

AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF MANHATTAN BEACH AND HARRIS &
ASSOCIATES, INC.

This Amendment No. 2 (“Amendment No. 2”) to that certain agreement by and between the City of Manhattan Beach, a California municipal corporation (“City”) and Harris & Associates, Inc., a California corporation (“Consultant”) (collectively, the “Parties”) is hereby entered into as of April 21, 2026 (“Effective Date”).

RECITALS

A. On February 25, 2025, the City and Consultant entered into an agreement for professional services for the Consultant to provide Development Impact Fee Study Update services (“Original Agreement”).

B. On December 16, 2025, the City and Consultant entered into Amendment No. 1 (“Amendment No. 1”) to increase the Maximum Compensation and extend the term.

C. The Original Agreement as amended by Amendment No. 1, is hereinafter referred to as the “Agreement.”

D. The Parties now desire to amend the Agreement to increase the Maximum Compensation, extend the term and modify the Scope of Services.

NOW, THEREFORE, in consideration of the Parties’ performance of the promises, covenants, and conditions stated herein, the Parties hereby agree as follows:

Section 1. Section 2 of the Agreement is hereby amended to extend the term of the Agreement through June 30, 2027, unless sooner terminated as provided in Section 12 of the Agreement.

Section 2. Section 3.A of the Agreement is hereby amended to increase the Maximum Compensation amount by \$20,150, for a new Maximum Compensation of \$ 95,050.

Section 3. Exhibit A of the Agreement is hereby supplemented by Exhibit C attached to this Amendment.

Section 4. Except as specifically amended by this Amendment No. 2, all other provisions of the Agreement shall remain in full force and effect.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment No. 2 on the day and year first shown above.

City:

City of Manhattan Beach,
a California municipal corporation

Consultant:

Harris & Associates, Inc.,
a California Corporation

By: _____
Name: Talyn Mirzakhian
Title: City Manager
Date:

By: _____
Name: Alison Bouley
Title: Vice President, Municipal +
District Finance

ATTEST:

By: _____
Name: Liza Tamura
Title: City Clerk
Date:

APPROVED AS TO FORM:

By: _____
Name: Quinn M. Barrow
Title: City Attorney
Date:

APPROVED AS TO FISCAL IMPACT:

By: _____
Name: Libby Bretthauer
Title: Finance Director
Date:

APPROVED AS TO CONTENT:

By: _____
Name: Libby Bretthauer
Title: Finance Director
Date:

**EXHIBIT C
SUPPLEMENTAL SCOPE OF SERVICE**

ADDITIONAL WORK ON DEVELOPMENT IMPACT FEE NEXUS STUDY

The scope of service for the additional project management, meetings, coordination, calculations, and document preparation necessary to complete the Final Development Impact Fee Nexus Study is described below.

Task 1: Additional Coordination Meetings

Task 2: Nexus Study Revisions, Additional Analysis and Final Nexus Study

ADDITIONAL WORK ON PARK DEVELOPMENT IMPACT FEE NEXUS STUDY

The scope of service for Park Facilities Impact Fees includes preparation of a park specific Development Impact Fee Nexus Study and all required legal and technical documentation.

Accordingly, the additional scope of work request includes the following five (5) tasks:

Task 1: Data Collection and Analysis

Harris will participate in calls with the City's Parks and Recreation Department to compile and evaluate what data is available to calculate the park facilities fee component and provide recommendations regarding the fee calculation methodology that is appropriate for the data available. It is anticipated that up to two (2) calls will be required.

Task 2: Conduct Nexus Analysis and Develop Fee Schedule

Utilizing the land use assumptions and growth forecasts from the original nexus study as well as the additional facility context provided by City Staff in Task 1, Harris will determine the appropriate methodology to allocate the infrastructure costs to the various land uses based on the additional residents that these new developments generate. Harris will develop a fee model that can be refined in real-time during discussions with City Staff to account for modifications to the project list, cost allocations, and alternative funding sources. Harris will ensure that the costs for facility construction and land acquisition are accounted for individually and can be updated independently. Harris will provide recommendations regarding annual updates and the various adjustment factors that can be utilized. Harris will calculate up to two (2) scenarios for the Facilities Fees. The fees will be calculated in compliance with the requirements of Section 66000 of the Government Code. An administrative fee will also be calculated to fund impact fee studies, annual administration, City staff administration, and reporting requirements.

Harris will prepare the draft fees and participate in one (1) call with the City to discuss any comments on the fees before drafting the Parks Nexus Study.

Task 3: Conduct Nexus Analysis and Develop Fee Schedule

Upon City direction, Harris will prepare a Parks Nexus Study. The Nexus Study will be prepared in an organized fashion with an executive summary and will contain all required legal and technical documentation, including additional information required under AB602. The study will include all background information, the methodology used to determine the fees, all supporting information, calculations that demonstrate the legal nexus between the recommended fees and the impact created by new development, the relationship between the fee's use and the type of project on which the fee would be imposed, the purpose of the fee, how the fees would be used, and a description of the relationship between the need for any additional facilities and the type of development project on which the fee would be imposed. The nexus study will include an analysis of the City's existing fees and a comparison of the existing fees to the proposed fees, as well as an analysis of the impact fees collected in surrounding jurisdictions. It is anticipated that the fee comparison will utilize the findings of the previously completed fee comparison and additional jurisdictions will not be added.

In addition, the report will discuss annual fee update procedures, credit and reimbursement policies, the required administrative procedures, including online reporting requirements and the fee collection requirements. We will also incorporate the legal methodology for calculating fees for accessory dwelling units. The draft report will go through our internal QA/QC process before City review.

Harris will participate in one (1) call with the City to discuss the report and answer any questions the City Staff has regarding the Nexus Study.

Task 4: Final Report and Community Meetings

Harris will review and incorporate comments from City staff in the revised the nexus study. Once the report is finalized, Harris will provide the City with an electronic copy and one (1) bound copy of the final comprehensive study.

Task 5: City Council Meeting

Harris will prepare and make a presentation to the City Council to share findings and recommendations. The presentation will be prepared in a clear and concise manner. Harris will answer any questions about the findings and document any concerns or requested changes through meeting minutes. Prior to the meeting, Harris will review the staff report and the resolution. It is assumed that the City will notice all meetings and provide a legal review of the documents.