

MuncieCommunitySchools

2500 N. ELGIN STREET • MUNCIE, IN 47303- 2241

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May 21, 2018

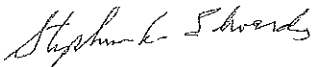
Courtney Schaafsma
Distressed Unit Appeal Board
100 North Senate, N-1058 B
Indianapolis, IN 46204

Dear Ms. Schaafsma:

I am requesting the Distressed Unit Appeal Board (DUAB) approve the proposed Second Amendment to the service agreement between Muncie Community Schools and Southeast Service Corporation d/b/a SSC Service Solutions (SSC), 1845 Midpark Rd., Ste. 201, Knoxville, TN 37921, for the 2018-2019 program year, July 1, 2018 – June 30, 2019. The proposal is \$3,556,289.40 for custodial and maintenance services.

The proposed amendment comes at a savings of \$26,925.60 over the current year contract. To achieve this savings, the negotiated contract renewal decreased the percentage of increase from 2.6% to 1.6%, terminated the leasing option for the vehicle supplied for the Superintendent and reduced two (2) part-time custodial positions and two (2) part-time grounds position. The overall savings for these actions is \$120,089.

Sincerely,



Stephen L. Edwards
Emergency Manager
Muncie Community Schools

Attachments: Proposed Second Amendment to Service Agreement between Muncie Community Schools and Southeast Service Corporation d/b/a SSC Service Solutions (May 2018)
Service Agreement between Southeast Service Corporation, d/b/a SSC Service Solutions and Muncie Community Schools (March, 2016)
Option Two: cost savings breakdown
Brain Lee (May 17, 2018) acknowledging addendum changes
Amendment to Service Agreement between Muncie Community Schools and Southeast Service Corporation d/b/a SS Service Solutions (June 5, 2017)

**SECOND AMENDMENT TO SERVICE AGREEMENT
BETWEEN
MUNCIE COMMUNITY SCHOOLS
AND
SOUTHEAST SERVICE CORPORATION
d/b/a SSC SERVICE SOLUTIONS**

This Second Amendment dated May 20, 2018, by and between Muncie Community Schools, located at 2500 N. Elgin Street, Muncie, IN 47303 (hereinafter referred to as "Client"), and SOUTHEAST SERVICE CORPORATION d/b/a SSC SERVICE SOLUTIONS located at 1845 Midpark Rd, Ste. 201, Knoxville, TN 37921 (hereinafter referred to as "Contractor").

WITNESSETH

WHEREAS, Client entered into a Service Agreement with Contractor dated March 19, 2016, as amended (hereinafter referred to as the "Agreement");

WHEREAS, the parties desire to make certain alterations, additions or deletions to Agreement, effective as of July 1, 2018 (the "Second Amendment Effective Date").

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, and intending to be legally bound hereby, the parties agree as follows:

1. Section 2.1, is hereby amended to reflect the change in the Annual Contract Price, which as of the Second Amendment Effective Date, is Three Million Five Hundred Fifty Six Thousand Two Hundred Eighty Nine Dollars and 40 Cents (\$3,556,289.40).

All other terms, conditions and stipulations contained in the Agreement shall remain in full force and effect and without any change or modification whatsoever, except in the event of any conflict between this Second Amendment and the first Amendment or Agreement, this Second Amendment will control. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed in the Agreement. This Second Amendment may be executed in one or more counterparts. Each counterpart shall be deemed an original, but all counterparts together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment on the date first written above.

MUNCIE COMMUNITY SCHOOLS

SOUTHEAST SERVICE CORPORATION

By: _____

By: _____

Name: _____
(Please Print)

Name: _____
(Please Print)

Title: _____

Title: _____

5/18/2018

Muncie Community Schools Mail - Addendum



Stephen Edwards <sedwards@muncieschools.org>

Addendum

1 message

Lee, Brian <Brian.Lee@sscscserv.com>
To: Stephen Edwards <sedwards@muncieschools.org>

Thu, May 17, 2018 at 4:23 PM

Mr. Edwards,
Attached is the latest addendum to reflect the savings that you have chosen.

- 1.6% CPI increase (not 2.6%)
- release of vehicle
- 4 PT positions removed

Please let me know if you have any questions.

