit application.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. An application for Coastal Development Permit shall be submitted for repair work within sixty (60) days.
3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on February 1, 2022.
4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Extension Conditions:

1. Within sixty (60) days of the issuance of this extension to an Emergency Coastal Development Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
2. Any development or structures constructed pursuant to this Emergency Coastal Development Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.
3. Any installations authorized in this Emergency Coastal Development Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this extension to an Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
4. This extension to an Emergency Coastal Development Permit shall be valid for sixty (60) days from the date of issuance by the Community Development Director unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an extension to the Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.
5. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
6. Within 60 days, the applicant shall submit an application for a Coastal Development Permit for repair work to the access ramp located on Esplanade at Avenue A.

Issued By:

A handwritten signature in blue ink, appearing to read 'Brandy Forbes', is written over a horizontal line.

Brandy Forbes, AICP
Community Development Director



City of Redondo Beach
Community Development Department
415 Diamond Street, Redondo Beach, CA 90277
(310) 318-0637

November 30, 2021

EMERGENCY COASTAL DEVELOPMENT PERMIT

Please note the following City of Redondo Beach action on an emergency coastal permit was rendered on November 30, 2021 by the Redondo Beach Community Development Director.

Coastal Development Permit No.: **CDP-2021-12**

Applicant: County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Applicant's Representative: Porsche White
County of Los Angeles / Department of Beaches and Harbors
13837 Fiji Way
Marina Del Rey, CA 90292

Location: **Eplanade at Avenue A, Redondo Beach**

Date of Permit Issuance: November 30, 2021

Permit Expiration Date: January 28, 2022 (60 days)

Description of Request/Nature of Emergency:

The County of Los Angeles Department of Beaches and Harbors (DBH) requests the emergency closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade. The County recently completed an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.

The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A concrete masonry unit (CMU) retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.

Cause of the Emergency:

Deterioration of access ramp, creating a public safety hazard.

Remedial, protective, or preventative work required to deal with the emergency:

The emergency condition requires that the access ramp be temporarily closed for public safety, which will temporarily affect public access to the beach at this location.

Los County Department of Beaches and Harbors will apply for a Coastal Development Permit to repair the damaged ramp.

Findings:

The Community Development Director hereby finds as follows:

1. An emergency exists within an area of the Coastal Zone, as defined in Section 10-5.2204 of the Redondo Beach Municipal Code.
2. The emergency requires action more quickly than allowed by the procedures for obtaining a Coastal Development Permit. An application for Coastal Development Permit shall be submitted for repair work within sixty (60) days.
3. Notice of issuance of this Emergency Coastal Development Permit will be posted at the location on December 1, 2021.
4. Public comment on the emergency action will be reviewed, to the extent possible in the time available.
5. The action proposed is consistent with the requirements of the Certified Local Coastal Program. Although the request will temporarily reduce public access to the beach at the location, the action is necessary to ensure public safety.
6. The action proposed is the minimum necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

Emergency Permit Conditions:

1. Within sixty (60) days of the issuance of this Emergency Permit, an application for a regular Coastal Development Permit shall be submitted to and properly filed with the City of Redondo Beach Planning Division.
2. Any development or structures constructed pursuant to this Emergency Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of this Emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures.

3. Any installations authorized in this Emergency permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of this Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.
4. This Emergency Permit shall be valid for sixty (60) days from the date of issuance by the Community Development Director unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.
5. The applicant is hereby authorized to temporarily close the access ramp located on Esplanade at Avenue A.
6. Within 60 days, the applicant shall submit an application for a Coastal Development Permit for repair work to the access ramp located on Esplanade at Avenue A.

The Community Development Director shall report in writing and orally, the granting of this Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director. The report shall include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. Copies of the report shall be available at the meeting and shall be mailed to the Coastal Commission and to all persons requesting such notification of local coastal development decisions.

Issued By:



Brandy Forbes, AICP
Community Development Director

Attachments:

- Application for Emergency Coastal Development Permit with attachments.

CITY OF REDONDO BEACH**PLANNING DIVISION****APPLICATION FOR COASTAL DEVELOPMENT PERMIT
(or application for exemption or categorical exclusion)**

RECEIVED BY:

LP

DATE RECEIVED:

9/22/2022

APPLICATION NO:

CDP-2021-12

PLEASE NOTE: Within 30 days of receipt of an application, the Planning Division will inform the applicant in writing if the application is incomplete, and what items must be submitted to complete the application. Processing of the application will not begin until it is complete, pursuant to Section 10-5.2210 of the Municipal Code.

Application is hereby made to the City of Redondo Beach, for a Coastal Development Permit, pursuant to Article 10 of Chapter 5, Title 10 of the Redondo Beach Municipal Code.

A	APPLICANT INFORMATION	
	STREET ADDRESS OF PROPERTY: Avenue A and Esplanade, Redondo Beach, CA 90277	
	EXACT LEGAL DESCRIPTION OF THE PROPERTY: Refer to the parcel LOT: profile report BLOCK: TRACT:	ZONING: P-PRO
	RECORDED OWNER'S NAME: County of Los Angeles, Department of Beaches and Harbors MAILING ADDRESS: 13837 Fiji Way, Marina del Rey, CA 90292 TELEPHONE: 424-526-7755	AUTHORIZED AGENT'S NAME: Porsche White (County of Los Angeles Department of Beaches and Harbors) MAILING ADDRESS: 13837 Fiji Way, Marina del Rey, CA 90292 TELEPHONE: 424-526-7755
	PROJECT DEVELOPER: n/a MAILING ADDRESS: TELEPHONE:	PROJECT ARCHITECT/FIRM/PRINCIPAL: n/a MAILING ADDRESS: TELEPHONE: LICENSE NO.
B	TYPE OF APPLICATION (Consult with Planning Division staff)	
	<input type="checkbox"/> Exempt <input type="checkbox"/> Categorical Exclusion <input type="checkbox"/> Coastal Development Permit public hearing waiver <input type="checkbox"/> Coastal Development Permit public hearing required <input checked="" type="checkbox"/> Emergency Coastal Development Permit	

C	PROJECT DESCRIPTION. (Provide a detailed description of the project.)
	<p>On November 30, 2021, the City of Redondo Beach (City) approved emergency coastal development permit (eCDP) No. CDP-2021-12 authorizing the closure of the Avenue A access ramp located at the intersection of Avenue A and Esplanade in Redondo Beach, California. The County of Los Angeles Department of Beaches and Harbors (DBH) requested the closure following an engineering study that found the existing path, railing, top and bottom landings, and the concrete masonry unit (CMU) wall that compose the ramp to be in very poor condition and recommended closure for public safety.</p> <p>The Avenue A beach access ramp extends 267 feet from the upper level at the western terminus of Avenue A to the beach level and exits adjacent to the beach bike path. The elevation of the upper landing is approximately 70 feet, and the elevation of the lower landing is approximately 14 feet, with a bluff height of 56 feet. The width of the concrete access path is 4.5 feet with 4 feet clearance between the railing post and the CMU wall. A 34" high, by 2" diameter anodized aluminum railing extends the length of the access path on the west, or downhill side. A CMU retaining wall extends the length of the access path. The CMU wall is constructed of 4" x 6" x 12" open cell block, grouted with #4 vertical rebar at 12" on-center. The height of the wall varies from 36" to 60". Please see the attached parcel profile reports for legal descriptions of the property.</p> <p>On July 27, 2022, the City issued an eCDP extension for the access ramp closure, which is set to expire on September 22, 2022. DBH is requesting an additional extension of eCDP No. CDP-2021-12 to allow for more time to complete construction drawings for the ramp repair project. A subsequent coastal development permit will be submitted for the replacement of the access ramp. If you have any questions, please feel free to contact Porsche White at PWhite@bh.lacounty.gov or (424) 526-7745.</p>
D	PROJECT INFORMATION: (Note: Please provide a detailed project description on a separate page.)
	<p>Where questions do not apply to your project, indicate "NOT APPLICABLE" or N.A.</p> <p>1. TYPE OF PROJECT N/A</p> <p> <input type="checkbox"/> New _____ Sq. Ft. <input type="checkbox"/> Addition _____ Sq. Ft. <input type="checkbox"/> Demolition _____ Sq. Ft. <input type="checkbox"/> Change of use from _____ to _____ <input type="checkbox"/> Grading _____ Cu. Yds. <input type="checkbox"/> Fence _____ Height _____ Length _____ <input type="checkbox"/> Paving _____ Amount _____ <input type="checkbox"/> Other _____ </p>

2. ADDITIONAL INFORMATION

Note: If yes to any of the items b through h, please explain on a separate sheet.

- a. Has any application for development on this site been submitted previously to the California Coastal Zone Conservation Commission or Coastal Commission? ☐ YES ☐ NO
If yes, state previous Application Number:
- b. Are any utility extensions necessary to serve the project? If yes, explain. ☐ YES ☒ NO
- c. Does the development involve diking, filling, dredging or placing structures in open coastal waters? If yes, explain and indicate whether the U.S. Army Corps of Engineers Permit has been applied for.
☐ YES ☒ NO
- d. Will the development extend into or adjoin any beach, tidelands, submerged lands or public trust lands?
☒ YES ☐ NO
- e. Is the development in or near:
- Sensitive habitat areas? ☐ YES ☒ NO
 - 100 year floodplain? ☐ YES ☒ NO
 - Park or recreation area? ☒ YES ☐ NO
- f. Will the development harm existing lower-cost visitor and recreational facilities? ☐ YES ☒ NO
Will the development provide public or private recreational opportunities? ☐ YES ☒ NO
- g. Does the site contain any:
- Historic resources? ☐ YES ☒ NO
 - Archaeological Resources? ☐ YES ☒ NO
- h. Will the proposed development be visible from:
- Park, beach or recreation areas? ☒ YES ☐ NO
 - Harbor area? ☐ YES ☒ NO
- i. Is the project a "**Priority Project**" as defined by the City's NPDES Permit pursuant to Section 5-7.103 of the Redondo Beach Municipal Code? ☐ YES ☒ NO
- If yes, are copies (2 or 25 copies, as applicable) of the *Low Impact Development (LID)* report attached?
☐ YES ☒ NO
- j. Is the a project with "**Planning priority project characteristics**" as defined by the City's NPDES Permit pursuant to Section 5-7.103 of the Redondo Beach Municipal Code? ☐ YES ☒ NO
- If yes, are copies (2 or 25 copies, as applicable) of the *Low Impact Development (LID)* report attached?
☐ YES ☒ NO

E	SHOWINGS: Explain how the project is consistent with the Certified Local Coastal Program.
	<p>1. Is the project designed in full accordance with the development standards and other provisions of the Zoning Ordinance for the Coastal Zone? If not, explain.</p> <p>Not Applicable.</p>
	<p>2. If the proposed development is located between the sea and the first public road paralleling the sea, indicate how it is in conformity with the public access and public recreation policies of Chapter 3 of Division 20 of the California Public Resources Code.</p> <p>The proposed development is located between the sea and the first public road. Section 30604(c) of the Coastal Act requires that every coastal development permit issued for any development between the nearest public road and the sea include a specific finding that the development is in conformance with the public access and recreation policies of Chapter 3 of the Coastal Act. As proposed, the closure of the Avenue A access ramp will temporarily reduce pedestrian beach access from Avenue A. However, immediate closure of the ramp is required due to concerns with public safety. Alternate accessways are available at Knob Hill, 0.1 mile to the north, and Avenue C, 0.15 mile to the south.</p>

3. Will the project have an effect on public access to and along the shoreline, either directly or indirectly (e.g. removing parking used for access to the beach)? If yes, describe the effect.

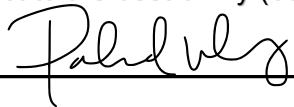
The proposed closure will temporarily reduce access to the beach from Avenue A. However, alternate accessways are available at Knob Hill, 0.1 mile to the north, and Avenue C, 0.15 mile to the south.

OWNER'S AFFIDAVIT

Project address: Avenue A and Esplanade, Redondo Beach, CA 90277

Project description: Closure of Avenue A and Esplanade Access Ramp

I (We) Porsche White On behalf of County of Los Angeles
Department of Beaches and Harbors, being duly sworn, depose and say I am (we are) the owner(s) of all or part of the property involved and that this application has been prepared in compliance with the requirements printed herein. I (we) further certify, under penalty of perjury that the foregoing statements and information presented herein are in all respects true and correct to the best of my (our) knowledge and belief.

Signature(s):  On behalf of County of Los Angeles
Department of Beaches and Harbors

Address: 13837 Fiji Way, Marina del Rey, CA 90292

Phone No. (Res.) _____

(Bus.) 424-526-7755

Subscribed and sworn to (or affirmed) before me this ____ day of _____, 20____ by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

FILING CLERK OR NOTARY PUBLIC

State of California)
County of Los Angeles) ss

Seal



Administrative Report

N.2., File # 22-4381

Meeting Date: 8/2/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A FOURTH EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE FOURTH EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a fourth extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, the Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns. The County completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit.

Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021.

Since the initial 60-day period, DBH has submitted applications for three extensions, as allowed by the Coastal Land Use Plan Implementing Ordinance, RBMC Section 10-5.2228. During the extended time, engineering consultant work was initiated on the scope and design of the repair project, and DBH began analyzing estimated project costs and potential sources of funding. The third extension was scheduled to expire on July 25, 2022.

On July 22, 2022, DBH submitted an application to the City for a fourth 60-day extension to the emergency closure permit to allow time to complete additional engineering design work and to appropriate funding. DBH has obtained a cost estimate of \$2.5 million for the project. DBH is seeking approval to utilize \$2.5 million of the Department's operating budget to complete the capital project. The Community Development Director approved the fourth extension on July 27, 2022.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- 4th Extension to Emergency Coastal Development Permit
- 3rd Extension to Emergency Coastal Development Permit
- 2nd Extension to Emergency Coastal Development Permit
- 1st Extension to Emergency Coastal Development Permit
- Emergency Coastal Development Permit
- Application for 4th extension to Emergency Coastal Development Permit

- City Council Administrative Report June 14, 2022 3rd Extension
- City Council Administrative Report April 12, 2022 2nd Extension
- City Council Administrative Report February 8, 2022 1st Extension
- City Council Administrative Report December 7, 2021 Original Emergency Permit
- RBMC Section 10-5.2228



Administrative Report

N.1., File # 22-4261

Meeting Date: 6/14/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S APPROVAL OF A THIRD EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE THIRD EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a third extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to temporarily address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, The Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns. The County completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit.

Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021. The emergency permit would have expired on January 28, 2022, if not extended.

Since the initial 60-day period, DBH has submitted applications for two extensions, as allowed by the Coastal Land Use Plan Implementing Ordinance, RBMC Section 10-5.2228. During the extended time, engineering consultant work was initiated on the scope and design of the repair project, and DBH began analyzing project costs and funding. The second extension was set to expire May 27, 2022.

On May 26, 2022, DBH submitted an application to the City for a third 60-day extension to the emergency closure permit to allow time to complete additional engineering design work and appropriate funding. DBH has obtained a cost estimate of \$2.5 million for the project. DBH is seeking approval to utilize \$2.5 million of the Department's operating budget to complete the capital project.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

3rd Extension to Emergency Coastal Development Permit

2nd Extension to Emergency Coastal Development Permit

1st Extension to Emergency Coastal Development Permit

Emergency Coastal Development Permit

Public Notice of 3rd Extension of Emergency Coastal Development Permit

Application for 3rd extension to Emergency Coastal Development Permit

City Council Administrative Report April 12, 2022 2nd Extension
City Council Administrative Report February 8, 2022 1st Extension
City Council Administrative Report December 7, 2021 Original Emergency Permit
RBMC Section 10-5.2228



Administrative Report

N.4., File # 22-3974

Meeting Date: 4/12/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S ISSUANCE OF A SECOND EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE SECOND EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) for a second extension of the Emergency Coastal Development Permit temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is needed to temporarily address public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit on November 30, 2021 for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The code allows the Director to approve extensions to the permit if a subsequent application is filed. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, The Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp on at Esplanade and Avenue A due to public safety concerns. The County had completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists that requires action

more quickly than permitted by the procedures for a traditional Coastal Development Permit. Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021. The emergency permit would have expired on January 28, 2022, if not extended.

On January 27, 2022, DBH submitted an application to extend the emergency permit, noting that additional time was needed to complete the full construction drawings for the rehabilitation project. The Zoning Code allows the Community Development Director to extend the emergency permit if a subsequent application is filed. On January 31, 2022 a 60-day extension was approved to allow DBH additional time to complete the construction drawings for improvements to the access ramp. The new expiration date of the emergency permit was March 29, 2022.

On March 24, 2022, DBH submitted an application for an additional 60-day extension, to continue work on the construction drawings. It is now anticipated that the project cost will exceed the current funding allocation. DBH will pursue additional funding through Los Angeles County's annual budget process, which will occur in Fall 2022. As well, DBH is finalizing the plans for submittal. The email explaining this status is included with the latest application for extension attached to this Administrative Report. The Community Development Director approved the second extension on April 7, 2022.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report serves as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

2nd Extension to Emergency Coastal Development Permit

1st Extension to Emergency Coastal Development Permit

Emergency Coastal Development Permit
Public Notice of Extension of Emergency Coastal Development Permit
Application for extension to Emergency Coastal Development Permit
City Council Administrative Report February 8, 2022 1st Extension
City Council Administrative Report December 7, 2021 Original Emergency Permit
RBMC Section 10-5.2228



Administrative Report

N.2., File # 22-3690

Meeting Date: 2/8/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S ISSUANCE OF AN EXTENSION TO THE EMERGENCY COASTAL DEVELOPMENT PERMIT ISSUED FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE EXTENSION OF THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors (DBH) to extend the Emergency Coastal Development Permit issued on November 30th, 2021, temporarily closing the beach access ramp at Esplanade and Avenue A. The emergency closure is a result of public safety concerns associated with the ramp's degraded condition.

The Community Development Director issued the original emergency permit for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The code allows the Director to approve extensions to the permit if a subsequent application is filed. DBH filed an application to extend the permit on January 27, 2022. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

In November 2021, The Los Angeles County Department of Beaches and Harbors (DBH) submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp on at Esplanade and Avenue A due to public safety concerns. The County had completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an Emergency Coastal Development Permit for temporary closure of the ramp, which impacts beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community

Development Director may grant an emergency permit if an emergency exists that requires action more quickly than permitted by the procedures for a traditional Coastal Development Permit. Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full Coastal Development Permit for the corrective work which is expected to take over a year to complete.

The Community Development Director issued the emergency permit on November 30, 2021 for a period of 60 days as allowed by code. A public notice of the emergency permit issuance was posted at the location, and a report was made to the City Council on December 7, 2021. The emergency permit would have expired on January 28, 2022, if not extended.

On January 27, 2022, DBH submitted an application to extend the emergency permit, noting that additional time was needed to complete the full construction drawings for the rehabilitation project. The Zoning Code allows the Community Development Director to extend the emergency permit if a subsequent application is filed.

On January 31, 2022 the Community Development Director approved a 60-day extension to allow DBH additional time to complete the construction drawings for improvements to the access ramp. The new expiration date of the emergency permit is now March 29, 2022. It is anticipated that ahead of the new expiration date, DBH will submit a full application for a Coastal Development Permit for ramp improvements, including drawings for the complete rehabilitation project.

Per the Emergency Coastal Development Permit procedures, Section 10-5.2228(a)(7) of the Redondo Beach Municipal Code, "The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director." The report is to include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. This Administrative Report and corresponding presentation at the February 8, 2022 City Council meeting serve as that notice.

COORDINATION

The issuance of the extension to the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Extension to Emergency Coastal Development Permit

Emergency Coastal Development Permit

Public Notice of Extension of Emergency Coastal Development Permit

Application for extension to Emergency Coastal Development Permit

City Council Administrative Report December 7, 2021
RBMC Section 10-5.2228



Administrative Report

N.5., File # 21-3409

Meeting Date: 12/7/2021

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE COMMUNITY DEVELOPMENT DIRECTOR'S ISSUANCE OF AN EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE LOS ANGELES COUNTY BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

RECEIVE AND FILE THE EMERGENCY COASTAL DEVELOPMENT PERMIT FOR THE TEMPORARY CLOSURE OF THE BEACH ACCESS RAMP AT ESPLANADE AND AVENUE A TO PROTECT PUBLIC SAFETY

EXECUTIVE SUMMARY

The Community Development Department received an application from the Los Angeles County Department of Beaches and Harbors for an Emergency Coastal Development Permit to temporarily close the beach access ramp at Esplanade and Avenue A due to public safety concerns associated with the ramp's degraded condition. The Community Development Director issued the emergency permit for a period of 60 days, subject to Redondo Beach Municipal Code (RBMC) Section 10-5.2228. The Municipal Code requires that the Community Development Director provide a written and verbal report on the action to the City Council at the next City Council meeting.

BACKGROUND

The Los Angeles County Department of Beaches and Harbors submitted an application to the Planning Division of the City's Community Development Department for an Emergency Coastal Development Permit to temporarily close the beach access ramp on at Esplanade and Avenue A due to public safety concerns. The County recently completed an engineering study that found the existing path, railing, landings, and wall that compose the ramp to be in very poor condition. The study recommended closure of the ramp to protect public safety. Based on the engineering report, the County submitted an application to the City for an emergency permit for temporary closure of the ramp, which will impact beach access at the location.

Subject to RBMC Section 10-5.2228 Emergency Coastal Development Permit, the Community Development Director may grant an emergency permit if an emergency exists the requires action more quickly than permitted by the procedures for a Coastal Development Permit. Although this action will temporarily affect beach access at this location, it is needed to protect public safety. The emergency permit may be granted for up to 60 days, and requires that the applicant submit for a full

Coastal Development Permit for the corrective work which is expected to take over a year to complete.

A public notice of the emergency permit issuance has been posted at the location.

COORDINATION

The issuance of the Emergency Coastal Development Permit falls under the authority of the Community Development Director, per RBMC Section 10-5.2228(a).

FISCAL IMPACT

The processing of Coastal Development Permit applications is part of the Community Development Department's annual budget and work plan.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

Emergency Coastal Development Permit
Public Notice of Emergency Coastal Development Permit issuance
Application for Emergency Coastal Development Permit
RBMC Section 10-5.2228

Redondo Beach Municipal Code[Up](#)[Previous](#)[Next](#)[Main](#)[Search](#)[Print](#)[No Frames](#)[Title 10 PLANNING AND ZONING](#)[Chapter 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE](#)[Article 10. Coastal Development Permits](#)**10-5.2228 Emergency Coastal Development Permit.**

(a) In the event of an emergency as defined in Section 10-5.2204, temporary emergency authorization to proceed with remedial measures may be given by the Community Development Director until such time as a full Coastal Development Permit application shall be filed.

(1) **Application.** Application shall be made to the Community Development Director by letter if time allows, or in person or by telephone, if time does not allow. The information, to be reported at the time of the emergency or within three (3) days after the emergency, shall include the following:

- a. Nature of the emergency;
- b. Cause of the emergency, insofar as this can be established;
- c. Location of the emergency;
- d. The remedial, protective, or preventative work required to deal with the emergency;
- e. The circumstances during the emergency that appeared to justify the cause(s) of action taken, including the probable consequences of failing to take action.

(2) **Limitations.** The Community Development Director shall not grant an emergency Coastal Development Permit for any development that falls within an area in which the Coastal Commission retains direct permit review authority. In such areas and for such developments, a request for an emergency authorization must be made to the Coastal Commission.

a. In addition, a waiver from coastal development permit requirements may be obtained from the Coastal Commission Executive Director for development that is required to protect life or public property in accordance with Section 30611 of the Coastal Act.

(3) **Notice.** The Community Development Director shall provide notice of the proposed emergency action. The extent and type of the notice shall be determined on the basis of the nature of the emergency. If the nature of the emergency does not allow sufficient time for public notice to be given before the emergency work begins, the Community Development Director shall provide public notice of the action taken, or being taken, as soon as is practical. Public notice of the nature of the emergency and the remedial actions to be taken shall be posted on the site in a conspicuous place and mailed to all persons the Community Development Director has reason to know would be interested in such action and to the Coastal Commission.

(4) **Findings and conditions.** The Community Development Director may grant an emergency Coastal Development Permit upon reasonable terms and conditions, which shall include an expiration date, the necessity for a regular permit application later, and the requirement that the permittee apply for a Coastal Development Permit pursuant to Section 10-5.2210 for the removal of work authorized by the Emergency Permit if the retention of the work is denied in the follow-up regular permit application, if the Community Development Director finds that:

- a. An emergency exists that requires action more quickly than permitted by the procedures for a Coastal Development Permit and the work can and will be completed within thirty (30) days unless otherwise specified by the terms of the permit.
- b. Public comment on the proposed emergency action has been reviewed, if time allows.
- c. The work proposed is consistent with the requirements of the Certified Local Coastal Program.
- d. The work proposed is the minimum action necessary to address the emergency and, to the maximum extent feasible, is the least environmentally damaging temporary alternative for addressing the emergency.

(5) **Contents of Emergency Permit.** The Emergency Permit shall be a written document that includes the following information:

- a. The date of issuance;
- b. An expiration date;
- c. The scope of work to be performed;
- d. Terms and conditions of the permit;
- e. A provision stating that within sixty (60) days of issuance of the Emergency Permit, a regular Coastal Development Permit application shall be submitted and properly filed consistent with the requirements of this chapter;
- f. A provision stating that any development or structures constructed pursuant to an Emergency Permit shall be considered temporary until authorized by a follow-up regular Coastal Development Permit and that issuance of an emergency Coastal Development Permit shall not constitute an entitlement to the erection of permanent development or structures;
- g. A provision that states that: The development authorized in the Emergency Permit must be removed unless a complete application for a regular Coastal Development Permit is filed within sixty (60) days of approval of the Emergency Permit and said regular permit is approved. If a regular Coastal Development Permit authorizing permanent retention of the development is denied, then the development that was authorized in the Emergency Permit, or the denied portion of the development, must be removed. Such removal, however, shall be pursuant to a separate permit.

(6) **Expiration of the Emergency Permit.** An Emergency Permit shall be valid for sixty (60) days from the date of issuance by the Community Development Director unless extended by submittal of a follow up application. Within sixty (60) days of issuance of an Emergency Permit, the permittee must submit a follow-up regular Coastal Development Permit application for the development even if only to remove the development undertaken pursuant to the Emergency Permit and restore the site to its previous condition.

(7) **Report to City Council and Coastal Commission.** The Community Development Director shall report in writing and orally, the granting of an Emergency Permit to the City Council at its next scheduled meeting, and to the Coastal Commission Executive Director. The report shall include a description of the nature of the emergency, the development involved and the person or entity undertaking the development. Copies of the report shall be available at the meeting and shall be mailed to the Coastal Commission and to all persons requesting such notification of local coastal development decisions.

(§ 1, Ord. 2905 c.s., eff. August 5, 2003, as amended by § 1, Ord. 3107 c.s., eff. February 8, 2013)

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Administrative Report

P.1., File # 22-4945

Meeting Date: 10/4/2022

To: MAYOR AND CITY COUNCIL
From: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

TITLE

DISCUSSION AND POSSIBLE ACTION TO SUPPORT OR OPPOSE MEASURE E, A CITYWIDE BALLOT INITIATIVE BEING CONSIDERED BY VOTERS IN THE CITY'S OCTOBER 19, 2022 SPECIAL ELECTION TO ADOPT A NEW CANNABIS REGULATION ORDINANCE

EXECUTIVE SUMMARY

Measure E is being considered by voters in the City of Redondo Beach as a part of the Special Election set for October 19, 2022. If approved, the measure would establish a new Cannabis Regulation Ordinance that would supersede cannabis regulation ordinances passed by Council on September 6, 2022 that are set to go into effect on October 7th, 2022. The City Council requested an item be placed on a City Council meeting agenda to discuss supporting or opposing the measure.

