AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND MNS ENGINEERS, INC.

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

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

* * * * *

GENERAL PROVISIONS

1. Independent Contractor. Consultant acknowledges, represents and warrants that Consultant is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Consultant shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Consultant's sole responsibility.

2. Brokers. Consultant acknowledges, represents and warrants that Consultant has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable,

Consultant shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials, shall be specific for the project herein and shall not be used by the City for any other project without Consultant's consent. Notwithstanding the foregoing, Consultant shall not be obligated to assign any proprietary software or data developed by or at the direction of Consultant for Consultant's own use; provided, however, that Consultant shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Consultant to conduct any inspections Consultant has agreed to perform pursuant to the terms of this Agreement. Consultant shall be solely liable for said inspections performed by Consultant. Consultant shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Consultant hereunder.

5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Consultant, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Consultant. City shall furnish Consultant to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Consultant's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Consultant.

6. Records. Consultant, including any of its subcontractors shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Consultant, including any of its subcontractors shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Consultant's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.

7. Changes and Extra Work. Unless otherwise provided herein, all changes and/or extra work under this Agreement shall be provided for by a subsequent written amendment executed by City and Consultant.

8. Additional Assistance. If this Agreement requires Consultant to prepare plans and specifications, Consultant shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Consultant shall issue any necessary addenda to the plans and specifications as requested. In the event Consultant is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.

9. Professional Ability. Consultant acknowledges, represents and warrants that Consultant is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant shall perform in accordance with generally accepted professional practices and standards of Consultant's profession.

10. Business License. Consultant shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.

11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Consultant of the project or services hereunder, immediately upon written notice to Consultant. In the event of any such termination, Consultant shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Consultant for this Agreement, prior to Consultant’s receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Consultant is not able to cancel such orders. Compensation for Consultant in such event shall be determined by the City in accordance with the percentage of the project or services completed by Consultant; and all of Consultant's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Consultant fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate

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

13. Conflict of Interest. Consultant acknowledges, represents and warrants that Consultant shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Consultant further acknowledges, represents and warrants that Consultant has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Consultant acknowledges that in the event that Consultant shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.

14. Indemnity. To the maximum extent permitted by law, Consultant hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Consultant's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Consultant because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.

b. Waiver of Right of Subrogation. Consultant, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.

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

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.

17. Compliance with Laws. Consultant shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws.

18. Non-Discrimination. Consultant shall comply with all applicable federal, state, and local laws, ordinances, regulations, and codes prohibiting discrimination, including but not limited to the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and the California Fair Employment and Housing Act. Consultant shall not discriminate against any employee or applicant for employment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Consultant shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. Consultant shall include a similar non-discrimination provision in all subcontracts related to the performance of this Agreement.

19. Limitations upon Subcontracting and Assignment. Consultant acknowledges that the services which Consultant shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Consultant shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Consultant, Consultant shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Consultant and subcontractor. Any attempt by Consultant to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Consultant or twenty-five percent (25%) or more the voting control of Consultant (whether Consultant is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Consultant or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged

buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Consultant's assets occurs, which reduces Consultant's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

20. Subcontractors. Consultant shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Consultant shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.

21. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Consultant and City may be used to assist in the interpretation of the exhibits to this Agreement.

22. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.

23. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Consultant.

24. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Consultant hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.

25. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Consultant, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.

26. Time of Essence. Time is of the essence of this Agreement.

27. Confidentiality. To the extent permissible under law, Consultant shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.

28. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."

29. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.

30. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.

31. Claims. Any claim by Consultant against City hereunder shall be subject to Government Code §§ 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.

32. Interpretation. Consultant acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.

33. Warranty. 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.

34. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.

35. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Consultant warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Consultant, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Consultant.

36. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 3rd day of September, 2024.

CITY OF REDONDO BEACH,
a chartered municipal corporation

DocuSigned by:
6BC0853B8F644F1...

James A. Light, Mayor

MNS ENGINEERS, INC.,
a California corporation

DocuSigned by:
Peter Minegar
4AE11AEBD1024B8...