Brian

Brian Lee | Regional Director of Operations, North East
215.237.8189 (c)



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Muncie ISD second amendment 5.16.2018.pdf
127K

Option Two:

Option Two	EXPLANATION	OPERATIONAL IMPACT <i>Moderate Pain</i>	ANNUAL \$ IMPACT
CPI Decrease	Decrease CPI increase from 2.6% to 1.6%	CPI increase of 2.6% = \$93,163.59 CPI increase of 1.6% = \$57,331.44 = Savings of \$35,832.15	\$35,832
Superintendent Vehicle	Terminate leasing option for Superintendent	24 months of \$1673.46 = \$40,163	\$40,163
Minor Staffing Cuts	Cut 2 PT custodial positions Cut 2 PT Grounds positions	2 PT Custodial positions at \$10/hr = \$27,840 2 PT Grounds positions at \$12.00/hr = \$16,254	\$44,094
		Total Savings	\$120,089



SERVICE AGREEMENT

This Service Agreement ("Agreement") is made as of the 19th of March 2016 ("Effective Date"), by and between SOUTHEAST SERVICE CORPORATION d/b/a SSC SERVICE SOLUTIONS ("Contractor"), a Tennessee corporation, whose principal office is located at 1845 Midpark Rd, Ste 201, Knoxville, TN 37921, and MUNCIE COMMUNITY SCHOOLS ("Client"), whose principal office is located at 2501 North Oakwood, Ave., Muncie, IN 47303.

1. Scope of Services; Appointment

1.1. Client hereby appoints Contractor and Contractor hereby agrees to perform the work described in Schedule 1, including supplying of any supplies and products incidental to the Services as set forth in Section 4 or Schedule 1 (the "Services") at the location(s) set forth on Schedule 2 (each, a "Facility"), upon the terms and conditions set forth herein.

1.2. During the performance of the Services Contractor hereby agrees to conform to and comply with Client's rules, regulations, procedural practices communicated by Client to Contractor in writing with written notification of any changes thereto.

1.3. Client may request, from time to time, that Contractor perform additional services hereunder pursuant to one or more written work orders (each, a "Work Order"). Each such Work Order shall be forwarded by Client to Contractor, and shall be deemed to be accepted by Contractor at such time as Contractor performs any of the services set forth in the Work Order. All Work Orders shall be governed by the terms of this Agreement, and shall be deemed to be incorporated into and made a part of this Agreement by this reference. Prices for Work Orders and other additional services are as set forth on Schedule 3.

2. Invoices; Payment

2.1. Contractor will provide the Services in accordance with these contract terms and the scope of work identified in Schedule 1 for Three Million Eight Hundred Fifty Two Thousand Four Hundred Fifty Four Dollars and No Cents (\$3,852,454.00) per year ("Annual Contract Price"). The Annual Contract Price shall be subject to adjustment in accordance with this Agreement.

2.1.1. Start-Up Price. Contractor shall incur start-up costs in the amount of \$229,433.00 (the "Start-Up Price"). The Start-Up Price is included in the Annual Contract Price and shall be amortized over the initial five (5) year term of this Agreement. If this Agreement is terminated by either party for any reason prior to five (5) years following the Effective Date, any unamortized balance remaining for the Start-Up Price shall be paid to Contractor by Client on or before the date of termination.

2.1.2. Equipment Payments. Contractor shall purchase an inventory of equipment in the aggregate amount of \$120,762.00 prior to the commencement of Services hereunder, and is included in the Annual Contract Price and shall be amortized over the initial four (4) year term of this Agreement. If this Agreement is terminated by either party for any reason prior to four (4) years following the Effective Date, any unamortized balance remaining for the cost of the equipment purchased hereunder shall be paid to Contractor by Client on or before the date of termination.

2.1.3. Title to Equipment. Title to equipment purchased by Contractor pursuant to Section 2.1.2 above shall remain with Contractor until full amortization of such equipment (or, if this Agreement is terminated prior to full amortization of such equipment, after the Client pays the amounts due to Contractor pursuant to Section 2.1.2). Contractor shall remain the owner of any other equipment it purchases for use at Client unless the Client reimburses Contractor for the full cost of such equipment (at which point title to such equipment shall vest in the Client). Notwithstanding anything to the contrary, all computer software and hardware furnished by or through Contractor shall remain the property of Contractor (even if fully depreciated).

2.1.4. Investment. Contractor will fund an investment in the Client's facility in a total sum of Seven Hundred Fifty Thousand Dollars and No Cents (\$750,000.00) (the "Investment") within thirty (30) days of receipt of full execution of this Agreement. The Investment will be disbursed and amortized on a straight line basis from March 2016 through February 2021. If the Agreement expires or is terminated by either party for any reason prior to the full amortization of the Investment, the Client is liable for and promises to pay to Contractor the unamortized portion of the Investment on or before the date of expiration or termination.

2.2. Invoicing. The Annual Contract Price will be invoiced in equal monthly installments of 1/12th of the total Annual Contract Price. The first installment payment shall be due on the last day of the month following the Effective Date with all subsequent installment payments due on or before the last day of the month for each month of Service thereafter.

2.3. Records. Contractor shall maintain complete and accurate records of all amounts billed to Client and Payments made by Client in accordance with generally acceptable accounting practices. Contractor shall retain such records for a period of four (4) years from the date of Contractor's receipt of payment. Client agrees to provide Contractor with reasonable supporting documentation concerning any disputed amount upon Contractor's request.

