

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN  
THE COUNTY OF SHASTA AND  
KALEIDOSCOPE COFFEE COMPANY, INC.**

This First Amendment is entered into between the County of Shasta ("County"), a political subdivision of the State of California, and Kaleidoscope Coffee Company, Inc., a California corporation, ("Contractor").

**RECITALS**

WHEREAS, County and Contractor have previously entered into an Agreement on April 1, 2017, for the purpose of providing employment subsidy reimbursement to Contractor, as employer of record, for the employment of eligible CalWORKs client(s), collectively termed ("Employees"); and

WHEREAS, County and Contractor desire to amend this Agreement to extend the term of the Agreement and increase the maximum amount reimbursable under the Agreement;

NOW, THEREFORE, the Agreement is amended as follows:

**I. Section 4. REIMBURSEMENT**, of the Agreement is amended as of the effective date of this Amendment, in its entirety to read as follows:

A. Contractor shall, during the term of this Agreement and after satisfactorily completing the responsibilities as prescribed in this Agreement and submitting all required documentation including the timely submission of a complete, correct, and approved invoice documenting the requested Reimbursement, be reimbursed:

- (1) During the initial six-month employment period, up to 100 percent of the Employee(s) Wages up to a maximum of \$15 per hour per Employee provided to or on behalf of Employee(s) (the "Reimbursement"); and
- (2) During any subsequent employment period as authorized by County pursuant to section 3.E., up to 50 percent of the Employee(s) Wages up to a maximum of \$15 per hour per Employee provided to or on behalf of Employee(s) (the "Reimbursement").

B. In no case whatsoever shall the maximum compensation amount reimbursed under this Agreement exceed \$200,000.

C. County is not liable for the payment of any taxes resulting from this Agreement however designated, levied, or imposed, unless County would otherwise be liable for the payment of such taxes in the course of its normal business operation.

**II. Section 5. CLAIMS AND REIMBURSEMENT**, of the Agreement is amended as of the effective date of this Amendment, in its entirety to read as follows:

A. For each Employee working for Contractor under this Agreement, Contractor shall submit monthly by the 10th of each month, for the prior month's paid subsidized employment, a billhead or invoice regularly used in the conduct of business of the

Contractor along with a fully completed "ShastaFACES2 Subsidized Employment Statement of Services", Attachment C or Attachment D as appropriate.

- B. Contractor shall also submit with each billhead or invoice payroll records providing verification of employment hours and Wages. Payroll records shall include copies of Payroll Summaries including Date, Name, Hours, Net Amount, Taxes Withheld, Total Deductions, Total Pay, Employer Taxes, Total Cost, Check Number, and copies of Weekly Time Records for each employee working for Contractor under this Agreement.
- C. Contractor shall not be reimbursed for any amounts invoiced without payroll verification.
- D. Contractor shall invoice County no later than the 10th of the following month for Employee costs incurred in the previous month.
- E. County reserves the right to require Contractor to submit, subsequent to invoice submission, copies of any supporting or supplemental documentation related to any and all expenses identified on the invoice.
- F. County shall pay Contractor Reimbursement as stated in Section 4 within 30 days of receipt of a complete, correct, and approved invoice with any supporting records as provided for in this Agreement. Contractor shall submit a final statement or invoice for services rendered to the County for the period March 31, 2019, by April 10, 2019.
- G. County reserves the right to disallow any claim filed more than 10 days following the month Employee costs are incurred. County additionally reserves the right to disallow any claim filed for the month of March 2019 if such claim is not file on or before April 10, 2019.
- H. Should County, or the state or federal government, disallow any amount claimed by Contractor, Contractor shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed costs.

**III. Section 6. TERM OF AGREEMENT, of the Agreement is amended as of the effective date of this Amendment, in its entirety to read as follows:**

The initial term of this Agreement shall commence as of the April 1, 2017 and shall end March 31, 2019. County shall not be obligated for payments hereunder for any future County fiscal year unless or until County's Board of Supervisors appropriates funds for this Agreement in County's budget for that County fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall end as of June 30, of the last County fiscal year for which funds for this Agreement were appropriated. For the

purposes of this Agreement, the County fiscal year commences on July 1 and ends on June 30 of the following fiscal year. County shall notify Contractor in writing of such non-appropriation at the earliest possible date.

**IV. REAFFIRMATION**

In all other respects, the Agreement, as amended, and any attachments, remains in full force and effect.

**V. ENTIRE AGREEMENT**

The Agreement, as amended, and any attachments, constitute the entire understanding between County and Contractor.

**VI. EFFECTIVE DATE**

Unless otherwise provided, this First Amendment shall be deemed effective as of the last date it is signed by all Parties.

***[SIGNATURE PAGE FOLLOWS]***

IN WITNESS WHEREOF, County and Contractor have executed this First Amendment on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this Agreement and to bind the Party on whose behalf his/her execution is made.

**COUNTY OF SHASTA**

Date: \_\_\_\_\_

\_\_\_\_\_  
LES BAUGH, CHAIRMAN  
Board of Supervisors  
County of Shasta  
State of California

ATTEST:

LAWRENCE G. LEES  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

Approved as to form:  
RUBINE E. CRUSE, JR.  
County Counsel

By: Alan B. Cox 1/12/18  
Deputy County Counsel

**RISK MANAGEMENT APPROVAL**

By: James Johnson 01/12/18  
Risk Management Analyst

**CONTRACTOR**

Date: 1/11/18

Dan Burton  
Dan Burton, President  
Kaleidoscope Coffee Company, Inc.

Date: 1/11/18

Mimi Burton  
Mimi Burton, Secretary/Treasurer  
Kaleidoscope Coffee Company, Inc.

Tax I.D.#: \_\_\_\_\_ on file