By: Peter Minegar
Name: Peter Minegar
Title: Vice President

ATTEST:

DocuSigned by:
Eleanor Manzano
72F2AC716C214CF...

Eleanor Manzano, City Clerk

APPROVED:

DocuSigned by:
Diane Strickfaden
ABED8CF35EEF48C...

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

DocuSigned by:
Michael W. Webb
669049EDE03D402...

Michael W. Webb, City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

CONSULTANT'S DUTIES
Consultant shall provide the following services to support the City's Housing Division.

1. **TASK 1 – GENERAL DUTIES**
   Consultant shall:

   a. Manage all components of the City's CDBG Program and carry out the scope of services in conjunction with the City's direction, input, and review.

   b. Conduct regular meetings with City representatives to provide updates on the progress of the community development block grant ("CDBG") program.

   c. Ensure compliance with federal regulations and oversee all components of the City's CDBG program.

   d. Prepare and maintain a monthly CDBG task list to track the overall duties and progress of the program.

2. **TASK 2 – CDBG ADMINISTRATION**
   Consultant shall:

   a. Prepare staff reports, public notices, and presentation materials for CDBG public hearings.

   b. Prepare environmental reviews and supporting documents for upcoming CDBG projects.

   c. Prepare and submit all required reports to the Department of Housing and Urban Development ("HUD") in a timely manner, including but not limited to the Consolidated Annual Performance and Evaluation Report.

   d. Manage and monitor CDBG public service agencies, including fair housing services, for federal compliance.

   e. Assist with setting up activities and preparing drawdowns in the Integrated Disbursement and Information System ("IDIS") as needed.

3. **TASK 3 – MOBILITY ACCESS/EMERGENCY REPAIR (MA/ER) PROGRAM**
   Consultant shall:

   a. Maintain a list of eligible applicants for the MA/ER program.

b. Review applications and determine eligibility for interested residents.

c. Prepare work write ups and cost estimates for each project.

d. Monitor project contractors to ensure compliance with program requirements.

e. Maintain client files with all federally required documentation.

4. TASK 4 – PUBLIC SERVICE AGENCY FUNDING PROGRAM
Consultant shall:

a. Provide oversight and ensure federal compliance for sub recipients of CDBG funds.

b. Assist the city in preparing and evaluating Request for Proposals (RFPs) for the annual funding cycle period next line. Prepare applications and evaluation forms for public service agencies.

5. TASK 5 – CAPITAL IMPROVEMENT PROJECTS
Consultant shall:

a. Determine CDBG eligibility of potential capital improvement projects.

b. Prepare CDBG bid package and construction contract documents, including Labor Standards Compliance in accordance with the Davis Bacon Act and related laws.

c. Perform on-site monitoring to ensure compliance with federal Labor Standards and other CDBG requirements.

6. TASK 6 – ANALYSIS OF IMPEDIMENTS AND CONSOLIDATED PLAN
Consultant shall:

a. Update the Analysis of Impediments to Fair Housing Choice ("AI"), 2025-2030 Consolidated Plan ("Con Plan"), FY 2025 Annual Action Plan ("AAP") and Updated Analysis of Impediments to Fair Housing to initiate the 2025-2030 Consolidated Plan process. Incorporate all work previously completed by prior consultants as part of the 2025-2030 Con Plan, which will be provided to Consultant by the City. Perform the following subtasks:

1. <u>Project Kick-off and Coordination</u>
   a. Schedule a meeting with the City to kick-off the project and set-up milestones and set up points of contact with each organization involved in the project to ensure a quick exchange of information and plan for sufficient document review.

b. Provide regular project update memorandums to the City during the community outreach and document preparation phase.