2.4. Non Payment: In the event that Client does not make payments on or before the dates due under this Agreement, Client agrees to pay interest at the rate of one and one-half percent (1.5%) per month (provided that if such rate exceeds the maximum permitted by law, then the highest lawful rate) of the amount due until Contractor receives payment in full, and Contractor may, at Contractor's option, terminate this Agreement at any time after giving seven (7) days' prior written notice to Client unless all overdue amounts are paid before the end of the notice period. In addition, Client agrees to pay any damages suffered by Contractor in connection with the collection of amounts due and/or termination of this Agreement, including but not limited to, any attorney fees and costs or any liability under the Worker Adjustment and Retraining Notification Act or similar state or local law.

2.5. Payment Terms During Notice Period. Upon the issuance of a notice of termination, Client will pay all amounts due to Contractor on or before the date of termination.

2.6. Taxes. Notwithstanding the fact that Client may be a tax-exempt entity, Client will be responsible for payment of any sales, use, excise, value-added, personal property, export, import, withholding, transaction privilege, or similarly imposed taxes (collectively, "Taxes") assessed or imposed by any tax authority with respect to the payments Client makes to Contractor under this Agreement (except for any taxes based on Contractor's net income or employees). The pricing set forth in any Agreement, as amended from time-to-time by the parties, does not include any Taxes. Client agrees that, if at any time during or after the Term, any tax authority asserting jurisdiction over Client or any Facility assesses liability for Taxes, imposes one (1) or more Taxes or revokes (through legislation or agency decision) any tax exemption previously relied upon by Client, Client shall assume full responsibility for and make all payments of any and all Taxes due.

3. Service Fee Adjustments.

3.1. Annual Inflation Adjustment: At the end of each year of this Agreement, the Annual Contract Price and any other fees in the Agreement ("Service Fees") shall be increased by an amount equal to the greater of: (i) Consumer Price Index -W, Less Food and Energy, for the most recently published twelve (12) month period, as published by the U.S. Department of Labor, Bureau of Labor Statistics or (ii) Employment Cost Index, Private Industry, Compensation, Not Seasonally Adjusted - CIU201000000000A. Should the applicable inflation rate over the most recently published twelve (12) month period decrease, the Service Fees shall not change from the previous year.

3.2. Change in Services: Should the Client request a change in Services for reason of a change in Service tasks or frequencies to be performed, a significant change in Facility occupancy or a significant change in the square footage or use of the Facility, or any other similar change in Services, and should such change in Services result in an increase or decrease in costs to Contractor, the Annual Contract Price shall be increased or decreased by the actual changes in costs to Contractor, such increases taking effect from the date of the change in Services.

3.3. Labor Changes: The Service Fees will be subject to change in the event of (i) a change to existing or new federal, state or local payroll taxes (including changes to any payroll based taxes or withholdings such as FICA, SUI and FUI); (ii) a change related to unionization of Contractor employees at a Facility (whether an initial collective bargaining agreement, amendments to an existing collective bargaining agreement, or the negotiation of a subsequent, successor collective bargaining agreement); (iii) an increase in the minimum wage rate or the enactment of any "living wage" laws by any governmental entity; and/or (iv) new or additional fees, taxes, assessments or other charges or costs incurred by Contractor arising out of changes to existing or new federal, state or local legislation or legal requirements. The Service Fees will be increased to account for the change in such costs effective from the date such changes impose additional costs on Contractor.

4. Termination of Agreement. Either party may terminate this Agreement for any reason upon sixty five (65) days prior written notice to the other party.

5. Term. This Agreement shall become effective on the Effective Date and shall remain in effect for an initial period through June 30, 2021. Thereafter, this Agreement will automatically renew on a one (1) year basis ("Renewal Term") unless either party provides written notice at least ninety (90) days prior to the expiration of the initial Term, or any Renewal Term, of its election not to renew this Agreement.

6. Confidentiality. The parties agree to keep strictly confidential at all times during the term of this Agreement and thereafter, all non-public business information which may be provided by one party to the other party or its employees, directors, officers, or agents ("Representatives") in the course of the performance of this Agreement. The parties shall advise

all of their Representatives of the obligations contained herein and shall ensure such Representatives' compliance with such obligations. This restriction includes, but is not limited to, the terms and conditions of this Agreement, business plans, prices, product/service specifications, prototypes, computer programs, sales data, models, marketing plans, financial data, personnel statistics and the like, as well as confidential specifications, drawings, sketches, data or technical business information ("Confidential Information"). Notwithstanding the above or any language to the contrary contained in this Agreement, the term "Confidential Information" shall specifically exclude information which (i) was known to the receiving party before receipt, directly or indirectly, from the disclosing party; (ii) is lawfully obtained, directly or indirectly, by the receiving party, from anyone, under no obligation of confidentiality; (iii) is or becomes publicly available other than as a result of an act or failure to act by the receiving party; (iv) is approved for release in writing by the disclosing party or (v) is required by law, court order, or judicial process to be disclosed. All Confidential Information shall be used by the parties solely in connection with this Agreement, and all Confidential Information of a party in the possession of the other party shall be returned upon the termination of this Agreement. Nothing in this Agreement is intended in any way to prohibit the disclosing party from seeking injunctive relief or other equitable or legal remedy to protect against the release of its Confidential Information.