BACKGROUND

At the July 19, 2022 meeting of the City Council, a Special Election was called and set for October 19, 2022. The Special Election includes the ballot initiative Measure E, which would establish a new Cannabis Regulation Ordinance that would replace Ordinance 3240-22 to amend Title 6 of the Redondo Beach Municipal Code (RBMC), Ordinance 3241-22 to amend Title 10 Chapter 2 of the RBMC (inland zoning) and Ordinance 3235-22 to amend Title 10 Chapter 5 of the RBMC (coastal zoning) to implement commercial cannabis regulations and allow cannabis businesses in certain zones of the City. These ordinances were passed by Council on September 6, 2022 and are set to go into effect October 7, 2022. Ordinance 3235-22 will not take effect until certified by the Coastal Commission.

Special Election information can be found on the City's website at
https://www.redondo.org/depts/city_clerk/election_info/

At the September 6, 2022 City Council meeting, Council requested an item be prepared to discuss whether the Council supports or opposes Measure E. This item provides for that discussion.

COORDINATION

This report was coordinated with the City Clerk's Office

FISCAL IMPACT

There is no fiscal impact associated with this item.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Measure E - October 19, 2022 Special Election Ballot Initiative Title and Summary
- Ord - No. 3240-22 (Title 6 Licensing)
- Ord - No. 3241-22 (Inland)
- Ord - No. 3235-22 (Coastal)
- City Council Staff Report, September 6, 2022

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following ballot title and summary of the chief purposes and points of the proposed initiative measure:

Ballot Title

AN INITIATIVE ORDINANCE TO (1) ALLOW A MAXIMUM OF THREE CANNABIS RETAILERS IN REDONDO BEACH; (2) REPEAL THE CITY'S PROHIBITION ON COMMERCIAL CANNABIS ACTIVITY (EXCEPT FOR DELIVERIES OF MEDICINAL CANNABIS) AND ALLOW THE CITY COUNCIL DISCRETION TO LEGALIZE OTHER CANNABIS USES; AND (3) IMPOSE OPERATIONAL, DESIGN, AND LOCATION REQUIREMENTS ON SUCH BUSINESSES

Summary of Proposed Measure

All commercial cannabis activities except for deliveries of medicinal cannabis are currently illegal in Redondo Beach under Municipal Code Sections 10-2.1626 and 10.5-1626.

The proposed initiative ordinance would:

1. Require the City Manager to issue a non-discretionary cannabis retail (dispensary) permit to three businesses pursuant to a point based selection process that contains minimum requirements, a 30-day application period, quantitative evaluation and ranking criteria, processing deadlines, and tie-breaking rules;
2. Allow permitted retailers to operate in the C-1, C-2, C-2A, C-2B, C-3, C-3A, C-3B, C-4, C-4A, and C-4B zones on property located a specified distance from "sensitive uses" (more than 1000 feet from schools or day care centers and 600 feet from youth centers). The schools, youth centers and day care centers that qualify as "sensitive uses" are identified in the Initiative;
3. Once a cannabis retailer is issued a certificate of occupancy, allow only permitted retailers to conduct deliveries in the City subject to operational regulations;
4. Legalize commercial cannabis cultivation, manufacturing, distribution, and laboratory testing at the discretion of the City Council, but prohibit cannabis microbusinesses;
5. Impose operational and design requirements on permitted cannabis businesses including, but not limited to, requirements related to security, community relations, odor control, employment, and signage.

6. Require background checks on owners and managers of the cannabis business, and annual reviews conducted by the City Manager;

7. Require the City Manager to make all decisions in reviewing and issuing permits, except for the City Council publicly ranking tied applicants pursuant to the Initiative's criteria;

8. Impose restrictions on changes in location and transfer of permits;

9. Authorize the City Manager to develop and enforce additional cannabis business operational regulations to protect the public health, safety, and welfare; and

10. Authorize the City Manager to suspend or revoke a cannabis permit for any material violation of any law or any rule, regulation, and/or standard adopted pursuant to the Initiative, subject to appeal to the City Council.

The Initiative does not impose a tax on cannabis businesses, but businesses receive points if they pledge to provide a financial contribution equal to 2% of projected gross receipts to a public school or public park located within the City, and/or to a public or nonprofit community organization serving the City or its residents.

If the number of active retailer permits falls below three, the City Manager shall open an additional 30-day application period.

Dated: July 27, 2021



Michael W. Webb
City Attorney
City of Redondo Beach

ORDINANCE NO. 3240-22

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
REDONDO BEACH, CALIFORNIA, ADDING CHAPTER 6 TO
TITLE 6 OF THE REDONDO BEACH MUNICIPAL CODE TO
REGULATE COMMERCIAL CANNABIS BUSINESSES**

WHEREAS, the City of Redondo Beach has historically and continues to currently ban all commercial cannabis activities except for deliveries and personal cultivation in order to protect the public health and safety of City residents; and

WHEREAS, in November of 2016, a majority of the voters of the City of Redondo Beach voted in favor of Proposition 64, known as the "Control, Regulate and Tax Adult Use of Marijuana Act"; and

WHEREAS, arising out of the passage of Proposition 64 and the promulgation of regulations and licensing structures by the state, the City Council had indicated it could revisit its ban as state licensing of such businesses and created a Cannabis Taskforce to review potential regulations; and

WHEREAS as a result of a recent citizen sponsored initiative measure that, if passed, would repeal the City's existing ban on commercial cannabis activities and establish new regulations that, among other things, would restrict the City's ability to regulate such uses and allow certain existing unpermitted and illegal cannabis businesses to continue operating while eliminating the City's ability to deny these uses or impose any operational conditions, the City must move more quickly than initially planned to bring forward a more protective ballot measure; and

WHEREAS, passing a City Council sponsored commercial cannabis ordinance would maintain the City's ability to develop important policy positions, business and land use regulations, and health and safety permits to preserve the quality of life that Redondo's residents, visitors and business community desire and expect; and

WHEREAS a critical companion to this ordinance is a City Council sponsored measure to adopt a Cannabis Business Tax, without the passage of which the City would be financially unable to address the secondary effects of commercial cannabis businesses; and

WHEREAS, this Ordinance is necessary to provide the City of Redondo Beach Police Department clearly established legal authority to protect the public and deter potential criminal cannabis activity; and

WHEREAS, on April 20, 2017 the Planning Commission held a noticed public hearing and took public testimony regarding regulatory options surrounding commercial and personal use of cannabis in the City of Redondo Beach (or "City") pursuant to the passage of the AUMA; and

WHEREAS, on May 18, 2017, the Planning Commission continued the public hearing and after further public input and discussion the Commission directed City staff to return with resolutions recommending the adoption of:

- (1) an ordinance restricting outdoor personal cultivation to secured locations or lockable out buildings only;
- (2) an ordinance disallowing all commercial cannabis activities in the City of Redondo Beach to allow staff to study and create appropriate guidelines for the operation of commercial cannabis facilities in the City;
- (3) an amendment to the City's existing medical cannabis regulations to allow the delivery of medical cannabis to qualified patients in the City; and

WHEREAS, in order to create comprehensive and cohesive local system of commercial cannabis regulations, the City enacted a temporary ban while City staff and the Cannabis Taskforce studied all aspects of permitted commercial cannabis activities; and

WHEREAS, on October 5, 2021 the Cannabis Steering Committee presented their findings to the City Council; and

WHEREAS, on March 3, 2022 the Planning Commission considered the draft commercial cannabis regulations and zoning amendments and made recommendations to the Council for consideration; and

WHEREAS, on May 10, 2022, the City Council reviewed draft amendments and directed staff to make changes in addition to engaging an outside consultant to review the ordinances; and

WHEREAS, staff made some of those changes and is leaving it to the City Council's discretion to make any of the other suggested amendments or their own changes to this and the other two (2) proposed ordinances; and

WHEREAS, this ordinance reflects the direction received from the Council and the consultant.

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

SECTION 1. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

SECTION 2. FINDINGS

1. In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption under Section 15060(c)(2) because the activity will not result in direct or reasonable foreseeable physical change in the

environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.

2. The amendments to the Zoning Ordinance are consistent with the General Plan.
3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
4. These amendments do not require a vote of the people under Article XXVII of the City Charter.

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

SECTION 3. AMENDMENT TO CODE. Chapter 6 shall be added to Title 6 of the Redondo Beach Municipal Code and shall read as follows:

“Chapter 6 COMMERCIAL CANNABIS ACTIVITY

Section 6-2.00 Commercial Cannabis Retailer Permit Regulations.

Section 6-2-01 Definitions. The technical terms and phrases used in this Chapter are defined in Redondo Beach Municipal Code Section **10-2.1626**.

Section 6-2.02 Commercial cannabis permit required to engage in commercial cannabis activity. No person may operate a commercial cannabis business or engage in commercial cannabis activity within the City of Redondo Beach including cultivation, processing, manufacturing, testing, sale, delivery, distribution, or transportation of cannabis or a cannabis product unless the person (1) has a valid commercial cannabis retailer permit from the City of Redondo Beach; (2) has any and all valid state or local permits; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activity, including holding the necessary state licenses to engage in commercial cannabis activity.

6-2.03 Application Procedure.

(a) The city may, in its sole discretion, approve and direct the issuance of a notice inviting applications, a request for applications, or similar solicitation inviting persons interested in operating commercial cannabis activities in the city to apply for a Development Agreement.

(b) Whether to issue a solicitation for applications, and whether to approve or deny any such application shall be subject to the sole and absolute discretion of the City Council. The manner of accepting applications, the manner of application review, shall be determined by the City Manager or designee. The criteria utilized in evaluating or scoring any application for a Development Agreement shall be that specified in this ordinance, elsewhere in the Redondo Beach Municipal Code, or in the solicitation for applications issued by the City

Council. Subject to the discretion of the City Council, the solicitation may include provisions pertaining to: the information required to be submitted by applicants, including but not limited to the application information specified in the regulations for a license from the Department, the city's application review, vetting, and approval processes; the review and scoring criteria that will be utilized by the city in distinguishing among applicants; applicant background checks and verification requirements; conditions of approval; security features and requirements; operating guidelines, standards, limitations, and requirements; site improvement obligations; maintenance requirements; book, accounting, and record keeping requirements; and/or a draft Development Agreement.

(c) A Development Agreement approved by the City Council is required before any person operates a retail site in the city. Said Development Agreement shall set forth the terms and conditions under which the commercial cannabis activities may be undertaken, in addition to the terms and conditions otherwise set forth in this ordinance. Subject to the agreement of any state Permittee and approval of the City Council, such additional terms and conditions of the Development Agreement may include, but are not limited to, public outreach and education requirements, community service requirements, the payment of mutually agreeable fees and charges, development and operating plans (including site plan, floor plan, and elevations), security measures, operating standards and procedures, site location and design standards, and such other terms and conditions as may be agreed upon by a Permittee and the City Council, as well as those that the City Council deems necessary to protect and promote the public health, safety, and welfare of the community.

(d) In addition to a Development Agreement, no person shall operate a retail site until a conditional use permit has been approved by the planning commission or City Council. The application process for the conditional use permit shall be the same as is generally applicable to conditional use permits in the city, provided that a Development Agreement between the Permittee and the city shall be a condition precedent to approving a conditional use permit.

(e) Nothing in this ordinance is intended or shall be construed as requiring the City Council to approve any Development Agreement(s) or to otherwise allow commercial cannabis activities in the city. No application for a Development Agreement will be accepted except during the times specified by the City Council in a solicitation for applications. The City Council's solicitation for, review of, and approval of any application for a Development Agreement is discretionary, and nothing in this ordinance is intended or shall be interpreted as rendering commercial cannabis activities a "by-right" land use in the city.

6-2.04 Fees and Charges.

(a) Each applicant or Permittee shall timely and fully pay all fees set forth in this ordinance. Failure of an applicant to pay the requisite fees is grounds for denial, and the failure of a Permittee to pay the requisite fees shall constitute a breach of the Development Agreement, and is grounds for revocation of the conditional use permit. Except as otherwise provided herein, the amount of each fee shall be established by resolution of the City Council.

(1) Application fee to cover the city's costs incurred in the initial acceptance and review of an application for a Development Agreement, due and payable in full at the time an application is submitted.

(2) Processing fee(s) to cover the costs incurred in the review, investigation, scoring, and/or selection of an applicant for the award of a Development Agreement shall be due and payable in full at the time an application is submitted. The city may charge a separate processing fee for each round of the application review and selection process. Such Agreement shall be granted in accordance with evaluation criteria specified by the City Council in a notice inviting applications, a request for proposal ("RFP"), or similar solicitation.

(b) In addition to the fees specified in subsection (a), applicants and Permittees shall timely pay all other applicable fees, including, but not limited to, fees associated with processing applications for conditional use permits, Development Agreements, building permits, and plan checks, as well as the city's cost of preparing a Development Agreement.

(c) In addition to the fees set forth in this ordinance, a Development Agreement may provide for a Permittee to pay the city a fair share contribution towards the city's costs incurred. Such costs may include, without limitation, enforcing the provisions of this ordinance, inspecting for and remediating any direct or secondary negative impacts of the commercial cannabis activities, and mitigating impacts to the city's existing public facilities caused by the commercial cannabis facility. If applicable, the remediation payments described in this ordinance shall be memorialized in a Development Agreement, and paid by a Permittee to the city in strict accordance with the terms thereof.

6-2.05 Development Agreement and Operating Standards.

(a) Permittees, and the premises upon which commercial cannabis activities are operated, shall strictly comply with this ordinance, the Development Agreement, the conditional use permit, the Act, and anything else required by the Department or the State licensing authority. To the extent of a conflict among any of the foregoing, the more restrictive provision shall control unless a different intent is clear from context.

(b) A fee of no more than 5% of gross receipts may be required in the Development Agreement. Such a fee shall be negotiated with Permittees and incorporated into the subsequent Development Agreement. This fee is to sunset upon the establishment of a local commercial cannabis tax.

(c) All premises where commercial cannabis activities are operated shall comply with the following minimum development and operating standards:

(1) Commercial cannabis activities shall occur in a fully enclosed and permanent building, as described in this ordinance.