2. Data Collection and Analysis
   a. Perform data analysis at the beginning of the engagement to prepare the AI, 2025-2030 ConPlan, and Fiscal Year 2025 AAP.

   b. Base the data analysis on the required default data provided for the Consolidated Plan through HUO's CPD Maps tool.

   c. Collect and compile data from organizations, the City, and regional groups.

   d. Utilize an alternate data source acceptable to HUD where data is required, but not provided. The data shall consist of the following.

      i. Population and Housing: Provide a narrative description, supported by charts, tables, and maps, detailing general housing and population characteristics. This must include age, race, ethnicity, measures of household income and poverty, and housing type, condition, and tenure.

      ii. Housing Market information: Present specific details about housing costs and housing affordability, a summary of measures of housing distress measures such as cost burden, overcrowding, and substandard conditions. Include information on public and assisted housing, addressing the physical needs of public housing units and the needs of families on the public housing waiting list. Describe homeless facilities (emergency shelter, transitional housing, permanent supportive housing) and facilities for non-homeless special needs groups, focusing on affordable housing barriers for these groups (with a special focus on affordable housing for special needs groups). Highlight the needs of individuals discharged from hospitals, jails, and other institutions.

      iii. Housing and Homeless Needs Assessment: Compare local needs with existing resources, providing assessments of the general housing needs of the City. Include the need for housing for homeless persons and families with children, as well as the housing needs of non-homeless persons requiring permanent supportive housing or services to live independently. Describe the characteristics of the population of persons with HIV/AIDS

and their families, and address the extent of childhood poisoning risk due to lead-based paint in the home.

3. Community Outreach
    a. Develop a comprehensive community engagement program to facilitate constructive dialogue between decision-makers, planners, and the public.

    b. Adhere to the Fair Housing Planning Guidebook and implement a robust citizen participation program to reach a broad audience of stakeholders and residents that extend beyond just public hearings.

    c. Provide document design for public outreach which will facilitate the development of a meaningful and actionable Consolidated Plan and Annual Action Plan. Utilize in-house graphic designers to brand planning efforts with colorful, eye-catching promotional materials to garner the attention of residents.

4. Community Engagement
    a. Make recommendations to ensure inclusive public meetings including translation services, disability access, and reasonable accommodation.

    b. Make recommendations for additional accommodation to encourage attendance by protected classes and households at a higher statistical risk of discrimination.

    c. Prepare a report documenting outreach efforts and engagement outcomes with recent immigrant groups, ethnic minorities, and households with limned English proficiency.

    d. Evaluate the effectiveness of outreach strategies and recommendations for future engagement.

    e. Provide City with an option to conduct and facilitate a Housing Summit.

    f. At a minimum, conduct the list of meetings set forth below.

        1. Public Meetings/Hearings
            a. Conduct two public meetings/hearings during the planning effort.

            b. Conduct three public meetings across the City during data collection and analysis to gather community input on housing needs.

c. At the adoption stage, hold one public hearing, with the provision for an additional meeting if necessary.

2. Consultation Interviews and Focus Groups
   a. Provide up to three in-person focus groups with key community stakeholders to gather qualitative information that complements the data analysis findings described in Task 6(a)(2) and gather additional local knowledge that may not be evident through baseline analysis.

   b. Carry out one-on-one virtual consultations with up to 10 stakeholders to ensure thorough information sharing and feedback.

3. Community and Stakeholder Survey
   a. Design a comprehensive community-wide survey to gather data on housing discrimination and fair housing issues experienced by the general public.
   b. Couple the survey results with input from stakeholder consultation and use the information as a basis for the prioritization of needs.

4. Housing Summit (Optional Engagement Opportunity): Upon City's request, host a one-day Housing Summit to bring together stakeholders, affordable housing providers, affordable housing lenders, and other leaders within the community specific to the AI and Consolidated Plan. Organize the event to include a panel of housing experts followed by audience Q&A.

5. Analysis of Impediments to Fair Housing Choice (AI Report)
   1. Prepare an AI report identifying strengths and weaknesses in fair housing practices and recommending courses of action for improvement.

   2. Analyze fair housing issues and their contributing factors in the City using data provided by HUD and other sources.

   3. Engage local stakeholders in determining priority needs, as described in Task 6(a)(e), and include required sections as per HUD's requirements.

