

ADDENDUM NO. 2 TO CONSULTING AGREEMENT

This Addendum No. 2 to Consulting Agreement (this “Second Addendum”) is made on December 13, 2022 (the “Effective Date”) by and between Tulare Local Healthcare District, a Healthcare District formed under the California Health and Safety Code (“TLHCD”), and Randy Dodd, an individual (“Consultant”), each a “Party” and collectively the “Parties”.

WHEREAS, Consultant is providing consulting, administrative and financial services to TLHCD under that certain Consulting Agreement dated July 22, 2020, as amended by that certain Addendum No. 1 to Consulting Agreement on July 22, 2020, setting forth scope of, and terms and conditions related to, “Project No. 1” (collectively, the “Agreement”);

WHEREAS, in addition to nominal services described therein, the Agreement provides for Consultant’s provision of services to TLHCD on a “Special Project” basis, subject to the terms of a separate addendum;

WHEREAS, by a vote taken at a Special Meeting held on December 12, 2022, TLHCD’s Board of Directors (the “Board”) appointed Consultant as the Chief Executive Officer of TLHCD, on an interim basis, while TLHCD conducts its search for a permanent CEO;

WHEREAS, the Board voted to remunerate Consultant for his provision of interim executive services to and for the benefit of TLHCD (collectively, the “CEO Services”) on an hourly basis based upon an annualized payment of \$176,000.00 (but without ancillary medical and retirement benefits); and

WHEREAS, TLHCD and Consultant desire to enter into this Second Addendum regarding such CEO Services on a special project basis;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and other valuable consideration, the Parties agree as follows:

1. CEO Services

1.1 **Scope of CEO Services.** Consultant agrees, on an interim basis, to provide the CEO Services and shall have such duties, authority and responsibility as shall be determined from time to time by the Board, which duties, authority and responsibility are consistent with said position. In the provision of the foregoing, the CEO Services shall include, without limitation: (1) coordinating board meeting agendas and facilities and complying with all laws for noticing the same; (2) ensuring all revenues and expenditures of TLHCD are properly accounted for and reported; (3) ensuring that payroll and Human Resources issues are properly administered; (4) responding to requests by the public, TLHCD employed attorneys and auditors, and Adventist Health; (5) managing all TLHCD staff, including, without limitation, all part- and full-time employees working at Evolutions Fitness & Wellness Center; (6) maintaining TLHCD property and records; and (7) recommending actions that are likely to enhance TLHCD’s fiscal stability, further TLHCD’s mission, and realize the stated goals of the Board. This foregoing list is not meant to be exhaustive, and Consultant may be responsible for additional duties as

determined by the Board or as may be required to comply with or complete the enumerated responsibilities set forth above.

1.2 Restrictions on Scope of CEO Services. While serving as interim CEO, Consultant shall have no authority to do any of the following actions on behalf of TLHCD without the written consent of the Board:

- i. Grant any security interest on any asset of TLHCD.
- ii. Create any full-time/permanent TLHCD employment positions.
- iii. Enter into any lease transaction.
- iv. Sell or buy capital assets of or for TLHCD.
- v. Obligate TLHCD to any single expenditure exceeding \$25,000.00, or as otherwise authorized by the Board.

2. Authorized Time. TLHCD's expectation is that Consultant shall spend the equivalent of at least three (3) days per week providing the CEO Services; provided the Parties acknowledge that circumstances may require more or less time be spent in the provision of such services in a given week, including, without limitation, previously scheduled vacation and the day-to-day needs of TLHCD.

3. Compensation. Notwithstanding any provision of the Agreement to the contrary, TLHCD agrees to remunerate Consultant for the CEO Services, including any related travel, at a rate of \$84.62/hour, which represents an hourly rate for a forty hour week based upon an annualized payment by TLHCD of \$176,000.00. Consultant acknowledges that said compensation, in whole or in part, does not include and is in lieu of any benefits (healthcare, retirement, vacation, etc.) as Consultant is not an employee of TLHCD.

4. Term. This Second Addendum shall be effective on the Effective Date and terminate upon immediately upon written notice from TLHCD.

5. Conflict Between Second Addendum and Agreement. In the event of a conflict between this Second Addendum and the Agreement, this Second Addendum shall prevail. The Agreement shall otherwise remain unchanged and in full force and effect and is hereby ratified and confirmed in all respects by Consultant. Consultant's execution and delivery of, or acceptance of, this Second Addendum shall not be deemed to create a course of dealing or otherwise create any express or implied duty by any of them to provide any other or further amendments, consents or waivers in the future.

6. Rules of Construction. The terms of this Second Addendum have been negotiated by the Parties and the language used in this Second Addendum shall be deemed to be the language chosen by the Parties to express their mutual intent. This Second Addendum shall be construed without regard to any presumption or rule requiring construction against the Party

causing such instrument or any portion thereof to be drafted, or in favor of the Party receiving a particular benefit under the agreement. No rule of strict construction will be applied against any person or entity.

7. Agreed and Accepted. By signing below, each Party agrees and acknowledges that it/he/she has reviewed and accepted this Second Addendum.

8. Authority/Capacity. Each individual executing this Second Addendum on behalf of either Party represents and warrants that he or she is duly authorized to execute and deliver this Second Addendum on behalf of said Party. Each individual further represents and warrants to the other that (a) he/she has the requisite legal capacity and authority to enter into and fully perform each and all of its obligations under this Second Addendum, and (b) this Second Addendum does not in any way violate any covenant, contract, agreement, instrument or understanding by which such Party is bound.

IN WITNESS WHEREOF, the Agreement is executed by each Party's duly authorized signature effective as of the Effective Date.

“TLHCD”

“Consultant”

Tulare Local Healthcare District, a
Healthcare District formed under the
California Health and Safety Code

By: Kevin Northcraft
Its: President

Randy Consultant