(2) Persons under the age of twenty-one (21) shall be prohibited from the premises at all times, other than as lawful customers permitted under State law in the case of Medicinal cannabis retailers. If such retail establishment sells Medicinal cannabis, persons under the age of twenty-one (21) and over the age of eighteen (18) shall be permitted to enter the establishment only after verification that they possess a valid Medical Marijuana ID card.

(3) A premises shall notify patrons of the following through the posting of a sign outside the premises posted in a conspicuous location near the entrance of the building:

(i) That loitering on and around the premises is prohibited by California Penal Code § 647(e).

(ii) That patrons must immediately leave the site upon concluding the reason for their visit, and may not consume cannabis or cannabis products on the premises.

(iii) That patrons may be subject to prosecution under federal law.

(iv) That the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate machinery.

(4) Permittees shall provide the name and phone number of an on-site staff person who shall be responsible for notification of any operational problems or emergencies associated with the premises or the operation thereof to the Police Department and City Manager.

(5) All commercial cannabis businesses shall be operated within the specific part of the premises specified in the Development Agreement and/or conditional use permit. No commercial cannabis activities shall take place in an area exceeding the square footage authorized in the controlling Development Agreement, conditional use permit, or the licensee's license; whichever is most restrictive.

(6) All exterior windows, doors, loading and unloading docks or bays, and any points of ingress or egress to the premises where the commercial cannabis business will be operated, shall be secured from unauthorized entry by commercial grade, nonresidential locks, and in a manner specifically approved by the Police Department. The exterior of each of the foregoing areas shall be illuminated during twilight hours.

(7) The ingress and egress points of any storage areas for cannabis or cannabis products shall be locked and secured at all times, and shall be under the control of and accessible only to Permittee's authorized personnel as disclosed to the City.

(8) Each Permittee shall implement a track-and-trace system, compliant with the Act, to record the chain of supply of cannabis or cannabis products from "seed-to-sale."

(9) The exterior appearance of the premises, including but not limited to the design, color, landscaping, screening, architectural treatments, signage, and other such aesthetic features of the premises shall comply with the standards applicable to the underlying zoning district, as may be modified or supplemented through the Development Agreement and/or conditional use permit. Except as modified herein, or in a Development Agreement or conditional use permit, the premises shall comply with the development standards applicable to the underlying zoning district.

(10) A valid Development Agreement.

(11) All exterior signage on the premises shall comply with city standards, the Development Agreement and/or conditional use permit. Should these provisions conflict, the terms of the Development Agreement shall control.

(12) The exterior of the premises shall comply with the city's generally applicable lighting standards including, without limitation, fixture type, wattage, illumination levels, shielding; and associated approvals and permits.

(13) All waste generated by or resulting from commercial cannabis activities shall be disposed of as required by law, and Pending disposal such waste shall be stored in a locked and secure area that is under the control of and accessible only to Permittee's authorized personnel.

(14) On-site sales of alcohol or tobacco products, and consumption of food, alcohol, tobacco, cannabis, or cannabis products on the premises is strictly prohibited except that employees may eat in an area separate from the sales floor on their breaks.

(15) The premises shall provide an odor absorbing ventilation and exhaust system so that odor generated inside the structure where commercial cannabis activities are taking place cannot be detected outside the structure, anywhere on adjacent property, public rights-of-way, or within any other unit or structure on the premises where commercial cannabis activities are not taking place.

(16) Be provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage facilities for the intended purpose.

(17) Whether or not Applicants have obtained a property for the purposes of their commercial cannabis business prior to their selection, shall have no bearing on their selection.

(18) The Permit Administrator shall have the power and authority to promulgate rules, regulations, and requirements consistent with the provisions of this chapter and other law in connection with the issuance of a registration certificate. The Permit Administrator may designate an employee of his or her department to make decisions and investigate and act pursuant to this chapter.

6-2.06 No transfer or change in ownership of location.

(a) Permittees may not sell, transfer, pledge, assign, grant an option, or otherwise dispose of, in whole or in part, their rights under or interest in a Development Agreement. It is strictly prohibited for any Owner to sell, transfer, pledge, assign, grant an option, or otherwise dispose of, in whole or in part, their ownership interest in the licensed cannabis business for a minimum period of three (3) years from the start of operation. No Permittee may allow for a separate entity to manage or operate their business or act as their agent in their place. Permittee may only transfer ownership after the initial period of time and with prior discretionary approval of the City Council. Before approving any such request, City may require the purchaser, assignee, or transferee to provide the same information and materials that are required of an initial applicant, including the payment of associated fees.

(b) Before exercising any rights under a Development Agreement, Permittees shall demonstrate proof of lawful possession of the premises where commercial cannabis activities are proposed to take place. Such evidence shall consist of properly executed deeds of trust, leases, licenses, or similar documents evidencing the Permittee's right to possession and use of the premises. Subject to the criteria specified by the City Council in its solicitation for applications, a Development Agreement shall be awarded contingent upon an applicant's subsequent identification of a premises that is acceptable to the City; or, subject to an applicant's provision of an option, letter of intent, or similar instrument executed by the current owner of the proposed premises in favor of a Permittee or applicant, authorizing commercial cannabis activities to be operated therein.

(c) Commercial cannabis activities may only take place within the area, building, structure, and portion of the premises that is specifically described in Development Agreement and/or conditional use permit. A Permittee shall not relocate, move, or otherwise alter the location of its operations from the specific area so identified without obtaining prior approval from the City; regardless of any possessory interest or right to possession to such additional areas. No Permittee shall add additional or contiguous units or areas, thereby altering the initially approved premises, without prior approval of the City Council.

(d) Permittee shall not sublet, transfer, or otherwise assign any portion of any approved premises for any purpose, unless the City Council grants prior approval of such amendment.

(e) Permittee shall not make any physical change, alternation, or modification to the approved premises that, in the opinion or discretion of the building official, materially or substantively alters the location or usage of the premises from the plans approved in the Development Agreement and/or conditional use permit, without the advanced approval of the City Council. For purposes of this subsection, the phrase "materially or substantively alters" shall mean any physical change, alternation, or modification to the area of the premises identified in the Development Agreement or conditional use permit for the operation of commercial cannabis activities that either: (1) increases the capacity or scope of commercial cannabis activities by five percent (5%) or more; or (2) requires a building permit.

(f) Permittees shall not have a common owner.

6-2.07 Minimum Security Requirements.

(a) Permittees shall comply with the security standards and requirements set forth in this ordinance, the Development Agreement, the conditional use permit, and the Act. If any of the foregoing are inconsistent, the most restrictive provision shall control unless a different intent is clear from context.

(b) Security Standards are as follows:

(1) Owner shall establish a security system that prevents individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business and establishing limited access areas accessible only to authorized commercial cannabis business personnel.

(2) Panic buttons shall be installed in all commercial cannabis businesses.

(3) Sensors shall be installed to detect entry and exit from all secure areas.

(4) Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

(5) All Security Personnel shall be vetted through and approved by the Police Department.

(c) All Premises where commercial cannabis activities are operated and their personnel shall comply with the following minimum security standards:

(1) Security Cameras.

a. Security cameras shall be installed and maintained on the premises in a good working condition, and shall be capable of producing digitally recorded documentation in a format approved by the Police Department.

b. All security cameras on the premises shall be in use twenty-four (24) hours per day, seven (7) days per week. Permittees are responsible for ensuring that all surveillance equipment is properly functioning and maintained so that the playback quality is suitable for viewing and the surveillance equipment is capturing the identity of all individuals and activities in the monitored areas.

c. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage.

d. The areas of the premises to be covered by the security cameras include, but are not limited to: (1) all storage areas for cannabis or cannabis products; (2) all areas where commercial cannabis activities are operated; (3) each location where weighing, packaging, transport, preparation, or tagging activities occur; (4) the interior and exterior of all points of ingress or egress to storage areas; (5) all doors and windows; (6) loading and unloading bays, the interior and exterior of all points of ingress or egress to the structure on the premises where commercial cannabis activities are operated, and (7) all points of ingress or egress to the premises.

e. Surveillance recording equipment must be housed in a designated, locked, and secured room or other enclosure with access limited to authorized employees or local law enforcement agencies for appropriate purposes.

f. All entrances and exits to the facility shall be recorded from both indoor and outdoor vantage points.

g. At least one camera shall be dedicated to recording the access points to the secured surveillance recording area.

h. Permittees shall keep a current list of all authorized employees and personnel who have access to the surveillance system and/or room on the premises.

i. Permittees shall keep a surveillance equipment maintenance activity log to record all service activity, including the identity of the individual performing the service, the service date and time, and the reason for service. Such records shall be maintained on the premises and shall be made available to the city upon request.

j. The system shall be capable of recording all pre-determined surveillance areas in any lighting conditions.

k. Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, cameras capable of meeting the requirements described in this ordinance, video monitors, digital archiving devices, a color printer, and the capability to produce still color photograph from any camera image, live or recorded. The date and time shall be embedded on all surveillance recordings without significantly obscuring the picture. The time on the surveillance video is to be measured in accordance with the official United States time established by the National Institute of Standards and Technology and the U.S. Naval Observatory.

l. Video surveillance systems must be equipped with a failure notification system that provides prompt notification of any prolonged surveillance interruption and/or the complete failure of the surveillance system to the Permittee and Police Department.

m. All surveillance recordings must be kept for a minimum of ninety (90) days and be in a format that can be easily accessed for viewing. Video recordings must be archived in a format that ensures authentication of the recording as a legitimately captured video, and ensures no alteration of the recorded image has taken place.

n. After the ninety-day (90) surveillance video retention period has lapsed, surveillance video recordings must be erased or destroyed prior to being discarded or disposed of for any other purposes. Surveillance video recordings may not be destroyed if the permittee(s) knows, or should have known of a pending criminal, civil, or administrative investigation, or any other proceedings for which the recording may contain relevant information.

o. Upon request, Permittees shall make available to the Police Department or local law enforcement agency, for law enforcement purposes, all information related to security alarm systems, recordings, monitoring, and/or system activity.

p. Permittees may utilize off-site monitoring and video recording storage, or an independent third-party service, to satisfy the requirements of this ordinance, provided the standards exercised at the remote location meet or exceed all standards for on-site monitoring set forth herein.

q. The cannabis business shall be responsible for ensuring that the security surveillance camera footage is compatible with the city's software and hardware and remotely accessible by the Chief of Police. Alarm systems shall send real time alerts directly to the Police Department.

(2) Alarm System.

a. The premises shall be equipped with a reliable, commercial alarm system that is operated and monitored by a security company or alarm business twenty-four (24) hours a day, seven (7) days a week, operating in full compliance with this ordinance.

b. Permittees shall maintain on the premises up to date and current records and existing contracts with third party alarm system or security services providers that: (1) describe the location and operation of each security alarm system, (2) a schematic of security zones, (3) the name of the alarm company, and, if different from the name of the alarm company, (4) the name of any vendor monitoring the premises.

c. At a minimum, the alarm system shall monitor all exterior points of access into the structure on the premises where commercial cannabis activities are operated, including but not limited to windows and doors.

(3) Security Guard. At all times a premises is open to the public, at least one security guard shall be present who is licensed, possesses a valid department of consumer affairs "security guard card".

(4) Records. All records applicable to the surveillance system, alarm system, and track-and-trace system shall be maintained on the premises, and available for inspection upon request by the Police Department or other local law enforcement personnel for law enforcement purposes or to ensure compliance with this ordinance, the Act, or the Regulations.

6-2.08 County Health Permit. The City shall work with The County of Los Angeles to adopt the county's Cannabis Compliance and Enforcement Program and require the city's cannabis Permittees to obtain the county's health permit prior to operation.

6-2.09 Criminal Penalties.

(a) Any violation of any provision of this ordinance shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.

(b) Separate offenses for each day. Any person who violates any provision of this ordinance shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.

(c) Use or activity prohibited by State law. Nothing in this ordinance shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law

6-2.10 Violations.

(a) The city may initiate abatement proceedings as authorized by this ordinance or state law to correct or cure any violation of this ordinance. The city shall be entitled to recover its courts costs and reasonable attorneys' fees in the event of a court order or judgment of abatement is entered in favor of the city.

(b) Any person violating any of the provisions of this ordinance shall be guilty of a misdemeanor.

(c) The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

(d) Violations declared a public nuisance. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.

6-2.11 Audits. No later than February 15 of every calendar year, each Permittee shall file with the city one copy of an audit of its operations for the previous calendar year, completed and certified by an independent certified public accountant in accordance with generally accepted auditing and accounting principles. The audit shall include, but not be limited to, a discussion, analysis, and verification of each of the records required to be maintained pursuant to this ordinance.

6-2.12 Records.

(a) Permittees shall maintain records at the premises accurately and truthfully documenting the following:

(1) Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the full names, address, and telephone number) of anyone owning, holding an interest in or managing the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the city manager or his/her designee upon a reasonable request.

(2) All receipts of the premises, including but not limited to all payments, purchases, contributions, reimbursements, and reasonable compensation, whether in cash or in kind, concerning commercial cannabis activities, whether among licensees or otherwise.

(3) Commercial cannabis businesses must record all commercial cannabis activity in the track and trace system as required by state law.

(4) Proof of compliance with the Act and regulations, including but not limited to the license issued by the Department authorizing a Permittee to operate commercial cannabis activities on the premises.

(5) Any other required documentation described in the Development Agreement required to be maintained on the premises.

(6) The foregoing records shall be maintained by Permittees for a period of seven (7) years and shall be made available by the Permittee to the Police Department, other local law enforcement, or the city manager upon request. If such records are not produced as requested, the city may seek a search warrant, subpoena, or court order to compel access thereto. The records shall be stored at the premises in a manner capable of being reproduced promptly and accurately. Any loss, damage or destruction of the records shall be reported to the Police Department within twenty-four hours.

(b) Upon institution of a city-wide cannabis tax, it shall be the duty of every owner and operator of a commercial cannabis business to keep all records as may be necessary to determine the amount of tax due hereunder and shall preserve the same for a period of four years. The Finance Director shall have the right to inspect such records at all reasonable times. The Finance Director shall determine the mode and method of recordkeeping required to assist the tax collector to perform the duties required of him under this section. At the time of permit renewal, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the Finance Director. The Finance Director shall be authorized to engage a third-party to perform such audit(s).