   4. In the report, include key chapters, such as a community participation process review, assessment of past goals and actions, analysis of fair housing issues (including sections on demographics, segregation, race and ethnic concentrations of

poverty, data maps, availability of public transportation, lending rates, unequal access to opportunities, disproportionate housing needs, public housing analysis, disability and access analysis, and an evaluation of enforcement, education, outreach capacity, and resources), a discussion of fair housing contributing factors and the effects of barriers to fair housing, and a chapter on setting fair housing priorities and goals.

6. 2025-2030 Consolidated Plan

   a. Develop a 2025-2030 Consolidated Plan conforming to 24 CFR 91, engaging local stakeholders in determining priority needs as described in Task 6(a)(3).

   b. Include all required sections by HUD such as executive summary, introduction, planning process summary, needs assessment, housing market analysis, strategic plan, performance measurement element, and appendices.

   c. Compile collected data and sources in a resource binder and utilize HUD's e-Con Plan Tool and CPD Maps through HUD's IDIS online website for the development and submission of the 2024-2028 Consolidated Plan to HUD.

   d. Deliver the Resource Binder to the City.

   e. Ensure the resource binder includes collected data and sources, and supporting documentation used to develop the Consolidated Plan.

   f. Utilize the CPD Maps, ACS, Census Bureau, and CHAS data as the primary data sources for the Consolidated Plan and as the basic structure and content of the published document.

7. FY 2025 Annual Plan

   a. Prepare and deliver the Annual Action Plan for FY 2025 in compliance with 24 CFR 91.220.

   b. Summarize anticipated resources, describe planned activities, and quantify objectives.

   c. Provide maps indicating the geographic distribution of programs and activities and address the needs of homeless and special needs populations, barriers to affordable housing, poverty, and lead-based paint hazards.

d. Ensure the Annual Action Plan includes the following components:

    1. Available Resources
        a. Summarize resources anticipated to be available during the program year to meet the goals and objectives of the Consolidated Plan.

        b. This shall include funds covered by the Annual Plan, leveraged funds, and other non-monetary resources.

    2. Programs and Activities
        a. Develop the Annual Action Plan, which will reflect planned activities to be undertaken, including descriptions of activities to be undertaken, quantified objectives, and the amount of funding for the City's proposed projects.

        b. Correlate each project description to the housing and community development priorities and goals identified in the Consolidated Plan Strategic Plan component.

    3. Geographic Distribution
        a. Create maps to identify the geographic distribution of programs and activities utilizing HUD's CPD Maps tool.

        b. Identify any areas with concentrated lower-income households that will benefit from the proposed actions.

        c. Identify any areas of minority concentration that will benefit by the planned activities.

    4. Other Actions
        a. Specifically identify the steps to meet the needs of the homeless and special needs populations and to address obstacles to meeting underserved needs in the Annual Action Plan.

        b. Discuss actions to foster and maintain affordable housing and remove barriers to affordable housing.

        c. Identify strategies to combat poverty and lead-based paint hazards, which may be based on a range of employment opportunities and supportive services.

EXHIBIT " B"

TERM AND TIME FOR COMPLETION

TERM. The term of this Agreement shall commence September 4, 2024 and expire September 3, 2025, unless otherwise terminated as herein provided.

Consultant shall complete the services described in Exhibit "A" in accordance with the following schedule:

Project Milestone	Completion Date
Project kick-off:	Within 1 week of contract execution.
Monthly updates:	First Tuesday of each month.
Data collection and analysis:	Completed by December 31, 2024.
Community outreach:	Ongoing, with key events as specified in Exhibit "A".
Draft AI Report:	Submitted to staff week of September 9, 2024 Adopted by City Council by October 31, 2024
Consolidated Plan:	Submitted to HUD by May 15, 2025.
Annual Action Plan:	Submitted to HUD by May 15, 2025.
FY 2023/24 CAPER:	Submit to HUD by September 30, 2024

EXHIBIT " C"

COMPENSATION

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

1. **AMOUNT**. Consultant shall be paid in accordance with the hourly rate schedule set forth below.