7. **Non-Solicitation.** The parties agree that at no time during the term of this Agreement or for a period of two (2) years immediately following the expiration of this Agreement for any reason, will they, or their respective agents or representatives, attempt to recruit, employ, or use the services of, directly or indirectly, including employment by any successor contractor Client may contract with to perform the Services, any salaried (exempt) employee of the other party or anyone who has, as a past salaried (exempt) employee of the other party, provided services under this Agreement. If a party, its agent or representative should hire a salaried (exempt) employee (or past salaried (exempt) employee as defined above) of the other party without prior written approval, it agrees to reimburse the other party an amount equal to two (2) years of such employee's then current salary (or, in the case of past employees, such employee's salary immediately prior to termination). Notwithstanding the foregoing, this non-solicitation provision shall not apply to salaried (exempt) employees of Contractor who were employed by Client immediately prior to the Effective Date.

8. **Independent Contractor.** The parties agree that the relationship between Contractor and Client arising from this Agreement is that of independent contractor. Except for the rights retained by or granted to, and the obligations undertaken by each party pursuant to this Agreement, neither has any right or any authority to enter into any contract or undertaking in the name of or for the account of the other, nor shall the acts or omissions of either create any liability for the other. The parties shall conduct their business at their own initiative, responsibility and expense. All persons furnished by Contractor to perform the obligations required or permitted under this Agreement shall be considered solely Contractor employees. Client shall have the right to require the replacement of any Contractor employee employed on Client's premises whose continued presence, in the opinion of the individual designated by Client as having oversight over this Agreement, is not in the best interest of Client, its students or staff, provided that such request for replacement does not contravene statutes, regulations, ordinances and other legal requirements, to the extent applicable to the Services ("Applicable Laws"), is reasonably justified in writing, and Contractor is first given an opportunity to respond and address such issues consistent with this Agreement. Contractor's obligation to comply with any such request shall also be subject to restrictions imposed upon Contractor by any collective bargaining agreement or other contract affecting such employee. Nothing herein shall be construed creating the relationship of principal and agent or partners or co-ventures.

9. **Indemnification.** Each party shall indemnify, defend and hold harmless the other party and its directors, officers, agents and employees, with respect to any and all liabilities, losses, claims, suits, damages, taxes, charges and demands to the extent of the indemnifying party's negligent acts or omissions. The indemnifying party shall not have an obligation to indemnify, defend and hold harmless the indemnified party for any liabilities, losses, claims, suits, damages, taxes, charges or demands to the extent of any negligent acts or omissions of the indemnified party.

10. **Limitation of Liability.** Contractor's total liability for damages, or otherwise, resulting from its performance or nonperformance under this Agreement or with regards to any obligations/responsibilities herein shall not exceed the gross revenue received under this Agreement for the first year of this Agreement in damages in the aggregate over the term of this Agreement. Neither party will be liable to the other party or its representatives for special, indirect or consequential damages, including lost profits, whether or not foreseeable, or punitive damages.

11. **Federal, State and Local Rules and Regulations.** Contractor and Client agree to comply with all Applicable Laws.

12. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

13. **Insurance.** Each party shall at all times during the term of this Agreement, at its own cost and expense, carry and maintain Worker's Compensation, General Liability, Automobile Liability, in the following amounts:

13.1. Commercial General Liability written on an occurrence coverage form, naming the other party as additional insured.

General Aggregate (other than Prod/Comp Ops Liability)	\$2,000,000
Products / Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury Liability	\$1,000,000
Each Occurrence	\$1,000,000

13.2. Automobile Liability covering all owned, leased, or rented vehicles with property damage and bodily injury coverage naming the other party as additional insured with combined single limits of One Million Dollars (\$1,000,000.00). Workers' Compensation (Statutory) and Employers' Liability with minimum limits of

Bodily Injury by Accident	\$1,000,000 each accident
Bodily Injury by Disease	\$1,000,000 policy limit

13.3. Bodily Injury by Disease \$1,000,000 each employee Excess Liability with limits of

Aggregate	\$5,000,000
Each Occurrence	\$5,000,000

13.4. Each party shall, at the other party's request, provide a Certificate of Insurance evidencing this coverage. Each party shall provide a waiver of subrogation on their General Liability, Automobile Liability and Workers' Compensation coverage.

13.5. Contractor shall require its subcontractors and vendors to carry insurance appropriate to the services which they are performing in Contractor's sole discretion.

