

**THIRD MODIFICATION OF
PROFESSIONAL SERVICES AGREEMENT 8724 (CCS)**

THIS THIRD MODIFICATION OF PROFESSIONAL SERVICES AGREEMENT NUMBER 8724 (CCS) ("Third Modification"), entered into as of April 10, 2012, by and between the CITY OF SANTA MONICA, a municipal corporation ("City"), and PUBLIC RESOURCES ADVISORY GROUP ("Consultant"), is made with reference to the following:

RECITALS

- A. On or about July 24, 2007, City and Consultant entered into Professional Services Agreement Number 8724 (CCS) ("Agreement") for Consultant to provide financial consulting services, in an amount not to exceed \$100,000.
- B. On or about March 25, 2008, City and Consultant entered into a First Modification of Professional Services Agreement 8724 (CCS) for the sole purpose of increasing the amount of compensation available to Consultant under the Agreement to an amount not to exceed \$250,000.
- C. On or about March 15, 2010, City and Consultant entered into a Second Modification of Professional Services Agreement 8724 (CCS) for the sole purpose of increasing the amount of compensation available to Consultant under the Agreement to an amount not to exceed \$500,000.
- D. City and Consultant desire to enter into this Third Modification to modify the Agreement for the sole purpose of increasing the amount of compensation available to Consultant under the Agreement to an amount not to exceed \$650,000 during the term of the Agreement.

NOW, THEREFORE, the parties agree as follows:

TERMS AND CONDITIONS

- 1. Section 4 of the Agreement, entitled "COMPENSATION", shall be deleted and replaced with the following:

SECTION 4. COMPENSATION.

Consultant shall be compensated for Services performed pursuant to this Agreement in an amount not to exceed \$650,000, as set forth in Exhibit B, Budget.

- 2. Exhibit B of the Agreement, entitled "BUDGET", shall be modified by deleting and replacing the third paragraph with the following:

The cost of all other financial advisory services will be billed at the hourly rates proposed by PRAG. The total cost of financial advisory services is not expected to exceed \$650,000 during the five-year term of this professional services agreement and will be charged to the applicable fund expenditures accounts as services are rendered.

3. Except as expressly modified by this Third Modification, all other terms and conditions set forth in the Agreement shall be and remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Third Modification to be executed the day and year first above written.

APPROVED AS TO FORM:


MARSHA JONES MOUTRIE
City Attorney

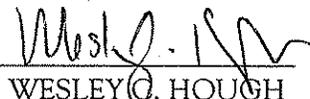
CITY OF SANTA MONICA,
a municipal corporation

By: 
ROD GOULD
City Manager

ATTEST:


MARIA STEWART
City Clerk

CONSULTANT:
Public Resources Advisory Group

By: 
WESLEY C. HOUGH
Co-President