

**AMENDMENT NO. 2
TO AGREEMENT FOR CONTRACT SERVICES**

THIS AMENDMENT TO AGREEMENT FOR CONTRACT SERVICES (“Amendment No. 2”) by and between the CITY OF CARSON, a California municipal corporation (“City”), and LONG BEACH PUBLIC TRANSPORTATION COMPANY, a California nonprofit mutual benefit corporation (“Long Beach Transit”), is effective as of the 1st day of January, 2025, except as otherwise provided herein. City and Long Beach Transit are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

A. City and Long Beach Transit entered into that certain Agreement for Contract Services dated September 27, 2021 ("Agreement"), whereby Long Beach Transit agreed to provide City with fixed-route public transit bus services as identified in Exhibit “A” (“Scope of Services”) of the Agreement (the “Services”). The Agreement, in Section 2.1, provides for a not-to-exceed Contract Sum of \$5,310,000 for the initial three (3) year term, with annual compensation not to exceed \$1,770,000 for each year of the initial three (3) year term. The Agreement, in Section 3.4, also provides for two subsequent one-year options that may be exercised by a duly approved and executed amendment to the Agreement entered into between the Parties.

B. Effective September 27, 2024, City and Long Beach Transit entered into Amendment No. 1 to the Agreement to extend the term until December 31, 2024, to facilitate continued performance of the Services by Long Beach Transit in exchange for compensation in the amount of \$442,500 for the short-term extension period, and to increase the Contract Sum by \$442,500 to authorize funding for the short-term extension period, thereby increasing the total not-to-exceed Contract Sum to \$5,752,500, with the two subsequent one-year options to extend the term remaining intact, except that the first option period, if exercised, would commence on January 1, 2025, and the second option period, if exercised, would commence on January 1, 2026.

C. City and Long Beach Transit now desire to further amend the Agreement, by this Amendment No. 2, to: (i) exercise the first one-year option to extend the term of the Agreement, thereby extending the term until January 1, 2026 (unless earlier terminated in accordance with Article 7); (ii) authorize funding in the amount of \$2,060,500 for continuation of the current service schedule for the one-year extension period, thereby increasing the not-to-exceed Contract Sum to \$7,813,000; (iii) adjust the specified pricing for optional Sunday service should City choose to add such services; (iv) include the possibility of renegotiation of (a) the compensation to Long Beach Transit for the services during the one-year extension period, and (b) level of services to be provided during such period, in the event the Proposition A and Proposition C funding received by the City drops by ten percent (10%) or more. Additionally, City and Long Beach Transit desire to correct an error in the Agreement concerning the description of Long Beach Transit’s nonprofit entity type.

D. This Amendment No. 2 is made pursuant to Section 9.4 of the Agreement, as was Amendment No. 1.

E. Pursuant to Carson Municipal Code (“CMC”) Section 2611(i)(7), the City’s purchase of services from other governmental agencies that are not covered under a specific interagency agreement does not require compliance with the bidding provisions of the City’s purchasing ordinance (Chapter 6 of Article II of the CMC) so long as funds have been properly appropriated and such purchases conform with all other requirements of the City’s purchasing ordinance. The forgoing exemption is applicable to the City’s procurement of the services provided for in the Agreement, Amendment No. 1 and this Amendment No. 2.

TERMS

1. **Contract Changes.** The Agreement is amended as provided herein (new text is identified in ***bold italics***, deleted text in ~~strike-through~~).

A. **Long Beach Transit represents and warrants to City that Long Beach Transit is, and since the effective date of the Agreement has been, a California nonprofit mutual benefit corporation, and as such, the Agreement erroneously describes Long Beach Transit in the introductory paragraph as a “California nonprofit public benefit corporation,” and on the signature page as a “California public benefit nonprofit corporation.” Based on the foregoing, City and Long Beach Transit agree that effective retroactively as of September 27, 2021, the aforementioned references in the Agreement to Long Beach Transit’s nonprofit entity type are amended to “Long Beach Public Transportation Company, a California nonprofit mutual benefit corporation.”**

B. **Section 2.1 (Contract Sum) of the Agreement is amended to read in its entirety as follows:**

“2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Long Beach Transit the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed ***Seven Million Eight Hundred Thirteen Thousand Dollars (\$7,813,000)*** ~~Five Million Seven Hundred Fifty Two Thousand Five Hundred Dollars (\$5,752,500)~~ for the initial three-year term of this Agreement plus the extension periods through December 31, ***2025*** ~~2024~~ (the “Contract Sum”). The annual compensation shall not exceed One Million Seven Hundred Seventy Thousand Dollars (\$1,770,000.00) for each year of the initial three-year term, ~~and~~ \$442,500 for the extension period through December 31, 2024, ***and \$2,060,500 for the one-year extension period from January 1, 2025 through December 31, 2025.***”

C. **Section 3.4 (Term) of this Agreement is hereby amended to read in its entirety as follows:**

“3.4 Term. Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect through December 31, ***2025*** ~~2024~~, with ***one*** ~~two~~ subsequent one-year options that may be

exercised by a duly approved and executed amendment to this Agreement entered into between the Parties, with the ~~first~~ option (if exercised) commencing January 1, ~~2026~~ 2025.