6-2.13 Compliance with laws.

Nothing in this chapter shall be construed as authorizing any actions that violate state or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable state and local laws, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis permit. Nothing in this chapter shall be construed as authorizing any actions that violate state law regarding the operation of a commercial cannabis business. Except as otherwise provided herein, this ordinance incorporates the requirements of the Act. In the event of any conflict between the provisions of this ordinance and the provisions of the foregoing, the more restrictive provision shall control.

6-2.14 Interpretation. The provisions of this ordinance shall be read to be consistent with all the provisions of state and local law, and their implementing regulations, as well as the other provisions of this ordinance.

6-2.15 Severability. Should any provision of this ordinance, or its application to any persons or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

6-2.16 Limitation of Liability

(a) To the fullest extent permitted by law, the city shall not assume any liability whatsoever, with respect to receiving, reviewing, processing, denying, or approving any application to operate commercial cannabis activities under this ordinance.

(b) As a condition of submitting an application for a Development Agreement, and as a further condition of approval, each applicant or Permittee, as applicable, shall: (1) agree to indemnify the city and its elected and appointed officers, employees, and representatives, from and against any claims, damages, injuries, or liabilities of any kind relating to or arising from an application, the city's denial or approval of an application, or the

operation of commercial cannabis activities; (2) waive any and all claims, damages, injuries, or liabilities of any kind against the city and its elected and appointed officers, employees, and representatives; (3) agree to defend, at its sole cost and expense, any action against the city and/or its elected and appointed officers, employees, and representatives, relating to or arising from an application, denial or approval of an application, or the operation of a commercial cannabis activity; and (4) agree to reimburse the city for any court costs and attorneys' fees (with legal counsel of the city's choice) incurred in any legal challenge relating to an application, the denial or approval of any application, or the operation of a commercial cannabis activity.

6-2.17 Suspension, revocation or modification of permits.

(a) Commercial cannabis permits may be suspended, revoked or modified for any violation of any state or local law and/or any rule, regulation, and/or standard adopted pursuant to this chapter or in this Code, whether committed by the Permittee or any employee or agent of the Permittee.

(b) A decision of the city to suspend, revoke or modify a commercial cannabis permit is appealable to a hearing officer and any appeal must be filed with the city manager at least ten (10) working days prior to the commencement date of the permit revocation or modification.

(1) The City Clerk shall not accept an appeal, and no hearing shall be held, unless the appellant has paid a filing fee, in an amount set by resolution of the City Council, to defray the cost of such appeal. Any appeal without the timely payment of fees shall be considered to be untimely.

(2) The scope of the appeal hearing pursuant to this section shall be limited to those issues raised by the appellant in the written appeal, as submitted pursuant to subsection (a) of this section.

(3) Upon receipt of a timely filed appeal, the City Clerk shall set the matter for hearing before the City Manager. The hearing shall be held not fewer than fifteen (15) calendar days and not more than thirty (30) calendar days from the date of the appeal request. The hearing may be continued from time to time upon the mutual consent of the parties.

(4) The appellant shall be provided with notice of the time and place of the appeal hearing, as well as a copy of all relevant materials at least fifteen (15) calendar days prior to the hearing.

(5) An appeal shall stay all proceedings in furtherance of the appealed action. Following appeal, the decision of the hearing officer may be appealed to the city council. A decision of the city council shall be the final decision of the city.

(c) Any premises, or portion of a premises, for which the cannabis public health permit has been suspended or revoked shall close, cease doing business, and remain closed until the cannabis Health Permit has been reinstated or reissued by the City Health Officer.

(d) Additionally, when there is an imminent threat to public health, safety or welfare, the city manager or his/her designee, may take immediate action to temporarily suspend a commercial cannabis permit issued by the city, pending a hearing before the city

manager or his/her designee within ten (10) working days of suspension. The decision of the City Manager may be appealed to the City Council, whose decision shall be final.”

SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 6. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, City Clerk

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3240-22 was introduced at a regular meeting of the City Council held on the 16th day of August, 2022, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 6th day of September, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

ORDINANCE NO. 3241-22

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10,
CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH
MUNICIPAL CODE TO ALLOW COMMERCIAL CANNIABIS
ACTIVITIES INLAND ZONES OF THE CITY**

WHEREAS, on November 8, 2016, Proposition 64, the Control, Regulate, and Tax Adult Use of Cannabis Act ("AUMA") became law; and

WHEREAS, the AUMA regulates, among other items, the use of cannabis for personal and commercial purposes, including the recreational use of cannabis by adults over 21 years of age; and

WHEREAS, the personal use aspects of the AUMA were adopted as state law in California Health and Safety Code Section 11362.1, et. seq., which makes it "lawful under state and local law" for persons 21 years of age or older to "possess, process, transport, purchase, obtain, or give away to persons 21 years of age or older without any compensation whatsoever" up to 28.5 grams of cannabis in the form of concentrated cannabis contained in cannabis products; and

WHEREAS, the AUMA made it lawful for those individuals to "possess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants; and

WHEREAS, cannabis plants, as they begin to flower and for a period of two (2) months or more, produce a strong odor, which can be detectable far beyond property boundaries if grown outdoors; and

WHEREAS, the AUMA made it lawful for individuals above the age of 21 to smoke or ingest cannabis or cannabis products other than in public places, vehicles, within 1000 feet of schools day care centers or youth centers while children are present, or anywhere that the smoking of tobacco products is already prohibited; and

WHEREAS, the AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of cannabis inside a private residence or inside an "accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure" and to completely prohibit outdoor cultivation on the grounds of a private residence, up to and until a "determination by the California Attorney General that nonmedical use of cannabis is lawful in the State of California under federal law"; and

WHEREAS, to regulate commercial use of cannabis, the AUMA would add Division 10 (Cannabis) to the Business & Professions Code, which grants state agencies "the exclusive authority to create, issue, renew, discipline, suspend, or revoke" licenses for businesses

ORDINANCE NO. 3241-22
ADDING CHAPTER * TO TITLE *
OF THE REDONDO BEACH MUNICIPAL CODE

PAGE NO. 1

including the transportation, storage, distribution, sale, cultivation, manufacturing, and testing of cannabis; and

WHEREAS, the AUMA provides for the creation of the Bureau of Cannabis within the Department of Consumer Affairs, which shall promulgate cannabis regulations as will the Department of Food and Agriculture and the Department of public health and the state may begin issuing licenses under Business and Professions Code Division 10 beginning January 1, 2018; and

WHEREAS, under the Federal Controlled Substances Act, the use, possession, and cultivation of cannabis are unlawful and subject to federal prosecution without regard to state permissions such as the AUMA or a claimed medical need pursuant to the MMRSA; and

WHEREAS, the California Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use recognizes that the cultivation or other concentration of cannabis in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering or crime; and

WHEREAS, based on the experiences of other cities, these negative effects on the public, health, safety, and welfare must be studied prior to the establishment and operation of cannabis cultivation, processing, testing, and distribution uses; and

WHEREAS, based on the findings above, the potential personal cannabis cultivation and use and the possible establishment of commercial cannabis cultivation, processing, testing, transportation, sales and other uses in the City without regulation may pose threat to the public health, safety, and welfare in the City if it is not properly regulated due to the negative land use and other impacts as described above; and

WHEREAS, because the state commercial provisions of the AUMA take effect on January 1, 2018, the City must disallow commercial cannabis activities in order to ensure that local regulations are promulgated and local control maintained; and

WHEREAS, the AUMA states that a local jurisdiction shall not prevent transportation of cannabis or cannabis products on public roads by a licensee transporting cannabis or cannabis products in compliance with Division 10; and

WHEREAS, the "Medical Cannabis Regulation and Safety Act" ("MMRSA") which took effect January 1, 2016, regulates use of cannabis for medical purposes and the City of Redondo Beach adopted Ordinance No. 3152 which promulgated local regulations in accordance with the MMRSA, effective May 5, 2016; and

WHEREAS, the City's Municipal Code does not currently address some of the uses that have become legal pursuant to the passage and adoption of the AUMA and subsequent amendment by SB 94; and

WHEREAS, in response to the enactment of SB 94, the proposed amendment to the Redondo Beach Municipal Code combines medical and recreational cannabis regulations on a local level; and

WHEREAS, on November 8, 2016 the City Council adopted a temporary moratorium on cannabis uses legalized by the passage of Proposition 64, hereinafter referred to as the Adult Use of Cannabis Act (or "AUMA") and directed City staff to begin working on permanent AUMA regulations; and

WHEREAS, on December 19, 2016, that moratorium expired by operation of law; and

WHEREAS, on April 20, 2017 the Planning Commission held a noticed public hearing and took public testimony regarding regulatory options surrounding commercial and personal use of cannabis in the City of Redondo Beach (or "City") pursuant to the passage of the AUMA; and

WHEREAS, on May 18, 2017, the Planning Commission continued the public hearing and after further public input and discussion the Commission directed City staff to return with resolutions recommending the adoption of:

- (1) an ordinance restricting outdoor personal cultivation to secured locations or lockable out buildings only;
- (2) an ordinance disallowing all commercial cannabis activities in the City of Redondo Beach to allow staff to study and create appropriate guidelines for the operation of commercial cannabis facilities in the City;
- (3) an amendment to the City's existing medical cannabis regulations to allow the delivery of medical cannabis to qualified patients in the City; and

WHEREAS, in order to create comprehensive and cohesive local system of commercial cannabis regulations, the City enacted a temporary ban while City staff and the Cannabis Taskforce studied all aspects of permitted commercial cannabis activities; and

WHEREAS, on October 5, 2021 the Cannabis Steering Committee presented their findings to the City Council; and

WHEREAS, on January 18, 2022, the City Council considered the draft cannabis ordinance and proposed storefront and delivery citing parameters and buffer maps made suggested changes for staff to review; and

WHEREAS, on March 3, 2022 the Planning Commission considered the draft commercial cannabis regulations and zoning amendments and made recommendations to the Council for consideration; and

WHEREAS, passing a City Council sponsored commercial cannabis ordinance would maintain the City's ability to develop important policy positions, business and land use regulations, and health and safety permits to preserve the quality of life that Redondo's residents, visitors and business community desire and expect; and

WHEREAS a critical companion to this ordinance is a City Council sponsored measure to adopt a Cannabis Business Tax, without the passage of which the City would be financially unable to address the secondary effects of commercial cannabis businesses; and

WHEREAS, this Ordinance is necessary to provide the City of Redondo Beach Police Department clearly established legal authority to protect the public and deter potential criminal cannabis activity; and

WHEREAS, staff made some of those changes and is leaving it to the City Council's discretion to make any of the other suggested amendments or their own changes to this and the other two (2) proposed ordinances; and

WHEREAS, on May 10, 2022, the City Council reviewed draft amendments and directed staff to make changes in addition to engaging an outside consultant to review the ordinances; and

WHEREAS, this ordinance reflects the direction received from the Council and the consultant.

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

SECTION 1. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

SECTION 2. FINDINGS

1. In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption under Section 15060(c)(2) because the activity will not result in direct or reasonable foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.
2. The amendments to the Zoning Ordinance are consistent with the General Plan.
3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
4. These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 3. AMENDMENT TO CODE. Title 10, Chapter 2, Section 10-2.1626 of the Redondo Beach Municipal Code shall be amended to read as follows:

“10-2.1626 Marijuana regulations.

ORDINANCE NO. 3241-22
AMENDING TITLE 10, CHAPTER 2
SECTION 10-2.1626 OF THE REDONDO BEACH
MUNICIPAL CODE REGULATING COMMERCIAL
CANNABIS ACTIVITY IN INLAND ZONES
PAGE NO. 4

(a) **Purpose and findings.** The City Council finds that it is in the interest of public health, safety, and welfare of the residents and businesses within the City to responsibly regulate and allow for commercial cannabis activities in the City of Redondo Beach.

(b) **Definitions.**

(1) **“A-license”** means a State license issued under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician’s recommendations.

(2) **“A-licensee”** means any person holding a license under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician’s recommendations.

(3) **“Act”** shall mean the California Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), as in Business and Professions Code Section 26000 et seq., as amended from time to time

(4) **“Applicant”** shall mean and refer to a person applying for a Development Agreement pursuant to this ordinance.

(5) **“Cannabis”** For the purpose of this section “cannabis” and “cannabis” shall have the same meaning.

(6) **“Cannabis accessories”** means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.

(7) **“Cannabis product”** means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

(8) **“Cannabis retailer”** means a commercial cannabis business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the City of Redondo Beach authorizing the operation of a retailer, and a valid state license as required by state law to operate as a retailer.

(9) **“Caregiver” or “Primary caregiver”** has the same meaning as the term is defined in Section 11362.7 of the State Health and Safety Code.

(10) **“City”** means the City of Redondo Beach.

(11) **“City Council ” or “Council”** means the City Council of the City of Redondo Beach.

(12) **“City Manager”** means the City Manager of the City of Redondo Beach or his or her designee(s).

(13) **“Commercial cannabis activity”** includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, distribution, delivery or sale of cannabis and cannabis products.

(14) **“Commercial cannabis permit”** means the permit issued by the City under RBMC Section 6-2.00.

(15) **“Conditional Use Permit”** means the permit issued by the City under RBMC Section 10-5.2506.

(15) **“Cultivation”** means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

(16) **“Cultivation site”** means a location where cannabis is planted, grown, harvested, dried, cured, graded or trimmed, or a location where any combination of those activities occurs.

(17) **“Customer”** means a natural person twenty-one (21) years of age or over or a natural person eighteen (18) years of age or older who possesses a physician’s recommendation.

(18) **“Day care center”** means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.

(19) **“Delivery”** means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer (or a microbusiness engaging in retail sales).

(20) **“Department”** means the Department of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Cannabis Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Cannabis Regulation.

(21) **“Development Agreement”** means a contract between the City of Redondo Beach and the selected applicant.

(22) **“Dispensary” or “storefront retailer”** means a location where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products.

(23) **“Distribution”** means the procurement, sale, and transport of cannabis and cannabis products between licensees.

