

SECOND AMENDMENT TO THE SECOND AMENDED LEASE  
BETWEEN  
CITY OF WATSONVILLE  
AND  
MONTEREY BAY AVIATION, INC.

THIS SECOND AMENDMENT TO THE SECOND AMENDED LEASE (this "Amendment"), is made and entered into to be effective the first day of January 2024, by and between the CITY OF WATSONVILLE, a charter city and municipal corporation, hereafter called "City", and Monterey Bay Aviation, Inc., a corporation, dba United Flight Services, hereafter called "Tenant".

THE PARTIES AGREE AS FOLLOWS:

1. Section 31(a) of that certain Second Amended Lease, dated October 14, 2014, by and between City and Tenant, as amended by that certain First Amendment to Second Amended Lease, dated October 15, 2014, by and between the City and Tenant (the "Lease"), is amended to read as follows:

**"31. INSURANCE.**

(a) During the Initial Term, and any extension thereof, Tenant, at Tenant's sole expense, shall secure and maintain in force such policies of insurance as will protect it from claims for damages or injury resulting from bodily injury, including death, and for the loss or damage to property of others which may arise from operations of this Lease. Such insurance shall contain statements that: (i) these policies shall also apply to City, as an Additional Named Insured; (ii) the insurance afforded by these policies applies severally as to each insured, except that the inclusion of more than one insured shall not operate to increase the limit of the company's liability, and the inclusion hereunder of any person or organization as an additional insured shall not affect any right which such person or organization would have as a claimant if not so included; (iii) the insurance shall be primary insurance over any other insurance carried by City, which other insurance shall be considered excess only; (iv) the above policies specifically include coverage indemnifying City as set forth in this Lease; (v) the policies may not be cancelled, nor the coverage reduced until thirty (30) days after a written notice of such cancellation or reduction in coverage is delivered to City at the address contained herein; (vi) the insurance companies named herein waive any and all rights of subrogation against City. Such liability insurance shall be written with limits of at least One Million Dollars (\$1,000,000.00) combined single limits, and shall be written by companies acceptable to City. The limit of liability insurance coverage shall be adjusted commensurate with inflation and other liability factors upon adoption of resolution of the City Council of City. Certificates of Insurance evidencing the above obligations shall be delivered to City on or prior to commencement of the Term."

2. Except as otherwise amended herein, all terms and conditions of the Lease shall remain in full force and effect.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment the day and year first above written.

CITY:

City of Watsonville,  
a charter city and municipal corporation

\_\_\_\_\_  
René Mendez, City Manager

ATTEST:

\_\_\_\_\_  
Irwin I. Ortiz, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Samantha Zutler, City Attorney

TENANT:

Monterey Bay Aviation, Inc.,  
a corporation, dba United Flight  
Services



By: TERENCE M. MCKENNA 1-8-2024  
Title: PRESIDENT

\_\_\_\_\_  
By:  
Title: