

Exhibit 4

AMENDMENT NO. 3

TO AGREEMENT FOR CONTRACT SERVICES

THIS AMENDMENT TO THE AGREEMENT FOR CONTRACT SERVICES (“Amendment No. 3”) by and between the CITY OF CARSON, a California municipal corporation (“City”) and CARL WARREN & COMPANY, a California limited liability company (“Consultant”) is effective as of the 1st day of October, 2023, except as otherwise provided herein.

RECITALS

A. City and Consultant entered into that certain Agreement for Contract Services effective as of October 1, 2019 (“Agreement”), whereby Consultant agreed to act as the City’s Third Party Claims Administrator for administration of City self-insured general liability claims for a term of three (3) years, with the option to extend the term for up to two (2) additional one-year periods.

B. On January 4, 2022, City and Consultant entered into Amendment No. 1 to the Agreement to address changes to the Schedule of Compensation, including increasing the Contract Sum by \$100,000, from \$179,949.44 to \$279,949.44, to cover an influx of claims received related to an incident related to the Dominguez Channel, and setting rates of compensation for administration of same.

C. On November 17, 2022, City and Consultant entered into Amendment No. 2 to the Agreement to: (1) exercise the City’s first of two one-year options to extend the term of the Agreement for an additional one-year period, thereby extending the expiration date through September 30, 2023; (2) increase the Contract Sum by \$63,516.24 to fund the services for the extension period, for a total not-to-exceed Contract Sum of \$343,465.68; and (3) reflect Consultant’s conversion from a corporation to a limited liability company.

D. City and Consultant now desire to amend the Agreement to exercise the City’s second and final one-year option to extend the term of the Agreement for an additional one-year period, thereby extending the expiration date through September 30, 2024, and to increase compensation by \$65,739.36 to fund the regular services for the extension period, and to make certain other non-substantive edits to clarify the original intent of Amendment No. 1 related to the Dominguez Channel incident claims.

E. Through August 14, 2023, the City has received 1,779 Dominguez Channel Incident-related claims from individual claimants, and 24 batches of Dominguez Channel Incident-related claims from law firms representing a total of 22,945 individual claimants. To cover this continued, further influx of claims beyond what was anticipated in Amendment No. 1, the Parties also desire to increase compensation by an additional \$100,000, representing (together with the \$100,000 previously authorized by Amendment No. 1) a flat fixed fee for administration of all Dominguez Channel Incident-related claims up to a limit of 2,500 claims when counting batches of claims received from law firms as single claims, for a total not-to-exceed Contract Sum (inclusive of the increase to fund the regular services for the extension period) of \$509,205.04.

TERMS

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

A. Effective retroactively as of January 4, 2022, Recital E to Amendment No. 1, which is incorporated into the Agreement as stated in Section I of Exhibit “C,” is amended to read in its entirety as follows:

“In early October 2021, *an incident occurred related to a foul odor began emanating from the Dominguez Channel, a waterway that cuts through the City. According to reports from the County of Los Angeles the incident involved offensive odor is hydrogen sulfide caused by a die-off of vegetation within the channel, which resulted in anaerobic decomposition, a process that led to the release of hydrogen sulfide gas (the “Dominguez Channel Incident Odor Event”).*”

Furthermore, all references to the defined term “Dominguez Channel Odor Event,” or the term “odor event,” wherever used in the Agreement or Amendment No. 1, are hereby deemed amended to “Dominguez Channel Incident” accordingly.

B. Section 2.1, “Contract Sum,” is hereby amended to read as follows:

“Subject to any limitations set forth in this Agreement, City agrees to pay Consultant 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 the following amount: (1) *Five Hundred Nine Thousand Two Hundred Five Dollars and Four Cents (\$509,205.04)* ~~Three Hundred Forty Three Thousand Four Hundred Sixty Five Dollars and Sixty Eight Cents (\$343,465.68)~~; plus (2) Eighteen percent (18%) of the net recovery from subrogation claims as set forth in Section I of Exhibit “C” (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.8. ~~In the event City exercises its option to extend the Term of this Agreement pursuant to Section 3.4, the Contract Sum shall be increased for such option period by the amounts set forth in Section I of Exhibit “C.”~~”

C. Section 3.4, Term, is hereby amended as follows:

“Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding *September 30, 2024* ~~September 30, 2023~~, except as otherwise provided in the Schedule of Performance (Exhibit “D”). ~~At City’s option, and upon execution of a written agreement between the Parties, the foregoing Term may be extended for up to one (1) one year extension period.~~”

D. Section I of Exhibit “C,” Schedule of Compensation, is hereby amended to read in its entirety as set forth below. The second-to-last paragraph of Section I of Exhibit “C” as said paragraph existed immediately before the effective date of Amendment No. 3, which paragraph is omitted from the amended Section I shown below, is not deleted but rather is moved to a new Section V of Exhibit “C” and remains in effect as modified pursuant to Section 1.E of this Amendment No. 3.

“I. Consultant shall perform the Services at the following rates:

	YEAR	ANNUAL RATE
A.	Contract Year 1 (10/1/19 – 9/30/20)	\$57,288
B.	Contract Year 2 (10/1/20 – 9/30/21)	\$59,293.08
C.	Contract Year 3 (10/1/21 – 9/30/22)	\$63,368.36
D.	Contract Year 4 (10/1/22 – 9/30/23)	\$63,516.24
E.	Contract Year 5 Option Year (10/1/23 – 9/30/24)	\$65,739.36

The foregoing annual rates apply for all Services for up to 125 claims opened by Consultant per contract year. Services for claims above the 125 limit will be processed at the following flat rates: Bodily Injury \$800 per claim; Property Damage: \$400 per claim. Notwithstanding the foregoing, the Parties acknowledge that the Contract Sum would need to be increased via amendment to this Agreement to authorize funding for the services relating to any claims above the 125 limit, and accordingly, Consultant shall notify the Contract Officer when the number of claims opened in any contract year reaches 100. ***Furthermore, the foregoing compensation rates and totals do not include claims related to the Dominguez Channel Incident. Compensation for such claims is as provided in Section V of this Exhibit ‘C.’***

In addition to the foregoing annual compensation, and as part of the Contract Sum, Consultant shall be entitled to eighteen percent (18%) of the net recovery from all subrogation claims pursuant to Section I of Exhibit “A” of this Agreement, with the City being entitled the remaining eighty-two percent (82%) of said recovery. There shall be no subrogation setup fee charged by Consultant.”