(24) **“Edible cannabis product”** means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Section 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code.

(25) **“Gross receipts”** means, except as otherwise specifically provided herein, whether designated as a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, and property of any kind or nature) received or payable for sales of goods, wares, or merchandise without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor, or service costs, interest paid or payable, losses, or any other expense whatsoever. However, the following shall be excluded from gross receipts:

- (a) Cash discounts where allowed and taken on sales;
- (b) Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- (c) Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

(d) Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;

(e) Cash value of sales, trades, or transactions between departments or units of the same business;

(f) Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a given year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered; and

(g) Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar.

(26) **"Hearing officer"** means the City Manager or his/her designee, who shall preside over administrative hearings.

(27) **"Manufacture"** means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

(28) **"Manufacturer"** means a person that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container, that holds a State license pursuant to this section.

(29) **"Cannabis"** or **"cannabis"** means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this section, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

(29) **"Medicinal cannabis"** means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), California Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician's recommendation.

(30) **"Medicinal delivery"** means the commercial transfer of medicinal cannabis to a customer that possesses a physician's recommendation. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this section that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.

(31) **"Nursery"** means a license that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

(32) **“Operation”** means any act for which any State or local licensure is required under the provisions of this section or any commercial transfer of cannabis or cannabis products.

(33) **“Owner”** means any of the following:

(a) A person with an aggregated ownership interest of twenty (20%) percent or more in the person or entity applying for a license or a licensee, unless such interest is solely in security, lien, or encumbrance.

(b) The chief executive officer or a member of the board of directors of a nonprofit organization.

(c) An individual who will be participating in the direction, control, or management of the person or entity applying for a license.

“Owner” means any of the following:

1. All persons identified as an **“owner”** on any permit, license, or other authorization issued by a state agency or local government which authorizes the persons to establish and operate the cannabis facility.

2. Any person identified or required to be identified as an **“owner”** on an application filed with any state agency and any local government, wherein the application requests the privilege to operate the cannabis facility.

3. If no person under subsection 1 or 2, above, exists:

a. A person with an aggregate ownership interest of 20 percent or more in the corporate entity, partnership, or other business entity applying for a permit or a Permittee, unless the interest is solely a security, lien, or encumbrance.

b. The chief executive officer of a nonprofit or other entity.

c. A member of the board of directors of a nonprofit.

d. An individual who will be participating in the direction, control, or management of the person applying for a permit. A member of the board of directors of a nonprofit.

e. An individual who will be participating in the direction, control, or management of the person applying for a permit.

(34) **“Package”** means any container or receptacle used for holding cannabis or cannabis products.

(35) **“Permit Administrator”** means the Community Development Director or designee.

(36) **“Permittee”** means a person who has obtained a commercial cannabis permit from the city to operate a cannabis business.

(37) **“Person”** includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

(38) **“Physician’s recommendation”** means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

(39) **“Premises”** means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted

(40) **“Private residence”** means a house, an apartment unit, a mobile home, or other similar dwelling.

(41) **“Purchaser”** means the customer who is engaged in a transaction for purposes of obtaining cannabis or cannabis products.

(42) **“Qualified delivery service”** is one that has been licensed pursuant to the requirements of California Business and Professions Code Section 26050, maintains at all times while operating in the City of Redondo Beach all necessary State licenses, and operates in compliance with State and local law.

(43) **“Sell,” “sale,”** and **“to sell”** includes any transaction whereby, for any consideration, title to cannabis is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom such cannabis or cannabis product was purchased.

(44) **“State license”** means a State license issued under this section, and includes both an A-license and an M-license, as well as a testing laboratory license.

(45) **“State licensee”** means any person holding a license under this section, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

(46) **“State licensing authority”** means the State agency responsible for the issuance, renewal, or reinstatement of the license, or the State agency authorized to take disciplinary action against the licensee.

(47) **“Testing laboratory”** means a laboratory, facility, or entity in the State that offers or performs tests of cannabis or cannabis products and that is both of the following:

- a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
- b. Licensed by the Department.

(48) **“Testing service”** means a laboratory, facility, or entity in the State, that offers or performs tests of cannabis or cannabis products, including the equipment provided by such laboratory, facility, or entity, and that is both of the following:

- a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
- b. Registered with the State Department of Public Health.

(49) **“Youth center”** means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

(c) Commercial cannabis activities prohibited unless specifically authorized by this chapter.

(1) It shall be unlawful for any person to operate, cause, allow, assist, participate in, engage in, or in any way conduct any commercial cannabis activity within the city, including but not limited to the cultivation, delivery, distribution, manufacture, testing, transport, retail, microbusiness, purchase, sale, testing, distribution, giving away, or otherwise transferring of cannabis or cannabis products, or any other activities for which a license is available except in compliance with the provisions of Section (c)(2) below.

(2) The prohibitions of subsection (a) shall not apply to the following persons, provided said person operates in strict accordance with State and local regulations:

- a. A clinic, licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code;
- b. Health care facility, licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code;
- c. A residential care facility for persons with chronic life-threatening illness, licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code;
- d. A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code;
- e. A residential hospice or home health agency, licensed pursuant to Chapter 8 of the Health and Safety Code;
- f. Personal indoor cultivation in compliance with this ordinance;
- g. A licensee's transportation of cannabis or cannabis products on public roads pursuant to subsection (b) of Section 26080 or subsection (e) of Section 26090 of the Business and Professions Code, as the same may be amended from time to time, provided the licensee is permitted or approved to operate by the local jurisdiction in which the licensee's facilities are physically located;
- h. A Permittee authorized to engage in retail activities under this ordinance, provided that said person has entered into a Development Agreement with the city, has been granted a conditional use permit, has been issued the requisite license from the Department, and otherwise complies, at all times, with the provisions of this ordinance.

(3) Until the City establishes a local commercial cannabis tax, the City hereby expressly prohibits the delivery of cannabis and cannabis products within the City except by cannabis retailers based within the City. If the City is required by State law to permit the delivery of cannabis and cannabis products by cannabis retailers not based within the City, such cannabis retailers not based within the City shall be required to comply with the provisions in this ordinance, including, but not limited to, the City commercial cannabis business permit application and approval processes under the ordinance.

(4) Delivery of medicinal cannabis and medicinal cannabis products to qualified patients and their primary caregivers by state licensee cannabis businesses, is permitted within the City until a retailer issued a commercial cannabis business permit.

(5) **Individual cultivation restrictions.**

a. No person shall plant, cultivate, harvest, dry, or process more than six (6) cannabis plants or permit more than six (6) cannabis plants to be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence at one time.

b. Personal cultivation permitted under Health and Safety Code Section 11362.2, as amended from time to time, must occur in a secured indoor location or outdoors within a locked structure upon the growers own property, or a property to which they have explicit authority to access, and in an area that is not visible from a public right-of-way.

(6) **Commercial cannabis retailer regulations.**

a. **Cannabis Retailer Permit Required.** A cannabis retailer must obtain and maintain at all times a valid Commercial Cannabis permit as required pursuant to Redondo Beach Municipal Code Title 6, Chapter 6.

b. **Conditional Use Permit and Zoning.**

(1) A Conditional Use Permit is required to establish a cannabis business or operate as a cannabis retailer. Cannabis retailers shall be required to comply with all zoning, land use, and

development regulations applicable to the zoning district in which they are permitted to establish and operate such business as set forth in the Redondo Beach Municipal Code.

(2) The cannabis retailer is not required to obtain a Conditional Use Permit prior to applying for a Commercial Cannabis Permit.

(3) If a cannabis retailer is authorized by Conditional Use Permit to operate a cannabis business on a particular site and such operation is discontinued for a continuous period of 12 months, the Conditional Use Permit expires for discontinuance of use and thereafter is void.

c. **Number of Retailers.** No more than two (2) sites may be used for storefront commercial cannabis retailers at any time. Those sites maybe concurrently licensed to provide Delivery.

d. **Location Requirements.**

A. Cannabis retailers shall be permitted only in commercial and industrial zones, specifically limited to the C-1, C-2, C-2A, C-2B, C-2PD, C-3, C-3A, C-3B, C-3PD, C-4, C-4A, C-4B, C-4PD, C-5A, CR, I-1, I-1A, I-1B, I-2, I-2A, and IC-1 zones. Cannabis retailers are prohibited in Coastal Commercial zones. Cannabis retailers are prohibited in any public-institutional zones and zones where residential is permitted.

B. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer.

C. No retailer shall be established or located within 1,500 feet of any public or private high school or middle school, measured from the nearest property lines of each of the affected parcels.

D. No retailer shall be established or located within 600 feet from public or private elementary schools, day cares, and youth centers, measured from the nearest property lines of each of the affected parcels.

E. Each Council District shall only have one (1) cannabis retail site.

F. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance or from the date of the violation, whichever is later.

e. **Operating Requirements.** In addition to those operating requirements specifically set forth in Section 6-2.05, the following operating requirements shall apply to all cannabis retailers operating in the City of Redondo Beach:

A. Hours of Operation. Storefront retail sales may be open for access to the public between the hours of 9:00 a.m. and 10:00 p.m., Monday through Sunday. Delivery hours shall be limited to between the hours of 6:00 a.m. and 10:00 p.m., Monday through Sunday.

B. Commercial cannabis activities may only operated within a fully enclosed and permanent building. For purposes of this ordinance, the phrase "fully enclosed and permanent building" shall mean a structure having a roof that is enclosed on all sides and is intended and has a useful life appropriate for long-term use, as contrasted with a "temporary building" that is not designed or intended to be permanently located, placed, or affixed to the premises.

C. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance.

D. Notwithstanding the requirements of Section 6-2.07, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.

E. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.

F. Delivery services are permitted in association with a Cannabis Retailer. Delivery of cannabis shall be permitted in compliance with provision (c)(2)(h) of this Section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to State law and pursuant to Redondo Beach Municipal Code. Delivery of cannabis from a retailer permitted pursuant to this Section can only be made in a City of County that does not expressly prohibit it by ordinance.

(e) **Public nuisance.** Any use or condition caused, or permitted to exist in violation of any provision of this section within the City limits of the City of Redondo Beach is declared to be a public nuisance and may be abated by the City either pursuant to Title 4, Chapter 10 of Redondo Beach Municipal Code or any available legal remedies, including, but not limited to, civil injunctions.

(f) **Criminal penalties.** Any violation of any provision of this section shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.

(g) **Separate offense for each day.** Any person who violates any provision of this section shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.

(h) **Use or activity prohibited by State law.** Nothing in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law.”

SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 6. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, City Clerk

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3241-22 was introduced at a regular meeting of the City Council held on the 16th day of August, 2022, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 6th day of September, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk

ORDINANCE NO. 3235-22

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10,
CHAPTER 5 SECTION 10-5.1626 OF THE REDONDO BEACH
MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS
ACTIVITIES IN COASTAL ZONES OF THE CITY**

WHEREAS, on November 8, 2016, Proposition 64, the Control, Regulate, and Tax Adult Use of Cannabis Act ("AUMA") became law; and

WHEREAS, the AUMA regulates, among other items, the use of cannabis for personal and commercial purposes, including the recreational use of cannabis by adults over 21 years of age; and

WHEREAS, the personal use aspects of the AUMA were adopted as state law in California Health and Safety Code Section 11362.1, et. seq., which makes it "lawful under state and local law" for persons 21 years of age or older to "possess, process, transport, purchase, obtain, or give away to persons 21 years of age or older without any compensation whatsoever" up to 28.5 grams of cannabis in the form of concentrated cannabis contained in cannabis products; and

WHEREAS, the AUMA made it lawful for those individuals to "possess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants; and

WHEREAS, cannabis plants, as they begin to flower and for a period of two (2) months or more, produce a strong odor, which can be detectable far beyond property boundaries if grown outdoors; and

WHEREAS, the AUMA made it lawful for individuals above the age of 21 to smoke or ingest cannabis or cannabis products other than in public places, vehicles, within 1000 feet of schools day care centers or youth centers while children are present, or anywhere that the smoking of tobacco products is already prohibited; and

WHEREAS, the AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of cannabis inside a private residence or inside an "accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure" and to completely prohibit outdoor cultivation on the grounds of a private residence, up to and until a "determination by the California Attorney General that nonmedical use of cannabis is lawful in the State of California under federal law"; and

WHEREAS, to regulate commercial use of cannabis, the AUMA would add Division 10 (Cannabis) to the Business & Professions Code, which grants state agencies "the exclusive authority to create, issue, renew, discipline, suspend, or revoke" licenses for businesses

ORDINANCE NO. 3235-22
ADDING CHAPTER * TO TITLE *
OF THE REDONDO BEACH MUNICIPAL CODE

PAGE NO. 1

including the transportation, storage, distribution, sale, cultivation, manufacturing, and testing of cannabis; and

WHEREAS, the AUMA provides for the creation of the Bureau of Cannabis within the Department of Consumer Affairs, which shall promulgate cannabis regulations as will the Department of Food and Agriculture and the Department of public health and the state may begin issuing licenses under Business and Professions Code Division 10 beginning January 1, 2018; and

WHEREAS, under the Federal Controlled Substances Act, the use, possession, and cultivation of cannabis are unlawful and subject to federal prosecution without regard to state permissions such as the AUMA or a claimed medical need pursuant to the MMRSA; and

WHEREAS, the California Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use recognizes that the cultivation or other concentration of cannabis in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering or crime; and

WHEREAS, based on the experiences of other cities, these negative effects on the public, health, safety, and welfare must be studied prior to the establishment and operation of cannabis cultivation, processing, testing, and distribution uses; and

WHEREAS, based on the findings above, the potential personal cannabis cultivation and use and the possible establishment of commercial cannabis cultivation, processing, testing, transportation, sales and other uses in the City without regulation may pose threat to the public health, safety, and welfare in the City if it is not properly regulated due to the negative land use and other impacts as described above; and

WHEREAS, because the state commercial provisions of the AUMA take effect on January 1, 2018, the City must disallow commercial cannabis activities in order to ensure that local regulations are promulgated and local control maintained; and