14. **Notices.** All notices and communications concerning this Agreement shall be addressed to:

If to Client:

Muncie Community Schools
 Attn: [CLIENT REPRESENTATIVE]
 2501 North Oakwood, Ave.
 Muncie, IN 47303

If to Contractor:

Southeast Service Corporation
 Attn: President
 1845 Midpark Road, Suite 201
 Knoxville, TN 37921

With a copy to:

Southeast Service Corporation
 Attn: General Counsel
 1500 Liberty Ridge Drive, Suite 210
 Wayne, PA 19087

or at such address as may be designated in writing to the other party.

Notices shall be sent by registered or certified U.S. Mail, or by commercial overnight delivery service and shall be deemed delivered to the recipient's address on the date of return receipt acknowledgment, in the case of notices sent via U.S. Mail; or on the next day after the date the notice was sent, in the case of notices sent by overnight delivery service.

15. **Force Majeure.** Neither party hereunder shall be liable to the other for failure to perform when such failure is caused by unforeseeable force majeure circumstances, including any strike, lockout, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, failure of power, restrictive governmental laws and regulations, riots, insurrections, war, fuel shortages, accidents, casualties or acts of God. The parties agree that under such conditions, Contractor will work with the Client in good faith to provide services and develop appropriate responses and courses of action, as is practical and reasonable under the circumstances. If Client requests that Contractor provide the Services during a force majeure event, then any financial or performance guarantees or incentive penalties to Contractor will not apply under these conditions and instead the Client will be responsible for, and hold Contractor harmless from, all costs and expenses associated with the services, responses, courses of action, and operations, whether directly or by reimbursement to Contractor.

16. **Provision of Office and Storage Space.** Client shall provide Contractor with adequate and appropriate office and storage space, office furniture and equipment for such space in the primary area of each Facility.

17. **General Provisions.**

17.1. **Entire Agreement; Conflict in Terms.** This Agreement and the Schedules attached hereto constitute the entire and exclusive agreement between the parties pertaining to the subject matter hereof and supersede all prior practice, agreements, understandings, negotiations and discussions with respect to the subject matter hereof whether oral or written. In the event of a conflict in terms between the Agreement and the Schedules attached hereto, the Agreement shall control.

17.2. Modifications. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by each of Contractor and Client's authorized representatives.

17.3. Severability. The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein contained and any such invalid provision covenant shall be deemed to be severable.

17.4. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of Indiana without regard to its choice of law provisions. The parties agree that any legal suit, action or proceeding in equity, arising out of or relating to this Agreement shall be governed by the substantive law of the State of Indiana without reference to its principles of conflicts of laws.

17.5. Execution. This Agreement and any amendments thereto may be executed in one or more counterparts. Each counterpart shall be deemed an original, but all counterparts together constitute one and the same instrument.

17.6. Contractor Vendors. In connection with Services provided hereunder, Contractor shall purchase any inventory, equipment, and services it is responsible for providing hereunder from various sellers and vendors selected by Contractor at its sole discretion. Client accepts that Contractor may receive volume, trade or cash discounts or volume allowances for items or services purchased as part of providing Services under this Agreement and that those discounts/ volume allowances will accrue to Contractor and will not be credited back to Client.

17.7. Survival. Upon cancellation, expiration or termination, all rights and obligations under this Agreement will end (except for amounts due under the terms of this Agreement and the provisions of Sections 7, 8, 10 and 11).

17.8. Limitation of Claims. Claims of either party will be presented in writing to the other party within one (1) year of the termination of the Agreement or they will be forever barred.

17.9. Contractor Code of Conduct. Contractor strives to demonstrate high ethical standards in its business practices. The Contractor Code of Conduct, available for review at <http://compass-usa.com/Pages/Code-of-Ethics.aspx>, contains the minimum standards by which the parties are expected to conduct themselves when performing their respective obligations under this Agreement.

17.10. Unlawful Discrimination. Neither party will discriminate in any unlawful manner. Any changes necessary to the physical facilities to comply with the Americans with Disabilities Act will be the Client's responsibility. **The parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sexual orientation, gender identity, sex, or national origin. Moreover, these regulations require that the parties take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sexual orientation, gender identity, sex, national origin, protected veteran status or disability.**

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed by their duly authorized representative on the date first written above.

MUNCIE COMMUNITY SCHOOLS

By: Michael M. Henry

Printed Name: Michael M. Henry

Title: Muncie Community Schools Board President

Date: 3/14/16

By: Beverly Kelley

Printed Name: BEVERLY Kelley

Title: Muncie Community Schools Board Secretary

Date: 3-14-16

SOUTHEAST SERVICE CORPORATION

By: _____

Printed Name: _____

Title: _____

Date: _____

SCHEDULE 1
Specifications

1. Custodial Specifications shall be as set forth in Schedule 1-A
2. Facilities Specifications shall be as set forth in Schedule 1-B.
3. Grounds Specifications shall be as set forth in Schedule 1-C

Schedule 1-A
Custodial Specifications

1. **Allocation of Costs Between the Parties.** Responsibilities for the cost of the items relating to the Services are indicated below (indicated by placing an "X" in the appropriate space).