E. A new Section V is hereby added to Exhibit “C,” Schedule of Compensation, to read in its entirety as follows (the added text shown in bold italics and deleted text shown in strikethrough is in comparison to the language of the second-to-last paragraph of Section I of Exhibit “C” as said paragraph existed immediately before the

effective date of this Amendment No. 3, which paragraph is being moved to this new Section V of Exhibit “C” as stated in Section 1.D of this Amendment No. 3, above):

“Notwithstanding **Section I of this Exhibit ‘C’** ~~the above~~, for Contract Years 3 **through 5** (10/1/21 – 9/30/24~~22~~), for all Services related to claims related to the Dominguez Channel Incident, as defined/described in the recitals to Amendment No. 1 to this Agreement, which are hereby incorporated into this Agreement as if fully set forth herein, the Consultant will perform such Services with respect to up to 2,500 of the Dominguez Channel Incident-*related* claims at a total flat rate/limit of ~~\$200,000~~ **\$100,000**. **For purposes of counting toward the foregoing 2,500 claim limit, each batch of claims received from a law firm as a single/collective submission shall be considered as a single claim**—~~As of the effective date of Amendment No. 1 to the Agreement, the City has received approximately 1,600 claims, and it expects to receive a total of 2,200, potentially 2,500. For the avoidance of doubt, as of August 14, 2023, the City had received a total of 1,803 claims, comprised of 1,779 individually-submitted claims plus 24 batches of claims submitted by law firms, as counted for purposes of the foregoing 2,500 claim limit. The 24 batches of claims submitted by law firms represent 22,945 individual claimants.~~ For additional Dominguez Channel Incident claims above **the foregoing 2,500 claim limit**, Consultant will perform the Services at a rate of \$50.00 per claim; however, the Parties acknowledge that the Contract Sum would need to be increased via amendment to this Agreement to authorize funding for the services relating to any additional claims.”

2. **Continuing Effect of Agreement.** Except as amended by this Amendment No. 3, Amendment No. 2, and Amendment No. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment No. 3, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Amendment No. 1, Amendment No. 2, and this Amendment No. 3 to the Agreement.

3. **Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement, and the continuous, uninterrupted term of the Agreement since October 1, 2019. 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 is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment No. 3, 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 Consultant that, as of the date of this Amendment No. 3, Consultant 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 hereto 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. 3.

5. **Authority.** The persons executing this Amendment No. 3 on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment No. 3 on behalf of said party, (iii) by so executing this Amendment No. 3, such party is formally bound to the provisions of this Amendment No. 3, and (iv) the entering into this Amendment No. 3 does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 3 on the date and year first-above written.

CITY:

CITY OF CARSON, a municipal corporation

Lula Davis-Holmes, Mayor

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Sunny K. Soltani, City Attorney
[brj]

CONSULTANT:

CARL WARREN & COMPANY, a California limited liability company

By: _____
Name: Angelique King
Title: Vice President of Claims

By: _____
Name: Richard McAbee
Title: Chief Marketing Officer
Address: 11209 N. Tatum Blvd., Suite 130
Phoenix, AZ 85028

If Consultant is a limited liability company, any one of the following options will satisfy City's signature requirements pursuant to the Corporations Code. Option A: One signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. Option B: Signatures required from two managers unless the LLC is managed by one manager per its articles of organization, in which case only one signature from that manager is required. Option C: One signature required from any member unless the LLC is manager-managed per its articles of organization. Option D: One signature required from any manager if the LLC is manager-managed per its articles of organization. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF ORGANIZATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2023 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

<p><input type="checkbox"/> CAPACITY CLAIMED BY SIGNER</p> <p><input type="checkbox"/> INDIVIDUAL</p> <p><input type="checkbox"/> CORPORATE OFFICER</p> <p>_____</p> <p><input type="checkbox"/> PARTNER(S) <input type="checkbox"/> TITLE(S) LIMITED</p> <p><input type="checkbox"/> <input type="checkbox"/> GENERAL</p> <p><input type="checkbox"/> ATTORNEY-IN-FACT</p> <p><input type="checkbox"/> TRUSTEE(S)</p> <p><input type="checkbox"/> GUARDIAN/CONSERVATOR</p> <p><input type="checkbox"/> OTHER _____</p> <p>_____</p> <p>SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))</p> <p>_____</p> <p>_____</p>	<p>DESCRIPTION OF ATTACHED DOCUMENT</p> <p>_____</p> <p>TITLE OR TYPE OF DOCUMENT</p> <p>_____</p> <p>NUMBER OF PAGES</p> <p>_____</p> <p>DATE OF DOCUMENT</p> <p>_____</p> <p>SIGNER(S) OTHER THAN NAMED ABOVE</p>
--	--

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2023 before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	
<input type="checkbox"/> CORPORATE OFFICER	
_____	_____
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL	TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	NUMBER OF PAGES
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	_____
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))	DATE OF DOCUMENT
_____	_____
_____	_____
	SIGNER(S) OTHER THAN NAMED ABOVE