

**AMENDMENT NUMBER THREE TO
PROFESSIONAL SERVICES AGREEMENT
WITH
COST RECOVERY SYSTEMS, INC.**

This Amendment Number Three ("Amendment") is made and entered into this 14th day of September, 2023 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City") and COST RECOVERY SYSTEMS, INC., a California corporation ("Consultant").

WHEREAS, City and Consultant entered into an agreement on July 1, 2020 for Consultant to provide State mandated reimbursement claims services (the "Agreement"); and

WHEREAS, Section 4.1 of the Agreement provides for a term of one (1) year, with the option to extend the Agreement for four (1) additional one (1) year periods; and

WHEREAS, on June 30, 2021, City and Consultants extended the term through June 30, 2022 and amended the Scope of Services to include services for Fiscal Year 2021-22; and

WHEREAS, on June 16, 2022, City and Consultants extended the term through June 30, 2023 and amended the Scope of Services to include services for Fiscal Year 2022-23; and

WHEREAS, City and Consultant now desire to extend the term of the Agreement for one (1) additional year through June 30, 2024; and

WHEREAS, City and Consultant now desire to amend the Scope of Services as set forth herein.


NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to amend the Agreement as follows:

1. The term of the Agreement is extended through June 30, 2024.
2. The Scope of Services shall be amended to include the services for Fiscal Year 2023-24 as set forth in Exhibit "A", attaches hereto and incorporated herein.
3. All terms not defined herein shall have the same meaning and use as set forth in the Agreement, as amended.
4. All other terms, conditions, and provisions of the Agreement, as amended, shall remain in full force and effect.
5. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and the

Agreement together with Amendment Number One, Amendment Number Two, and this Amendment Number Three shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by and through their respective authorized officers, as of the date first above written.

CONSULTANT


Signature

Date: 10-27-23

Annette S. Chinn, President
Name and Title

CITY OF COSTA MESA


Lori Ann Farrell Harrison
City Manager

Date: 11/17/23

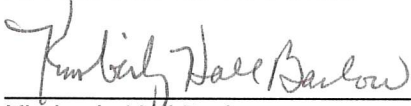
ATTEST:


Brenda Green
City Clerk



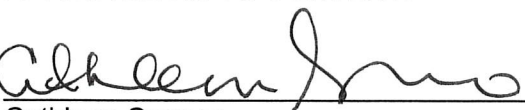
Date: 12/1/2023

APPROVED AS TO FORM:


Kimberly Hall Barlow
City Attorney

Date: 11/14/23

APPROVED AS TO CONTENT:


Cathleen Serrano
Project Manager

Date: 11/13/23

DEPARTMENTAL APPROVAL:



Carol Molina
Finance Director

Date: November 13, 2023

Project Number 24-30213

EXHIBIT A

3

Cost Recovery Systems, Inc.
Amendment Three

Scope of Services for FY 2023-24

Eligible Claims By Claiming Category	Eligible Fiscal Years	Claiming Deadline	Proposed Fee
<p><u>PART I- Annual & Amended Claims</u></p> <ul style="list-style-type: none"> - Administrative License Suspensions - Crime Victims' Domestic Violence Reports - Domestic Violence Arrest Policies - Domestic Violence Background Checks - Domestic Violence Victims Assistance - Health Benefits for Survivors of Peace Officers and Firefighters - Impasse Procedures - Local Government Employee Relations - Mental Health/Crisis Intervention Training - Peace Officer Bill of Rights - Peace Officer Bill of Rights II - Peace Officer Personnel Records - Racial and Identity Profiling - Rape Victim Center Notices - Sexual Assault Evidence Testing Kits - Threats Against Peace Officers - UVISAs -Victims of Crime: Nonimmigrant Status 	2022-23 (actual)	2/15/24	<p>\$11,750 Fixed Fee for a maximum of 10 total claims submitted this fiscal year</p> <p>Each additional claim prepared will be billed at \$950 per claim</p>
<p><u>PART II Other - Expected New Claims</u></p> <ul style="list-style-type: none"> - Discharge of Storm Water Runoff 	2010-11 through 2022-23	Expected due date prior to 6/30/24	<p>Fee for these claims can be included in PART I of contract however, if time spent preparing each individual new claim exceeds 5 hours per claim, addition time will be billed at \$190/hour</p>

PART I & II: METHOD OF PAYMENT FOR ANNUAL & NEW/AMENDED CLAIMS:

A fee in the amount of \$11,750 (eleven thousand seven hundred fifty dollars) shall be billed after claims are prepared and submitted to the State for reimbursement. Payment shall be due upon receipt of an invoice from the CONSULTANT.