	<u>Contractor</u>	<u>Client</u>
Janitorial supplies	X	
Janitorial Equipment provided by Client replacement and repair		X
Janitorial Equipment provided by Contractor replacement and repair	X	
Paper Towels and Toilet Paper	X	
Hand Soaps	X	
Dispensers for hand soap, paper towels, toilet paper and all restroom/hand washing supplies		X
Plastic Liners for Waste Containers	X	
Waste Containers		X
Uniforms (provided to Contractor employees)	X	
Contractor employee background security checks	X	
Vandalism		X
Utilities		X
Internet Access		X

2. Custodial Specifications.

Cleaning Specifications

All Facilities	Daily <small>(five (5) days per week)</small>	Weekly	Monthly <small>(performed on the last Friday of each month)</small>
Exterior of Buildings	Remove trash from Grounds		
	Sweep entrances		
	Sweep sidewalks		
Classrooms	Empty waste baskets and replace liners	Low dust horizontal surfaces ⁶	High dust horizontal surfaces ⁶
	Spot clean all windows	High dust horizontal surfaces ⁶	Remove dust and cobwebs from ceiling areas
	Clean and sanitize counters and sinks	Damp clean baseboards	Dust blinds
	Dust mop composition floors ¹	Damp clean window ledges	
	Spot mop composition floors ²	Wet mop	
	Vacuum all carpet and walk-off mats	Remove fingerprints from areas ⁶	
	Spot clean carpet		
	Clean chalkboards/trays		
Offices	Empty waste baskets and replace liners	Low dust horizontal surfaces ⁶	High dust horizontal surfaces ⁶
	Dust furniture, including desks, chairs and tables	Damp clean baseboards	Remove dust and cobwebs from ceiling areas
	Dust interior window ledges	Damp clean window ledges	Dust Venetian blinds
	Dust telephones	Remove fingerprints from areas ⁶	
	Spot clean window glass and glass partitions ³		

	Spot clean desk tops		
	Dust mop composition floors ¹		
	Spot mop composition floors ²		
	Vacuum carpet and walk-off mats		
	Spot clean carpet		
Lounge	Empty waste baskets and replace liners	Low dust horizontal surfaces ⁶	High dust horizontal surfaces ⁹
	Dust furniture ⁴	Damp clean baseboards	Remove dust and cobwebs from ceiling areas
	Dust interior window ledges	Remove fingerprints from areas ⁶	
	Dust telephones		
	Spot clean window glass and glass partitions ³		
	Damp clean counter tops		
	Damp clean vending machines		
	Dust mop composition floors ¹		
	Spot mop composition floors ²		
	Vacuum carpet and walk-off mats		
	Spot clean carpet		
	Vacuum walk-off mats		
Library	Empty waste baskets	Replace all plastic liners in waste baskets	High dust horizontal surfaces ⁹
	Dust furniture ⁴	Low dust horizontal surfaces ⁶	Remove dust and cobwebs from ceiling areas
	Dust interior window ledges	Dust all bookshelves (books to remain in place)	
	Spot clean window glass and glass partitions ³	Damp clean baseboards	
	Spot clean desk tops	Damp clean window ledges	
	Dust mop composition floors ¹	Remove fingerprints from areas ⁶	
	Spot mop composition floors ²		
	Vacuum all carpet and walk-off mats		
Spot clean carpet			
Common Areas	Spot clean glass partitions and doors	Damp clean baseboards	High dust horizontal surfaces ⁹
	Clean and sanitize water fountains	Damp clean window ledges	Remove dust and cobwebs from ceiling areas
	Dust interior window ledges	Dust locker tops	
	Dust mop composition floors ¹	Spray buff composition floors (semi-weekly)	
	Spot mop composition floors ²		
	Vacuum carpet and walk-off mats		
	Spot clean carpet		
Restrooms/ Dressing Rooms	Clean under entrance mats (inside and outside)		
	Check restrooms throughout the school day	Low dust horizontal surfaces ⁶	High dust horizontal surfaces ⁹
	Empty waste baskets and replace liners	Damp clean baseboards	Remove dust and cobwebs from ceiling areas
	Clean, sanitize and polish all vitreous fixtures ⁵	Remove fingerprints from areas ⁶	Wash and sanitize metal partitions