Title	Hourly Rate
Principal	$290 - $325
Senior Project Manager	$235 - $260
Project Manager	$185 - $225
Principal Planner/Scientist	$195 - $205
Senior Planner/Scientist	$160 - $180
Associate Planner/Scientist	$135 - $150
Assistant Planner/Scientist	$95 - $130
Planning Technician	$80 - $90
GIS Manager	$150 - $175
GIS Technician	$100 - $135
Administrative Support	$75 - $100

2. **NOT TO EXCEED AMOUNT**. The total amount paid to Consultant exceed the amounts set forth below. Notwithstanding the foregoing, the amounts allocated to each task may be reallocated to other tasks.

Task	Not to Exceed Amount
Task 1 – General Duties	$2,000
Task 2 – CDBG Administration	$16,664
Task 3 – Mobility Access/Emergency Repair	$9,100
Task 4 – Public Service Agency Funding	$2,000
Task 5 – Capital Improvement Projects	$4,000
Task 6 – Analysis of Impediments and Con Plan	$27,038
Total Not to Exceed Amount	$60,802

   Consultant shall notify the City when the budget described in the foregoing table has been 80% expended.

3. **METHOD OF PAYMENT**. Consultant shall provide monthly invoices for the City's approval and payment. The invoice shall include the following:

   a. Description of tasks performed and services provided.

b. Task number
c. Dates of service.
d. Applicable hourly rates, total hours worked for each title, and subtotal.
e. Copies receipts or supporting documentation.
f. Subcontractor invoices (if applicable)

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

4. **SCHEDULE FOR PAYMENT**. City agrees to pay Consultant within forty-five (45) days of receipt of monthly invoices; provided however, services are completed to the City's full satisfaction.

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

Consultant: MNS Engineers, Inc.
201 N. Calle Cesar Chavez, Suite 300
Santa Barbara, CA 93103
Attn: Peter Minegar, AICP, Vice President – Planning
Email: pminegar@mnsengineers.com

City: City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277
Attn: Kelly Orta, Deputy Director Community Services Department
Email: kelly.orta@redondo.org

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

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONSULTANTS

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

Minimum Scope of Insurance

Coverage shall be at least as broad as:

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

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

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

Employer's Liability Insurance.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit 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.

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/2/2024

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

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

PRODUCER
Risk Strategies Company
2040 Main Street, Suite 450
Irvine, CA 92614

www.risk-strategies.com CA DOI License No. 0F06675

CONTACT NAME: Sherry Young
PHONE (A/C, No, Ext): 949-242-9237 **FAX (A/C, No):**
E-MAIL ADDRESS: syoung@risk-strategies.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Sentinel Insurance Company, Ltd.	11000
INSURER B : Hartford Fire Insurance Company	19682
INSURER C : Travelers Casualty and Surety Co of America	31194
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
MNS Engineers, Inc.
201 N. Calle Cesar Chavez, Suite 300
Santa Barbara CA 93103

COVERAGES **CERTIFICATE NUMBER:** 81291193 **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	✓ COMMERCIAL GENERAL LIABILITY	✓		72SBWBG3262	6/14/2024	6/14/2025	EACH OCCURRENCE	$ 1,000,000
	☐ CLAIMS-MADE ✓ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	☐ POLICY ✓ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	☐ OTHER:							$
B	AUTOMOBILE LIABILITY	✓		72UEGCK5894	6/14/2024	6/14/2025	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	✓ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	✓ HIRED AUTOS ONLY ✓ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
A	✓ UMBRELLA LIAB ✓ OCCUR			72SBWBG3262	6/14/2024	6/14/2025	EACH OCCURRENCE	$ 10,000,000
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$ 10,000,000
	☐ DED ✓ RETENTION $ 10,000							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N	N / A		72WEGAX1RMA	6/14/2024	6/14/2025	✓ PER STATUTE ☐ OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ (Mandatory in NH)						E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
C	Professional Liability			107272696	6/14/2024	6/14/2025	Per Claim: $5,000,000 Aggregate: $5,000,000	

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 Housing Staff Augmentation.
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 and auto liability policies.
30-day notice for non-renewal and cancellation, 10-day notice for non-payment of premium applies.
Umbrella Liability follows form to the general, auto and employer's liability policies Professional Liability Ded: $75,000 per claim.

