AMENDMENT NO. 1 TO MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF CARSON AND NORMS RESTAURANTS, LLC REGARDING "CARSON ESSENTIALS TO GO" EMERGENCY GROCERY DELIVERY PROGRAM

This Amendment to Memorandum of Understanding ("Amendment") is entered into effective June _____, 2021, by and between the City of Carson, a municipal corporation ("City") and Norms Restaurants LLC, a Delaware limited liability company ("Norms"). City and Norms may be referred to, individually or collectively, as a "Party" or the "Parties."

RECITALS

WHEREAS, the City declared a local state of emergency related to the COVID-19 pandemic on March 17, 2020; and

WHEREAS, the City wished to establish a program known as "Carson Essentials to Go" (the "Program") to provide essential groceries and other items to the City's residents to facilitate their need to stay at home and have access to such essential items during the pandemic ("Residents"); and

WHEREAS, through a Memorandum of Understanding between the Parties dated April 13, 2020 ("MOU" or "Agreement"), Norms and City partnered to establish and operate the Program whereby Norms has agreed to provide and pre-package such groceries and other essential items for the City at Norms' cost while allowing City employees to pick up such packaged items from Norms' Carson location for delivery to Residents; and

WHEREAS, under the MOU, the price of the packages for the Residents are subsidized by donations made by third parties, and the expenses associated with City delivery of the packages to Residents are absorbed by the City, free of charge to Residents; and

WHEREAS, under the MOU, City's payments made to Norms are not to exceed \$150,000, and the term of the MOU is to expire July 6, 2020 or until the conclusion of the declared local emergency in the City of Carson related to COVID-19, whichever is later; and

WHEREAS, City staff estimated a funding need for \$150,000 under the MOU in anticipation that the MOU would expire July 6, 2020 but because the MOU term has not yet expired due to the local COVID-19 emergency still not having concluded, additional funding in the amount of \$175,000 is needed to pay Norms under the MOU through fiscal year 2021/2022.

NOW, THEREFORE, the Parties agree as follows:

EXHIBIT NO. 1

OPERATIVE PROVISIONS

1. **Recitals**. The foregoing recitals are true and correct, and are incorporated herein by this reference.

2. Contract Changes. The MOU is amended as provided herein (new text in *bold italics* and deleted text in strikethrough).

Section 2(a) "Program; Roles of Parties, Provision and Packaging of Supplies; Contract Sum," of the MOU is hereby amended to read in its entirety as follows:

"2. Program; Roles of Parties. The Parties understand, agree and acknowledge as follows with respect to the parameters of the Program:

a. <u>Provision and Packaging of Supplies; Contract Sum.</u>

i. Norms will supply the contents of all essential groceries and other items packages as set forth in Section 3 ("Packages") to the City, and will pre-package them for City pickup and delivery. Norms will charge the City, and City will pay, a rate that is equivalent to Norms' cost of providing the contents of and pre-packaging the Packages.

ii. Norms' costs are anticipated not to exceed \$325,000 for the term of this Agreement, provided the Program does not exceed the limits set forth in Section 4.

iii. In the event City's contract officer at any point determines the demand for the Program will exceed the limits set forth in Section 4, City's contract officer may request an estimate of Norms' cost to provide an additional number of weekly Packages as determined by City's contract officer to be necessary and appropriate to meet the demand. Norms will provide the cost estimate to City's contract officer within two business days of the request. City's contract officer will then seek approval of additional funding, based on the estimate, from City's Disaster Council or City Council prior to approving any additional Packages.

iv. Absent approval pursuant to subparagraph (iii), the not-to-exceed contract sum for purposes of City payments to Norms under this Agreement is \$325,000\$150,000. The City is responsible for ordering within this parameter; if orders exceed this dollar limit, the City is obliged to pay Norms' cost for all excess Packages created and picked up from Norms."

3. **Continuing Effect of MOU.** Except as amended by this Amendment, all provisions of the MOU shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "MOU" appears in the MOU, it shall mean the MOU, as amended by this Amendment to the MOU.

4. Affirmation of MOU; Warranty Re Absence of Defaults. City and Norms each ratify and reaffirm each and every one of the respective rights and obligations arising under the MOU. Each party represents and warrants to the other that there have been no written or oral modifications to the MOU other than as provided herein. Each party represents and warrants to the other that the MOU is currently an effective, valid, and binding obligation.

Norms represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the MOU 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 MOU.

City represents and warrants to Norms that, as of the date of this Amendment, Norms is not in default of any material term of the MOU 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 MOU.

5. 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.

6. **Authority.** The persons executing this Amendment 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 on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which said party is bound.

[signatures on the following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date and year first above written.

NORMS

NORMS RESTAURANTS LLC, a Delaware limited liability company

CITY

CITY OF CARSON, a municipal corporation

Lula Davis-Holmes, Mayor

Name: Title:

me:

ATTEST:

Name: Title:

John Carroll, Chief Deputy City Clerk

APPROVED AS TO FORM:

Sunny K. Soltani, City Attorney [rjl]