AND

If the total number of claims prepared and submitted during this fiscal year exceeds 10 individual claims, the CITY shall be billed \$950 for each claim in excess of this amount.

In addition, if the time spent to prepare each individual NEW CLAIM exceeds 4 hours of consultant time, the excess amount of time spent shall be billed at \$170 per hour. Fee shall be billed after the claims are submitted to the State for reimbursement. Payment shall be due upon receipt of an invoice from the CONSULTANT.

AUDIT OR INCORRECT REDUCTION CLAIM ASSISTANCE:


In the event an audit is conducted by the State Controller's Office or an Incorrect Reduction Claim (IRC) is requested by the CITY, CONSULTANT shall provide sixteen (16) hours or two (2) days of complementary, off-site assistance in the base contract amount. However, time spent on audits/IRCs in excess of 16 hours per fiscal year will be billed at \$190 per hour. CITY shall pay for travel expenses if on-site audit assistance is desired. Unused audit assistance hours cannot be carried forward from other contract periods/projects.

For all sections, payment shall be due upon receipt of an invoice from the CONSULTANT.

All other agreed upon Terms and Conditions remain in place.

Accepted by:

City of Costa Mesa


Name

Finance Director
Title

Date: 11/30/2023

Cost Recovery Systems, Inc.


Annette S. Chinn

President

Date: 10-27-23

ATTACHMENT 1 TO EXHIBIT A - DESCRIBED SERVICES

The CONSULTANT will prepare the State Mandate Reimbursement Claims for the City during the fiscal year ending June 30, 2024 as described in the attached Scope of Work.

The CONSULTANT agrees to prepare and submit required reports on or before the State's reporting deadlines. The CITY shall submit to the CONSULTANT current year data for the appropriate fiscal years. The CONSULTANT shall provide guidance to the CITY in determining the data required for the services hereunder.

Due to the specific nature of the services being provided by the CONSULTANT, the CONSULTANT does not represent nor warrant that the State will approve any request for reimbursement submitted by CITY. The CONSULTANT agrees to use best efforts to seek approval for each request for reimbursement, however CITY understands that disallowances or reductions may occur as results of, but not limited to, differences in interpretation of the scope of the mandates, insufficient or inadequate documentation, and/or insufficient of inadequate proof of costs incurred. For these reasons, the CONSULTANT cannot and will not be held liable for the reduction or denial of any request for reimbursement.

CONSULTANT will file the claims with the information provided by CITY and shall assume that all information and materials provided by CITY are correct and complete. The CONSULTANT shall in no way be liable for reductions and disallowances made, for whatever reason, by the State.

CONSULTANT shall only file claims for which adequate records or documentation has been provided by CITY. Claims shall not be filed for amounts that do not exceed one thousand (\$1 ,000) dollars.

CITY agrees to provide all information needed to complete the claims three weeks prior to the established due date or three weeks after the data has been requested by the CONSULTANT, whichever is first. If information has been received in a timely manner, CONSULTANT agrees to complete and file the claim(s) on or before the date established for submitting such claims to the State of California.

The CITY shall be responsible for reviewing and ensuring accuracy and correctness of information in the claim forms prior to signing and returning signature pages to the CONSULTANT for filing with the State.

If data is not provided in a timely manner and CONSULTANT is unable to complete the claims, the claims shall be submitted late, when allowed by the State. CITY understands that late claims are subject to a 10% penalty up to a year after the original due date. CITY understands that the State does not allow that claims be submitted more than a year after the original due date.

CONSULTANT shall not be responsible for late penalties or for the loss of claiming opportunities. CONSULTANT shall not be liable for any claims not filed due to incomplete, insufficient, or late information.

Computerized claim forms and other proprietary software and materials are the sole ownership of the CONSULTANT, and shall not be used or distributed in any way by the CITY.

In the event an audit is conducted by the State Controller's Office and upon notification by CITY, CONSULTANT shall assist CITY in defending its claim(s) as long as the contract with the CONSULTANT has not lapsed.