CERTIFICATE HOLDER

City of Redondo Beach
415 Diamond St.
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
RSC Insurance Brokerage

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POLICY NUMBER: 72SBWBG3262

DESIGN PROFESSIONAL BLANKET ADDITIONAL INSURED NOTICE - BUSINESS LIABILITY COVERAGE FORM

Thank you for being a customer of The Hartford.

This Notice is being provided to highlight the following important provisions included in your Business Liability Coverage Form, SS 00 08 04 05.

I. ADDITIONAL INSUREDS WHEN REQUIRED BY WRITTEN CONTRACT, WRITTEN AGREEMENT OR PERMIT

Please be advised that your Business Liability Coverage Form, SS 00 08 04 05 contains the following provisions in Section **C. WHO IS AN INSURED**:

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 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.

. . .

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.

. . .

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;

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(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.

Please be advised that if SS 51 13 Exclusion - Engineers, Architects Or Surveyors Professional Liability - California and SS 51 14 Additional Insured Provisions - California are on the Policy, the above-referenced Subparagraph **(2)** of Paragraph **d. Architects, Engineers Or Surveyors** and Subparagraph **(2)** of Paragraph **f. Any Other Party** which contains professional liability exclusionary language has been amended. Please see SS 51 13 and SS 51 14 for details.

II. OTHER INSURANCE - PRIMARY AND NON-CONTRIBUTORY TO OTHER INSURANCE WHEN REQUIRED BY CONTRACT

Please be advised that your Business Liability Coverage Form, SS 00 08 04 05 contains the following condition in Section **E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS**:

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:

. . .

(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.

III. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

Please be advised that your Business Liability Coverage Form, SS 00 08 04 05 contains the following condition in Section **E. LIABILITY AND MEDICAL EXPENSES GENERAL CONDITIONS:**

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.

Please be advised that this Notice is not a Policy form and does not grant or alter coverage, or change any terms or conditions of the Policy. Please be sure to read your Policy carefully including all endorsements attached to your Policy. If there is any conflict between this Notice and the Policy, the provisions of the Policy will apply.

Should you have any questions, please contact your insurance agent, broker or you may contact us directly.

We appreciate your business and look forward to being of continued service to you.

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

Paragraph .1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add the following:

d. 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.

e. Employees as Insureds

(1). Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

f. Lessors as Insureds

(1). The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:

(a) The agreement requires you to provide direct primary insurance for the lessor and

(b) 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.

g. Additional Insured if Required by Contract

(1) 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:

(a) During the policy period, and

(b) Subsequent to the execution of such written contract, and

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(c) 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.

2. Primary and Non-Contributory if Required by Contract

Only with respect to insurance provided to an additional insured in A.1.g. - Additional Insured If Required by Contract, the following provisions apply:

(1) 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.

(2) 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 **(1)** and **(2)** 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 SECTION IV- Business Auto Conditions, B. General Conditions, Other Insurance 5.d.

3. 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 SECTION IV- Business Auto Conditions, B. General Conditions, 5. OTHER INSURANCE Condition is amended by adding the following:

e. 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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, Physical Damage Coverage, Limit of Insurance, Paragraph C.2. is 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.

10. 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.

11. 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.

12. 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.

13. 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.

14. 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.

15. HIRED AUTO - COVERAGE TERRITORY

SECTION IV, BUSINESS AUTO CONDITIONS, PARAGRAPH B. GENERAL CONDITIONS, 7. - POLICY PERIOD, COVERAGE TERRITORY - is added to include the following:

(6) 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.

16. WAIVER OF SUBROGATION

Paragraph 5. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV - BUSINESS AUTO CONDITIONS A. Loss 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.

17. RESULTANT MENTAL ANGUISH COVERAGE

The definition of "bodily injury" in SECTION V-DEFINITIONS, C. 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.

18. 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.

19. 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.

20. 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.