

THIRD AMENDMENT EXTENDING AND AMENDING THE MASTER AGREEMENT BETWEEN THE CITY OF MANHATTAN BEACH AND MANHATTAN BEACH UNIFIED SCHOOL DISTRICT FOR THE PROVISION, USE AND MAINTENANCE OF EDUCATIONAL, RECREATIONAL AND COMMUNITY FACILITIES AND PROGRAMS

This third amendment ("Third Amendment") to that certain Master Agreement ("Master Agreement") by and between the City of Manhattan Beach, a California municipal corporation ("City"), and Manhattan Beach Unified School District, a public school district duly organized under the laws of the State of California ("School District" or "District"), approved May 21, 2013 for the provision, use and maintenance of educational, recreational and community facilities and programs is entered into on July 1, 2018.

RECITALS

A. The Manhattan Beach City Council approved the Master Agreement on May 21, 2013.

B. In May 2016, the City and School District entered into the First Amendment to extend the term of the Master Agreement for one year.

C. In June 2017, the City and School District entered into the Second Amendment to further extend the term of the Master Agreement for one year.

D. The City and School District want to extend the term of the Agreement from July 1, 2018 through June 30, 2024, and make additional amendments to the Agreement.

E. Additional District owned facilities have become and will become available for the use of the City and the public during the term of this Amended Agreement.

NOW, THEREFORE, the parties hereby amend the Master Agreement as follows:

1. **Section 2** (Term) is hereby amended to read:

"Section 2. Term of Agreement. The term of this Agreement is July 1, 2013 through June 30, 2024 ("Term"), unless otherwise terminated pursuant to Section 12."

2. Subsection A (Annual Payment for Use of District Facilities) of **Section 6** (City Obligations) is hereby amended to read as follows:

“A. Annual Payment for Use of District Facilities.

1. During the initial term of this Agreement and the First Amendment, the City made annual payments to the District of \$550,000, adjusted annually by the Consumer Price Index for all Urban Consumers for the Los Angeles-Riverside-Orange County Metropolitan Area, or its successor (“CPI-U”), for City use of District Facilities.

2. During the one-year term of the Second Amendment, the City made monthly payments to the District of \$64,454.75, for City use of District Facilities.

3. During the term of the Third Amendment, the City shall make an annual payment of \$788,457 to the District for City use of District facilities. The annual payment shall be increased annually on the anniversary of July 1 for each year during the term of the Third Amendment by an inflation factor percentage that will be calculated by taking the change in the CPI-U from May of the previous calendar year to May of the then current calendar year. In no event shall such increase exceed \$25,000 in any one year. For the period of July 1, 2018 through June 30, 2019, the City shall pay such annual payment in monthly installments of \$65,704.75. In each subsequent year during the term of the Agreement, each monthly installment shall increase by an amount equal to 1/12th of the annual CPI-U increase. The District shall submit a written invoice requesting payment at least 15 days prior to each monthly payment date. The City may elect, in its sole discretion, to prepay one or more of the required monthly payments. Upon receiving written notice from the District that the District has determined that, due to current financial limitations, a prepayment of one or more of the monthly payments would be beneficial to avoid an adverse effect on the quality or level of facilities and programs provided by the District hereunder, the City shall consider the District’s request to make such prepayment. Such notice shall describe the current financial limitations affecting the District.”

3. Subsection D (Improvements to District Facilities) of **Section 6** (City Obligations) is hereby amended to read as follows:

“D. Improvements to District Facilities. The City Manager or designee and the District Superintendent or designee shall meet, when necessary, to discuss additional improvements to District Facilities. In addition, the parties shall meet, no later than November 2018, and each successive November thereafter, to discuss, in good faith, whether an improvement to District Facilities shall be included in the City’s Capital Improvement Program for the following year. Upon written agreement of

the City Council and the District Board, the City may fund additional agreed upon improvements to some or all of the District Facilities. Any improvements to be made to any of the District Facilities will be pursuant to plans and specifications approved by the District and, if required, the Division of the State Architect."

5. Except as specifically amended by this Third Amendment and the Second Amendment, all terms and conditions set forth in the Master Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Third Amendment as of the date first written above.

CITY OF MANHATTAN BEACH,
a California municipal corporation

MANHATTAN BEACH UNIFIED
SCHOOL DISTRICT, a public school district
duly organized under the laws of the State
of California

By: _____
Amy Howorth, Mayor

By: _____

ATTEST:

President of the Board of Trustees

APPROVED AS TO FORM:

Liza Tamura, City Clerk

APPROVED AS TO FORM:

District Counsel
Manhattan Beach Unified School District


Quinn M. Barrow, City Attorney