WHEREAS, the AUMA states that a local jurisdiction shall not prevent transportation of cannabis or cannabis products on public roads by a licensee transporting cannabis or cannabis products in compliance with Division 10; and

WHEREAS, the "Medical Cannabis Regulation and Safety Act" ("MMRSA") which took effect January 1, 2016, regulates use of cannabis for medical purposes and the City of Redondo Beach adopted Ordinance No. 3152 which promulgated local regulations in accordance with the MMRSA, effective May 5, 2016; and

WHEREAS, the City's Municipal Code does not currently address some of the uses that have become legal pursuant to the passage and adoption of the AUMA and subsequent amendment by SB 94; and

WHEREAS, in response to the enactment of SB 94, the proposed amendment to the Redondo Beach Municipal Code combines medical and recreational cannabis regulations on a local level; and

WHEREAS, on November 8, 2016 the City Council adopted a temporary moratorium on cannabis uses legalized by the passage of Proposition 64, hereinafter referred to as the Adult Use of Cannabis Act (or "AUMA") and directed City staff to begin working on permanent AUMA regulations; and

WHEREAS, on December 19, 2016, that moratorium expired by operation of law; and

WHEREAS, on April 20, 2017 the Planning Commission held a noticed public hearing and took public testimony regarding regulatory options surrounding commercial and personal use of cannabis in the City of Redondo Beach (or "City") pursuant to the passage of the AUMA; and

WHEREAS, on May 18, 2017, the Planning Commission continued the public hearing and after further public input and discussion the Commission directed City staff to return with resolutions recommending the adoption of:

- (1) an ordinance restricting outdoor personal cultivation to secured locations or lockable out buildings only;
- (2) an ordinance disallowing all commercial cannabis activities in the City of Redondo Beach to allow staff to study and create appropriate guidelines for the operation of commercial cannabis facilities in the City;
- (3) an amendment to the City's existing medical cannabis regulations to allow the delivery of medical cannabis to qualified patients in the City; and

WHEREAS, in order to create comprehensive and cohesive local system of commercial cannabis regulations, the City enacted a temporary ban while City staff and the Cannabis Taskforce studied all aspects of permitted commercial cannabis activities; and

WHEREAS, on October 5, 2021 the Cannabis Steering Committee presented their findings to the City Council; and

WHEREAS, on January 18, 2022, the City Council considered the draft cannabis ordinance and proposed storefront and delivery citing parameters and buffer maps made suggested changes for staff to review; and

WHEREAS, on March 3, 2022 the Planning Commission considered the draft commercial cannabis regulations and zoning amendments and made recommendations to the Council for consideration; and

WHEREAS, passing a City Council sponsored commercial cannabis ordinance would maintain the City's ability to develop important policy positions, business and land use regulations, and health and safety permits to preserve the quality of life that Redondo's residents, visitors and business community desire and expect; and

WHEREAS a critical companion to this ordinance is a City Council sponsored measure to adopt a Cannabis Business Tax, without the passage of which the City would be financially unable to address the secondary effects of commercial cannabis businesses; and

WHEREAS, this Ordinance is necessary to provide the City of Redondo Beach Police Department clearly established legal authority to protect the public and deter potential criminal cannabis activity; and

WHEREAS, staff made some of those changes and is leaving it to the City Council's discretion to make any of the other suggested amendments or their own changes to this and the other two (2) proposed ordinances; and

WHEREAS, in order to maximize participation of the public and all affected governmental agencies, the City publicly noticed these Coastal Zoning Amendments on July 7, 2022 and such amendments may not be adopted until September 6, 2022 in order to be consistent with California Code of Regulations Section 13515 and pursuant to Redondo beach Municipal Code sections 10-5.2238(c) and 10-5.2504(j).

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

SECTION 1. The above recitals are true and correct, and the recitals are incorporated herein by reference as if set forth in full.

SECTION 2. FINDINGS

1. In compliance with the California Environmental Quality Act of 1970, as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments qualify for CEQA exemption under Section 15060(c)(2) because the activity will not result in direct or reasonable foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.
2. The amendments to the Zoning Ordinance are consistent with the General Plan.
3. The amendments to the Coastal Land Use Plan Implementing Ordinance are consistent with the City's Local Coastal Plan (LCP).
4. These amendments do not require a vote of the people under Article XXVII of the City Charter.

SECTION 3. AMENDMENT TO CODE. Title 10, Chapter 5, Section 10-5.1626 of the Redondo Beach Municipal Code and shall be amended to read as follows:

“10-5.1626 Cannabis regulations.

ORDINANCE NO. 3235-22
AMENDING TITLE 10, CHAPTER 5
SECTION 10-5.1626 OF THE REDONDO BEACH
MUNICIPAL CODE REGULATING COMMERCIAL
CANNABIS ACTIVITY IN COASTAL ZONES
PAGE NO. 4

(a) **Purpose and findings.** The City Council finds that it is in the interest of public health, safety, and welfare of the residents and businesses within the City to responsibly regulate and allow for commercial cannabis activities in the City of Redondo Beach.

(b) **Definitions.**

(1) **“A-license”** means a State license issued under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician’s recommendations.

(2) **“A-licensee”** means any person holding a license under this section for cannabis or cannabis products that are intended for adults twenty-one (21) years of age and over and who do not possess physician’s recommendations.

(3) **“Act”** shall mean the California Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), as in Business and Professions Code Section 26000 et seq., as amended from time to time

(4) **“Applicant”** shall mean and refer to a person applying for a Development Agreement pursuant to this ordinance.

(5) **“Cannabis”** For the purpose of this section “cannabis” and “cannabis” shall have the same meaning.

(6) **“Cannabis accessories”** means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.

(7) **“Cannabis product”** means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

(8) **“Cannabis retailer”** means a commercial cannabis business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the City of Redondo Beach authorizing the operation of a retailer, and a valid state license as required by state law to operate as a retailer.

(9) **“Caregiver” or “Primary caregiver”** has the same meaning as the term is defined in Section 11362.7 of the State Health and Safety Code.

(10) **“City”** means the City of Redondo Beach.

(11) **“City Council ” or “Council”** means the City Council of the City of Redondo Beach.

(12) **“City Manager”** means the City Manager of the City of Redondo Beach or his or her designee(s).

(13) **“Commercial cannabis activity”** includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, distribution, delivery or sale of cannabis and cannabis products.

(14) **“Commercial cannabis permit”** means the permit issued by the City under RBMC Section 6-2.00.

(15) **“Conditional Use Permit”** means the permit issued by the City under RBMC Section 10-5.2506.

(15) **“Cultivation”** means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

(16) **“Cultivation site”** means a location where cannabis is planted, grown, harvested, dried, cured, graded or trimmed, or a location where any combination of those activities occurs.

(17) **“Customer”** means a natural person twenty-one (21) years of age or over or a natural person eighteen (18) years of age or older who possesses a physician’s recommendation.

(18) **“Day care center”** means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.

(19) **“Delivery”** means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer (or a microbusiness engaging in retail sales).

(20) **“Department”** means the Department of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Cannabis Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Cannabis Regulation.

(21) **“Development Agreement”** means a contract between the City of Redondo Beach and the selected applicant.

(22) **“Dispensary” or “storefront retailer”** means a location where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products.

(23) **“Distribution”** means the procurement, sale, and transport of cannabis and cannabis products between licensees.

(24) **“Edible cannabis product”** means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Section 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code.

(25) **“Gross receipts”** means, except as otherwise specifically provided herein, whether designated as a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, and property of any kind or nature) received or payable for sales of goods, wares, or merchandise without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor, or service costs, interest paid or payable, losses, or any other expense whatsoever. However, the following shall be excluded from gross receipts:

- (a) Cash discounts where allowed and taken on sales;
- (b) Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- (c) Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

(d) Receipts derived from the occasional sale of used, obsolete, or surplus trade fixtures, machinery, or other equipment used by the taxpayer in the regular course of the taxpayer's business;

(e) Cash value of sales, trades, or transactions between departments or units of the same business;

(f) Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a given year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered; and

(g) Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar.

(26) **"Hearing officer"** means the City Manager or his/her designee, who shall preside over administrative hearings.

(27) **"Manufacture"** means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

(28) **"Manufacturer"** means a person that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container, that holds a State license pursuant to this section.

(29) **"Cannabis"** or **"cannabis"** means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this section, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

(29) **"Medicinal cannabis"** means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), California Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician's recommendation.

(30) **"Medicinal delivery"** means the commercial transfer of medicinal cannabis to a customer that possesses a physician's recommendation. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this section that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.

(31) **"Nursery"** means a license that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

(32) **“Operation”** means any act for which any State or local licensure is required under the provisions of this section or any commercial transfer of cannabis or cannabis products.

(33) **“Owner”** means any of the following:

(a) A person with an aggregated ownership interest of twenty (20%) percent or more in the person or entity applying for a license or a licensee, unless such interest is solely in security, lien, or encumbrance.

(b) The chief executive officer or a member of the board of directors of a nonprofit organization.

(c) An individual who will be participating in the direction, control, or management of the person or entity applying for a license.

“Owner” means any of the following:

1. All persons identified as an **“owner”** on any permit, license, or other authorization issued by a state agency or local government which authorizes the persons to establish and operate the cannabis facility.

2. Any person identified or required to be identified as an **“owner”** on an application filed with any state agency and any local government, wherein the application requests the privilege to operate the cannabis facility.

3. If no person under subsection 1 or 2, above, exists:

a. A person with an aggregate ownership interest of 20 percent or more in the corporate entity, partnership, or other business entity applying for a permit or a Permittee, unless the interest is solely a security, lien, or encumbrance.

b. The chief executive officer of a nonprofit or other entity.

c. A member of the board of directors of a nonprofit.

d. An individual who will be participating in the direction, control, or management of the person applying for a permit. A member of the board of directors of a nonprofit.

e. An individual who will be participating in the direction, control, or management of the person applying for a permit.

(34) **“Package”** means any container or receptacle used for holding cannabis or cannabis products.

(35) **“Permit Administrator”** means the Community Development Director or designee.

(36) **“Permittee”** means a person who has obtained a commercial cannabis permit from the city to operate a cannabis business.

(37) **“Person”** includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

(38) **“Physician’s recommendation”** means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

(39) **“Premises”** means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted

(40) **“Private residence”** means a house, an apartment unit, a mobile home, or other similar dwelling.

(41) **“Purchaser”** means the customer who is engaged in a transaction for purposes of obtaining cannabis or cannabis products.

(42) **“Qualified delivery service”** is one that has been licensed pursuant to the requirements of California Business and Professions Code Section 26050, maintains at all times while operating in the City of Redondo Beach all necessary State licenses, and operates in compliance with State and local law.

(43) **“Sell,” “sale,”** and **“to sell”** includes any transaction whereby, for any consideration, title to cannabis is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom such cannabis or cannabis product was purchased.

(44) **“State license”** means a State license issued under this section, and includes both an A-license and an M-license, as well as a testing laboratory license.

(45) **“State licensee”** means any person holding a license under this section, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

(46) **“State licensing authority”** means the State agency responsible for the issuance, renewal, or reinstatement of the license, or the State agency authorized to take disciplinary action against the licensee.

(47) **“Testing laboratory”** means a laboratory, facility, or entity in the State that offers or performs tests of cannabis or cannabis products and that is both of the following:

a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.

b. Licensed by the Department.

(48) **“Testing service”** means a laboratory, facility, or entity in the State, that offers or performs tests of cannabis or cannabis products, including the equipment provided by such laboratory, facility, or entity, and that is both of the following:

a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.

b. Registered with the State Department of Public Health.

(49) **“Youth center”** means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

(c) Commercial cannabis activities prohibited unless specifically authorized by this chapter.

(1) It shall be unlawful for any person to operate, cause, allow, assist, participate in, engage in, or in any way conduct any commercial cannabis activity within the city, including but not limited to the cultivation, delivery, distribution, manufacture, testing, transport, retail, microbusiness, purchase, sale, testing, distribution, giving away, or otherwise transferring of cannabis or cannabis products, or any other activities for which a license is available except in compliance with the provisions of Section (c)(2) below.

(2) The prohibitions of subsection (c)(1) shall not apply to the following persons, provided said person operates in strict accordance with State and local regulations:

- a. A clinic, licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code;
- b. Health care facility, licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code;
- c. A residential care facility for persons with chronic life-threatening illness, licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code;
- d. A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code;
- e. A residential hospice or home health agency, licensed pursuant to Chapter 8 of the Health and Safety Code;
- f. Personal indoor cultivation in compliance with this ordinance;
- g. A licensee's transportation of cannabis or cannabis products on public roads pursuant to subsection (b) of Section 26080 or subsection (e) of Section 26090 of the Business and Professions Code, as the same may be amended from time to time, provided the licensee is permitted or approved to operate by the local jurisdiction in which the licensee's facilities are physically located;
- h. A Permittee authorized to engage in retail activities under this ordinance, provided that said person has entered into a Development Agreement with the city, has been granted a conditional use permit, has been issued the requisite license from the Department, and otherwise complies, at all times, with the provisions of this ordinance.

(3) Until the City establishes a local commercial cannabis tax, the City hereby expressly prohibits the delivery of cannabis and cannabis products within the City except by cannabis retailers based within the City. If the City is required by State law to permit the delivery of cannabis and cannabis products by cannabis retailers not based within the City, such cannabis retailers not based within the City shall be required to comply with the provisions in this ordinance, including, but not limited to, the City commercial cannabis business permit application and approval processes under the ordinance.

(4) Delivery of medicinal cannabis and medicinal cannabis products to qualified patients and their primary caregivers by state licensee cannabis businesses, is permitted within the City until a retailer issued a commercial cannabis business permit.

(5) Individual cultivation restrictions.

a. No person shall plant, cultivate, harvest, dry, or process more than six (6) cannabis plants or permit more than six (6) cannabis plants to be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence at one time.

b. Personal cultivation permitted under Health and Safety Code Section 11362.2, as amended from time to time, must occur in a secured indoor location or outdoors within a locked structure upon the growers own property, or a property to which they have explicit authority to access, and in an area that is not visible from a public right-of-way.