	Clean and polish chrome fittings		Machine scrub floors with germicidal disinfectant
	Clean and sanitize toilet seats		
	Clean and polish glass and mirrors		
	Wash and sanitize exterior of containers		
	Dust metal partitions		
	Remove spots, marks, stains and splashes from walls		
	Spot clean metal partitions		
	Sweep floors		
	Damp mop floors with germicidal disinfectant		
	Re-supply expendable restroom dispensers		
Multi-Purpose/ Gymnasium	Empty waste baskets	Replace all plastic can liners in waste baskets	High dust horizontal surfaces ⁹
	Remove fingerprints from areas ⁶	Low dust horizontal surfaces ⁸	
	Dust mop floors ⁷	Sweep baseboards	
	Spot mop composition floors		
Cafeteria	Empty trash cans	Remove fingerprints from areas ⁶	High dust horizontal surfaces ⁹
	Replace all plastic liners	Low dust horizontal surfaces ⁸	
	Clean well around trash cans	Damp clean baseboards and window ledges	
	Dust mop/sweep floors	Spray buff all composition floors (semi-weekly)	
	Damp mop floors		
	Vacuum walk-off mats		
	Clean water fountains		

1. All composition floors are dust mopped with a chemically treated mop.
2. All composition floors are spot mopped with all-purpose cleaner.
3. All window and glass partitions are spot cleaned to hand height (70"). Not to exceed 12 feet.
4. Desks, chairs and tables will be included in the furniture dusting.
5. Vitreous fixtures that will be cleaned, sanitized and polished include toilet bowls, urinals and hand basins.
6. Fingerprints will be removed from doors, frames, light switches, kick plates, push plates, handles and railings, where applicable.
7. Gymnasium floors will be dust mopped with a chemically treated mop per manufacturer's specifications.
8. Low dusting will be done to hand height (70").
9. High dusting will be done above hand height (70") and will include shelves, ceilings, moldings, pipes, ducts, heating outlets, etc.

Annual & Semi-Annual Deep Clean Specifications

All Facilities	Summer Break
Classrooms	Wash all windows and glass partitions (both sides)
	Strip and wax tile floors
	Deep clean all carpeting
	Clean and sanitize surfaces, tops and bottoms of student's desks and chairs
	Clean and sanitize counters and sinks
	Clean chalkboards/trays
	High dust horizontal surfaces/Drop and clean light fixtures
	Remove dust and cobwebs from ceiling areas
	Dust blinds/air vents
Offices	Wash all windows and glass partitions (both sides)
	Deep clean all carpeting
	Dust furniture, including desks, chairs and tables
	Dust interior window ledges
	Dust blinds/air vents
	High dust horizontal surfaces/Drop and clean light fixtures
Lounge	Strip and wax tile floors
	Damp clean all washable furniture
	Deep clean all carpeting
	Dust blinds/air vents
	High dust horizontal surfaces/Drop and clean light fixtures
	Wash all windows and glass partitions (both sides)
	Clean and sanitize counters and sinks
Library	Deep clean all carpeting
	Damp clean all washable furniture
	Dust blinds/air vents
	High dust horizontal surfaces/Drop and clean light fixtures
	Wash all windows and glass partitions (both sides)
	Dust furniture, including desks, chairs and tables
Common Areas	Refinish all composition floors (semi-annually)*
	Deep clean all carpeting
	Clean lobby windows (semi-annually)*

	Clean and sanitize water fountains
	Dust interior window ledges
	Deep clean all carpet and walk-off mats
Restrooms/ Dressing Rooms	Machine scrub floors with germicidal disinfectant (semi-annually)*
	Clean, sanitize and polish all vitreous fixtures ⁵
	Clean and polish chrome fittings
	Clean and sanitize toilet seats
	Clean and polish glass and mirrors
	Wash and sanitize exterior of containers
	Clean and sanitize partitions/remove graffiti
	Scrub and sanitize walls
	High dust horizontal surfaces/Drop and clean light fixtures
Multi-Purpose/ Gymnasium	Wash all windows and glass partitions
	Strip and wax tile floors
	Screen and re-coat hardwood gym floors (available at an additional cost)
Cafeteria	Refinish all composition floors (semi-annually)*
	Deep clean all carpeting
	Wash all windows and glass partitions (both sides)
	Clean and sanitize water fountains
	Dust interior window ledges
	Dust blinds/air vents
	Clean and sanitize surfaces of tables and chairs

*Semi-annual cleanings will take place during summer and Christmas breaks.

Schedule 1-B
Facilities Specifications

1. **Allocation of Costs Between the Parties.** Responsibilities for the cost of the items relating to the Services are indicated below (indicated by placing an "x" in the appropriate space).

	<u>Contractor</u>	<u>Client</u>
Maintenance supplies for projects valued over \$2500 in labor and parts		X
Maintenance supplies for projects valued under \$2500 in labor and parts	X	
Maintenance Equipment provided by Client fuel, replacement and repair		X
Maintenance Equipment provided by Contractor fuel, replacement and repair	X	
Uniforms (provided to Contractor employees)	X	
Contractor employee background security checks	X	
Vandalism		X
Utilities		X
Internet Access		X

2. Facility Maintenance Specifications

A. General Responsibilities

1. Direct and coordinate the activities and employees of the maintenance department including departmental safety.
2. Ensure department compliance with applicable regulations, statutes and codes with Authority Having Jurisdiction (AHJ).
3. In concert with the Client, secure required permits and coordinate activities with the appropriate local authorities.

