FIRST AMENDMENT TO CONTRACT DA-4567 BETWEEN THE CITY OF LOS ANGELES AND ABM FACILITY SERVICES, INC. (AS SUCCESSOR IN INTEREST TO LINC FACILITY SERVICES, LLC) FOR PROPERTY MANAGEMENT SERVICES, INCLUDING MAINTENANCE, EMERGENCY RESPONSE & ADMINISTRATION AT LOS ANGELES WORLD AIRPORTS / PALMDALE PROPERTY

THIS FIRST AMENDMENT ("First Amendment") to Contract No. DA-4567 for Property Management Services, including Maintenance, Emergency Response & Administration at Los Angeles World Airports / Palmdale Property, with an effective date of April 1, 2016 is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation, acting by order of and through its Board of Airport Commissioners ("Board") of the DEPARTMENT OF AIRPORTS ("City"), and ABM FACILITY SERVICES, INC, a California corporation ("Successor Contractor"), as successor in interest to LINC FACILITY SERVICES, LLC, a Delaware limited liability company ("Original Contractor").

RECITALS

WHEREAS, City and Original Contractor entered into that certain Contract for Property Management Services, including Maintenance, Emergency Response & Administration at Los Angeles World Airports / Palmdale Property, dated February 22, 2011, for a three year term ("Original Contract"); and

WHEREAS, City, Original Contractor, and Successor Contractor executed that certain Consent to Assignment and Assumption of Contract No. DA-4567 between the City of Los Angeles and Linc Facility Services, LLC, dated January 9, 2012 ("Assignment & Assumption"); and

WHEREAS, City and Successor Contractor by mutual written agreement exercised the option described in Section 1.0 of the Contract, extending the term of the Contract by a period of two years ("Exercise of Extension Option") (Original Contract, Assignment & Assumption, and Exercise of Extension Option collectively, the "Contract"), with the Contract currently scheduled to terminate on March 31, 2016; and

WHEREAS, City and Successor Contractor desire to extend the term and otherwise amend the Contract set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the covenants and conditions herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, IT IS HEREBY MUTUALLY AGREED as follows:

Section 1. <u>Term</u>.

The term of the Contract is hereby extended to expire on December 31, 2016, unless sooner terminated pursuant to the terms of the Contract and this First Amendment.

Section 2. <u>Contractor's Fee and Payment.</u>

The third paragraph of Section 5.1 is hereby modified by addition of the following language as new sub-clause (i)(a):

"(i)(a) In the event that there is a change in circumstances relating to providing Initial Basic Services that is not within the control of the Contractor and that causes Contractor to incur materially adverse economic consequences in the performance of Contractor's obligations under the Contract, then the Executive Director may consider (in the Executive Director's sole and absolute discretion, and without further approval of the Board or City Council) an amendment to the Contract providing for an equitable adjustment to the financial terms of the Contract. As a condition to the Executive Director's consideration of such an amendment, Contractor shall have demonstrated to the satisfaction of the Executive Director that (i) such change in circumstances was not within the control of Contractor, (ii) such change in circumstances has or will result in unavoidable and material adverse economic consequences to Contractor, and (iii) an adjustment to the financial terms of the Contract is equitable under the circumstances." The equitable adjustment to the financial terms of the Contract shall be at the sole discretion of the Executive Director and shall not exceed a total sum of \$150,000 during the extended term period of the Contract. In the event Contractor's request for an equitable adjustment is not accepted and/or approved, Contractor reserves the right to terminate this Agreement, in whole or in part, without penalty, upon thirty (30) days' written notice to City."

Section 3. <u>Default and Right of Termination</u>.

Section 25.2 is hereby deleted in its entirety and replaced by the following:

"25.2 Notwithstanding any other provision in this Contract to the contrary, City shall have the right to terminate this Contract, with or without cause, upon providing thirty (30) days advance written notice to Contractor."

Section 4. No Other Changes / Ratification.

Except as specifically provided herein, this First Amendment shall not in any manner alter, change, modify, or affect any of the rights, privileges, duties, or obligations of either of the Parties under or by reason of the Contract, and except as expressly amended herein, all of the terms, covenants, and conditions of said Contract, as amended, shall remain in full force and effect. IN WITNESS WHEREOF, City has caused this First Amendment to Contract No. DA-4567 to be executed by the Executive Director of its Department of Airports and Successor Contractor has caused the same to be executed by its duly authorized signatories as of the date first set forth above.

APPROVED AS TO FORM: Michael N. Feuer, City Attorney

CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS

Date February 3, 2016

By Nargis Chardhay Assistant Deputy City Attorney Executive Director Department of Airports

By_

By

Deputy Executive Director, Comptroller

ABM FAILITY SERVICES, INC., as successor in interest to Linc Facility Services, LLC

ATTEST:

By: Secretary (Signature)

Arnold Klauber Senior Vice President

Print Title

[SEAL]

Bv Signature int Name **Print Title**

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