



Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Jesse Bobbett, Community Services Director

Approved by: Steve McClary, Interim City Manager

Date prepared: July 16, 2021 Meeting date: August 9, 2021

Subject: Amendment to Agreement with Malibu Triathlon Productions

RECOMMENDED ACTION: Authorize the Interim City Manager to execute Amendment No. 1 to the Agreement with Malibu Triathlon Productions LLC, a Subsidiary of USA Sports and Entertainment, transferring its interest in the Agreement to host the Malibu Triathlon to Super League Holdings PTE LTD, a Singapore private company limited by shares.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

WORK PLAN: This item was not included in the Adopted Work Plan for Fiscal Year 2021-2022.

DISCUSSION: On August 12, 2013, the City entered into a 10-year Agreement with Michael Epstein Sports Productions Inc. (MESP) to host the Malibu Triathlon (Triathlon) through November 1, 2023. The Triathlon occurs annually in mid to late September and is one of two road races allowed under the City's Road Race Policy.

On April 12, 2017, the Council approved an Assignment of Agreement with MESP, transferring its interest in the Agreement to Malibu Triathlon Productions LLC, a Subsidiary of USA Sports and Entertainment (MTP). The Assignment of Agreement allowed MTP to continue operating the Triathlon under the same terms as the Agreement with MESP.

On March 6, 2020, Super League Holdings PTE LTD (Super League) acquired ownership in MTP. The acquisition made the previous descriptor for MTP, "a Subsidiary of USA Sports and Entertainment", no longer accurate even though MTP remains the same legal entity. Due to the COVID-19 pandemic, the Triathlon did not take place in 2020, and staff was not made aware of the acquisition until June 2021.

To ensure the City remains fully covered under the terms of the 2013 Agreement and the 2017 Assignment of Agreement, staff recommends the Council approve Amendment No. 1 to the Agreement with MTP (Attachment 1). Additionally, the Amendment would remove reference to the former parent company, USA Sports and Entertainment, in the 2017 Assignment of Agreement and clarify that MTP remains obligated to fulfill all of the terms and conditions required to host the Triathlon.

ATTACHMENTS: Amendment No. 1 to Agreement with Malibu Triathlon Productions, LLC

AMENDMENT NO. 1 TO AGREEMENT

THIS AMENDMENT NO. 1 TO AGREEMENT is made and entered in the City of Malibu on August 9, 2021, by and between the CITY OF MALIBU, hereinafter referred to as City, and Malibu Triathlon Productions, LLC, a Delaware Limited Liability Corporation ("MTP").

The City and MTP agree as follows:

RECITALS

- A. On August 12, 2013, the City entered into an Agreement with Michael Epstein Sports Productions, a California Corporation ("MESP") to host the Nautica Malibu Triathlon annually through November 1, 2023 ("Agreement").
- B. On May 18, 2017, the City granted an Assignment of the Agreement from Michael Epstein Sports Productions to "Malibu Triathlon Productions, LLC, a Subsidiary of USA Sports and Entertainment, a Delaware Limited Liability Corporation," following their acquisition of Michael Epstein Sports Productions and the rights to produce the Malibu Triathlon.
- C. On March 6, 2020, Super League Holdings PTE LTD, a Singapore private company limited by shares, acquired ownership in MTP so that the descriptor "a Subsidiary of USA Sports and Entertainment" in the May 18, 2017 Assignment is no longer accurate despite the fact that MTP remains the same legal entity.
- D. Out of an abundance of caution, to ensure that the City is protected to the maximum amount feasible and to curtail any possible confusion, or question as to who the City's contracting party is, the Agreement and subsequent Assignment shall be amended to delete a reference to the no longer applicable parent company descriptor.
- E. The City desires to amend the Agreement and subsequent Assignment to delete any reference to the former parent company in light of Super League's ownership interest in MTP.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. The Agreement to host the Malibu Triathlon through November 1, 2023, is entered into by and between the City of Malibu, California, a municipal corporation (the "City"), and Malibu Triathlon Productions, LLC, a Delaware Limited Liability Corporation ("MTP"), (the City and MTP each individually referred to herein as "Party" or collectively as "the Parties")
2. MTP fully acknowledges and consents that all terms and conditions of the Agreement remain applicable to it, including, but not limited to, all insurance requirements, indemnification obligations and operational standards for the Malibu Triathlon. That the March 6, 2020, acquisition of MTP by Super League did not in any way excuse or relieve MTP from any contractual requirement of the Agreement and that any right or benefit to the City remains unchanged.
3. The Parties agree that this Amendment will be considered signed when the signature of a party is delivered physically or by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.
4. All terms and conditions of the Agreement not amended by this Amendment No. 1 remain in full force and effect.

This Agreement is executed on _____, 2021, at Malibu, California, and effective as of August 9, 2021.

CITY OF MALIBU:

STEVE MCCLARY, Interim City Manager

ATTEST:


KELSEY PETTIJOHN, Acting City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

JOHN COTTI, City Attorney

SUPER LEAGUE HOLDINGS:



By: MICHAEL DHULST
Title: Chief Executive Officer