D. Exhibit “C” (Schedule of Compensation) of the Agreement is hereby amended to read in its entirety as set forth in the Exhibit “C” attached hereto.

2. Continuing Effect of Agreement. Except as amended by Amendment No. 1 and this Amendment No. 2, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment No. 2, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by Amendment No. 1 and this Amendment No. 2 to the Agreement.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Long Beach Transit each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each Party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each Party represents and warrants to the other that the Agreement, as amended by Amendment No. 1 and this Amendment No. 2, is currently an effective, valid, and binding obligation.

Long Beach Transit represents and warrants to City that, as of the date of this Amendment No. 2, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Long Beach Transit that, as of the date of this Amendment No. 2, Long Beach Transit is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. Adequate Consideration. The Parties irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 2.

5. Authority. The persons executing this Amendment No. 2 on behalf of the Parties warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment No. 2 on behalf of said Party, (iii) by so executing this Amendment No. 2, such Party is formally bound to the provisions of this Amendment No. 2, and (iv) the entering into this Amendment No. 2 does not violate any provision of any other agreement to which said Party is bound.

6. Counterparts. This Amendment No. 2 may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, whether the signatures are originals, electronic, facsimiles or digital. All such counterparts shall together constitute but one and the same Amendment No. 2.

[Signatures on the following page]

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2 on the date(s) and year set forth below, with express intent that this Amendment No. 2 shall be effective as of the date first-above written, except as otherwise provided herein.

CITY:

CITY OF CARSON, a municipal corporation

Lula Davis-Holmes, Mayor

Date: _____, 2024

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney
[brj]

LONG BEACH TRANSIT:

LONG BEACH PUBLIC TRANSPORTATION
COMPANY, a California nonprofit mutual benefit
corporation

By: _____
Name: Kenneth A. McDonald
Title: President/CEO

Date: _____, 2024

APPROVED AS TO FORM:

By: _____
Vincent C. Ewing
General Counsel
Address: 4801 Airport Plaza Dr., 8th Floor
Long Beach, CA 90815

EXHIBIT "C"
SCHEDULE OF COMPENSATION

- I. Long Beach Transit shall perform the Base Services at the flat annual rate of \$1,770,000 (i.e., per 12 months of service) for the initial three-year term of this Agreement (the "Base Services Rate"). Long Beach Transit shall perform the Base Services at the flat rate of \$442,500 for the extension period commencing upon the conclusion of initial three-year term of this Agreement and continuing through December 31, 2024. *Long Beach Transit shall perform the Base Services at the flat rate of \$2,060,500 for the one-year extension period commencing on January 1, 2025 and continuing through December 31, 2025.*
- II. The additional or enhanced service options specified in Section I.E of Exhibit "A", if and when authorized pursuant to said Section I.E during the term of this Agreement, shall be performed at the following flat annual rates (i.e., per 12 months of service, with actual compensation due for any relevant billing period prorated as necessary based on the timing of authorization):
- A. Add Sunday service (Saturday hours) to Base Services: add \$164,500 (+/- the rate of inflation to be determined at time of contract amendment) annually to Base Services Rate. *Notwithstanding the foregoing, should addition of this service be authorized pursuant to Section I.E of Exhibit "A" for the one-year extension period commencing on January 1, 2025 and continuing through December 31, 2025, the flat annual rate to add this service would be \$237,800 (subject to proration as necessary to correspond to any authorization to add this service for a portion of the one-year extension period).*
- B. Add one additional hour of service on weekdays to Base Services: add \$122,400 (+/- the rate of inflation to be determined at time of contract amendment) annually to Base Services Rate.
- C. Add one additional hour of service on Saturdays to Base Services: add \$25,200 (+/- the rate of inflation to be determined at time of contract amendment) annually to Base Services Rate.
- III. The total compensation for the Services shall not exceed ~~\$7,813,000~~ ~~\$5,752,500~~ for the initial three-year term of this Agreement plus the extension periods through December 31, 2025 ~~2024~~, as provided in Section 2.1 of this Agreement.
- IV. *The City and Long Beach Transit shall reopen negotiations as to the rates of compensation specified in this Exhibit "C" and the level of services provided by Long Beach Transit to the City pursuant to Exhibit "A" for the service period from July 1, 2025 through December 31, 2025, and may, but are not obligated to, enter into an amendment to the Agreement related to the same pursuant to Section 9.4 of the Agreement, if the Proposition A and Proposition C funding collectively received by the City for Fiscal Year 2025-26 drops by ten percent (10%) or more compared to Fiscal Year 2024-25.*