(6) Commercial cannabis retailer regulations.

a. **Cannabis Retailer Permit Required.** A cannabis retailer must obtain and maintain at all times a valid Commercial Cannabis permit as required pursuant to Redondo Beach Municipal Code Title 6, Chapter 6.

b. **Conditional Use Permit and Zoning.**

- (1) A Conditional Use Permit is required to establish a cannabis business or operate as a cannabis retailer. Cannabis retailers shall be required to comply with all zoning, land use, and development regulations applicable to the zoning district in which they are permitted to establish and operate such business as set forth in the Redondo Beach Municipal Code.
- (2) The cannabis retailer is not required to obtain a Conditional Use Permit prior to applying for a Commercial Cannabis Permit.
- (3) If a cannabis retailer is authorized by Conditional Use Permit to operate a cannabis business on a particular site and such operation is discontinued for a continuous period of 12 months, the Conditional Use Permit expires for discontinuance of use and thereafter is void.

c. **Number of Retailers.** No more than two (2) sites may be used for storefront commercial cannabis retailers at any time. Those sites maybe concurrently licensed to provide Delivery.

d. **Location Requirements.**

A. Cannabis retailers shall be permitted only in commercial and industrial zones, specifically limited to the C-1, C-2, C-2A, C-2B, C-2PD, C-3, C-3A, C-3B, C-3PD, C-4, C-4A, C-4B, C-4PD, C-5A, CR, I-1, I-1A, I-1B, I-2, I-2A, and IC-1 zones. Cannabis retailers are prohibited in Coastal Commercial zones. Cannabis retailers are prohibited in any public-institutional zones and zones where residential is permitted.

B. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer.

C. No retailer shall be established or located within 1,500 feet of any public or private high school or middle school, measured from the nearest property lines of each of the affected parcels.

D. No retailer shall be established or located within 600 feet from public or private elementary schools, day cares, and youth centers, measured from the nearest property lines of each of the affected parcels.

E. Each Council District shall only have one (1) cannabis retail site.

F. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance or from the date of the violation, whichever is later.

e. **Operating Requirements.** In addition to those operating requirements specifically set forth in Section 6-2.05, the following operating requirements shall apply to all cannabis retailers operating in the City of Redondo Beach:

A. Hours of Operation. Storefront retail sales may be open for access to the public between the hours of 9:00 a.m. and 10:00 p.m., Monday through Sunday. Delivery hours shall be limited to between the hours of 6:00 a.m. and 10:00 p.m., Monday through Sunday.

B. Commercial cannabis activities may only operated within a fully enclosed and permanent building. For purposes of this ordinance, the phrase "fully enclosed and permanent building" shall mean a structure having a roof that is enclosed on all sides and is intended and has a useful life appropriate for long-term use, as contrasted with a "temporary building" that is not designed or intended to be permanently located, placed, or affixed to the premises.

C. No permitted cannabis retailer may operate from a location that has previously been enforced upon for illegal cannabis activities, for a minimum of 5 years from the passing of this ordinance.

D. Notwithstanding the requirements of Section 6-2.07, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities,

E. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.

F. Delivery services are permitted in association with a Cannabis Retailer. Delivery of cannabis shall be permitted in compliance with provision (c)(2)(h) of this Section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to State law and pursuant to Redondo Beach Municipal Code. Delivery of cannabis from a retailer permitted pursuant to this Section can only be made in a City of County that does not expressly prohibit it by ordinance.

(e) **Public nuisance.** Any use or condition caused, or permitted to exist in violation of any provision of this section within the City limits of the City of Redondo Beach is declared to be a public nuisance and may be abated by the City either pursuant to Title 4, Chapter 10 of Redondo Beach Municipal Code or any available legal remedies, including, but not limited to, civil injunctions.

(f) **Criminal penalties.** Any violation of any provision of this section shall be deemed a misdemeanor and shall be enforced pursuant to Title 1, Chapter 2 of Redondo Beach Municipal Code.

(g) **Separate offense for each day.** Any person who violates any provision of this section shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.

(h) **Use or activity prohibited by State law.** Nothing in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by State law."

SECTION 4. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 6. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2022.

William C. Brand, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, City Clerk

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3235-22 was introduced at a regular meeting of the City Council held on the 19th day of July, 2022, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 6th day of September, 2022, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk



Administrative Report

H.6., File # 22-4564

Meeting Date: 9/6/2022

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

ADOPT BY TITLE ONLY ORDINANCE NO. 3240-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADDING CHAPTER 6 TO TITLE 6 OF THE REDONDO BEACH MUNICIPAL CODE TO REGULATE COMMERCIAL CANNABIS BUSINESSES

ADOPT BY TITLE ONLY ORDINANCE NO. 3241-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 2 SECTION 10-2.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES INLAND ZONES OF THE CITY

ADOPT BY TITLE ONLY ORDINANCE NO. 3235-22 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 10, CHAPTER 5 SECTION 10-5.1626 OF THE REDONDO BEACH MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS ACTIVITIES IN COASTAL ZONES OF THE CITY

EXECUTIVE SUMMARY

In order to analyze and identify the cannabis regulations appropriate for Redondo Beach, a Cannabis Steering Committee was appointed by the previous City Manager comprised of representatives from the law enforcement community, RBUSD, BCHD, and other outside interest groups familiar with common best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options. The Steering Committee met multiple times over several years, and on October 5, 2021 presented their recommendations to the City Council. Following their recommendations, Council directed staff to begin preparing a draft ordinance designed to regulate commercial cannabis activity in the City.

Per City Council direction, the Planning Commission reviewed the draft cannabis ordinance at a public hearing held on March 3, 2022. The Planning Commission provided several recommendations at the hearing including that the City engage a consultant with experience advising the municipal regulation of the cannabis industry to assist in the review of the City's draft ordinance.

On May 10, 2022 the City Council considered the Planning Commission recommendations and provided direction to staff on the final preparation of ordinances. The Council, as part of that direction, also asked staff to prepare an agreement with HdL Companies ("HdL") to review the City's draft cannabis regulatory ordinances and other cannabis-related procedural tasks. The contract with HDL was approved at the June 21, 2022 City Council meeting.

HdL reviewed the City's draft cannabis regulatory ordinances and provided staff with recommendations and comments. The ordinances were amended to include the Planning Commission recommendations directed by City Council at the May 10, 2022 meeting and the HDL recommendations supported by City staff.

The City Council conducted a public hearing on July 19, 2022 to introduce the ordinances and adopt a resolution to forward the coastal regulations to the California Coastal Commission for certification. After conducting the hearing, the City Council approved the ordinances for introduction and first reading with a minor revision to language in Ordinance 3323-22 to address the potential of a future tax measure being adopted.

On August 2, 2022, a City Council motion to adopt Ordinances 3233-22 and 3234-22 failed on a 2 yes to 1 no vote, as it was short the three councilmember yes votes required by the City Charter to pass ordinances. Following the vote, the City Council approved a motion to return the ordinances for consideration on August 16, 2022, at a time when an additional council member was expected to be present for item discussion. Since City regulations stipulate that the decision of the City Council on all proposed zoning amendments shall be final and conclusive (10-2.2504(h)), the two ordinances that were not approved on August 2, 2022 were reintroduced at a public hearing before the City Council on August 16, 2022. Since Ordinance 3235-22 amending the coastal regulations was not part of the August 2nd consideration, it did not need to be reintroduced. All three cannabis related ordinances are part of this agenda item and are ready for consideration of adoption.

BACKGROUND

California's history of cannabis law spans nearly 25 years of propositions and regulatory actions. More recently, the Medical Marijuana Regulation and Safety Act (MMRSA) that took effect January 1, 2016 regulated the use of marijuana for medical purposes. The City of Redondo Beach adopted Ordinance 3152 which promulgated local regulations in accordance with MMRSA, effective May 5, 2016.

On November 8, 2016, Proposition 64 was adopted by CA voters, titled the Adult Use of Marijuana Act (AUMA). The AUMA regulates the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age, thus expanding the permissions provided by MMRSA. The AUMA permits cities to "reasonably regulate" without completely prohibiting cultivation of marijuana inside a private residence or inside an accessory structure to a private residence, within the limits allowed by the State for personal cultivation.

Although Proposition 64 represented the interest of whether to allow the AUMA, it did not specify how an individual municipality would regulate the commercial aspects of marijuana sales. The State's commercial provisions of AUMA were to take effect on January 1, 2018, requiring a city to disallow commercial marijuana activities in order to ensure that local regulations are promulgated and local control maintained. If a local governing body did not enact such a commercial ban by January 1, 2018, a valid State license would be the only requirement to open and operate a commercial marijuana business in any commercial zone in that city. Therefore, out of caution, and until local regulations and interests could be analyzed, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis

businesses until the City could more thoroughly investigate the appropriate regulations to put in place.

One of the prior objectives included in the City Council's adopted Strategic Plan included the previous City Manager's appointment of a Cannabis Steering Committee (CSC) comprised of law enforcement, RBUSD, BCHD, and outside interest groups to review best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options, and to prepare a report for Planning Commission and City Council consideration. Members of the Redondo Beach Police Department, Fire Department, Community Development Department, and the City Treasurer's Office met jointly in support of the work of the CSC.

City Council considered the Steering Committee recommendations at their October 5, 2021 meeting and directed staff to prepare ordinances in line with those recommendations. At the January 18, 2022 meeting, Council finalized the siting parameters and land use buffers to be evaluated and included in the ordinance.

Staff prepared the ordinances and presented those at a public hearing of the Planning Commission on March 3, 2022. The Planning Commission made several recommendations, including "engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety."

At the May 10, 2022 meeting, City Council provided direction on the Planning Commission recommendations and their incorporation into the ordinances, as well as direction to engage HdL Companies ("HdL") for a scope of work to include the following:

- Review the City's Draft Cannabis Regulatory Ordinance
- Develop Draft Cannabis Tax Ordinance
- Application Process Development
- Cost Recovery Fee Analysis
- Attendance, Support or Presentations at Meetings or Workshops
- Technical Assistance and Subject Matter Expertise

At the June 21, 2022 meeting, City Council approved the contract with HdL, and the firm subsequently began reviewing the City's draft cannabis regulatory ordinances. At the July 19, 2022 public hearing, City Council introduced the ordinances to implement the cannabis regulations, including those Planning Commission recommendations approved by Council at the May 10, 2022 meeting, as well as certain language changes suggested by HDL.

In compliance with the California Environmental Quality Act of 1970 as amended (CEQA), and State and local guidelines adopted pursuant thereto, the zoning amendments captured by the ordinances qualify for CEQA exemption under Section 15060(c)(2); the activity will not result in direct or reasonably foreseeable physical change in the environment and Section 15060(c)(3) as the activity is not a considered a project under CEQA Section 15378.

In addition to the consideration of the ordinances, a resolution to forward the coastal regulations to the California Coastal Commission for certification was adopted at the July 19, 2022 meeting.

On August 2, 2022, a City Council motion to adopt Ordinances 3233-22 and 3234-22 failed as it

lacked the three yes council member votes required by the City's Charter for ordinance approval. Following the vote, the City Council approved a motion to schedule the ordinances for reconsideration on August 16, 2022, a meeting date that was expected to include the attendance of an additional City Council member. Since City regulations stipulate that the decision of the City Council on all proposed zoning amendments shall be final and conclusive (10-2.2504(h)), the two ordinances that were officially not approved on August 2, 2022 returned to City Council for a public hearing and reintroduction on August 16, 2022. Since Ordinance 3235-22 amending the coastal regulations was not part of that decision, that ordinance did not need to be reintroduced.

This agenda item provides for the adoption of Ordinance 3240-22 to amend Title 6 of the Redondo Beach Municipal Code (RBMC), Ordinance 3241-22 to amend Title 10 Chapter 2 of the RBMC (inland zoning), and Ordinance 3235-22 to amend Title 10 Chapter 5 of the RBMC (coastal zoning) to implement commercial cannabis regulations and allow cannabis businesses in certain zones of the City.

COORDINATION

The preparation of the ordinances and resolution was done in coordination with the City Manager's Office and the City Attorney's Office. The draft ordinances were prepared by the City Attorney's Office and the Community Development Department.

FISCAL IMPACT

The fiscal impact to the City for regulating cannabis sales and delivery in Redondo Beach is unknown at this point. There are many variables to consider including 1) the number and types of licenses to be approved, 2) the volume of business and sales from future local cannabis operations, 3) the specific franchise fee or tax rate charged for cannabis sales in Redondo Beach, 4) the amount of staff time allocated to regulatory and enforcement activities, and 5) the potential for legal challenge to the City's licensing activities.

Notwithstanding the above variables, staff's initial estimate is that each licensed site in Redondo Beach could provide \$500,000 to \$1,000,000 in additional annual General Fund revenue, provided the City moves forward with the adoption of a regulatory ordinance and the proposed tax and/or developer agreement fees.

The preparation of the ordinances, staff report, and community input survey are within the workplan and annual budgets of the Community Development Department, City Manager's Office, and the City Attorney's Office.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ordinance No. 3240-22 (Title 6 licensing)
- Ordinance No. 3241-22 (inland)
- Ordinance No. 3235-22 (coastal)
- City Council Staff Report August 16, 2022
- City Council Staff Report August 2, 2022
- City Council Staff Report July 19, 2022

- Proof of Publication Public Hearing Notice July 19, 2022
- Proof of Publication Public Hearing Notice August 16, 2022
- HdL Review Matrix
- City Council Staff Report May 10, 2022
- City Council Presentation May 10, 2022
- Planning Commission Resolution 2022-03-PCR-02 adopted March 3, 2022
- Planning Commission Minutes March 3, 2022
- Planning Commission Staff Report March 3, 2022
- Planning Commission Presentation March 3, 2022



Administrative Report

T.1., File # 22-4904

Meeting Date: 10/4/2022

TITLE

ADJOURN IN MEMORY OF ANGELINA MANZANO, MOTHER OF CITY CLERK ELEANOR
MANZANO



Administrative Report

T.2., File # 22-4919

Meeting Date: 10/4/2022

TITLE

ADJOURN IN MEMORY OF DOUGLAS HAWKES, LONG-TIME REDONDO BEACH CROSSING
GUARD