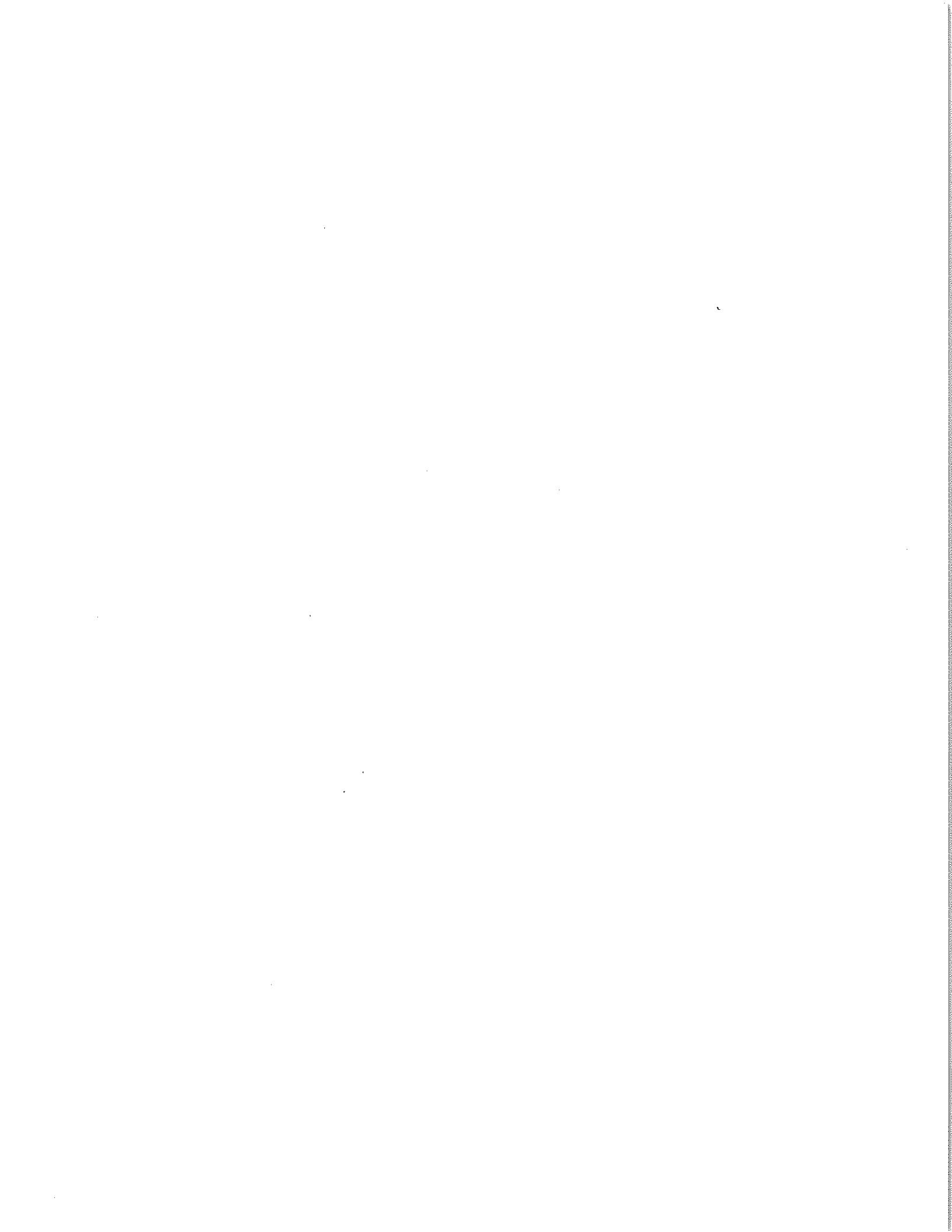
B. Administration

1. Coordination with other departments for the procurement and maintenance of property and utility services.
2. Assist in preparation of maintenance department budget.
3. Process work requests, prepare maintenance cost estimates, plan and schedule work, control inventory, materials and equipment and maintain all related labor and equipment records.
4. Manage parts, material and equipment for which the maintenance department is held accountable.
5. Prepare appropriate equipment records, reports, statistics and recommendations on maintenance activities.
6. Solicit and administer Client contracts within the scope of Contractor's responsibilities.
7. Plan, coordinate and schedule predictive and preventive maintenance programs for structures, utilities and equipment.
8. Maintain appropriate records pertaining to labor under the jurisdiction of the maintenance operations department.
9. Review and recommend for approval as appropriate all bids and submissions for maintenance contract work.

C. Computerized Maintenance Management Information System

Operating system: Contractor shall provide a state-of-the-art computerized management information system that will be utilized as part of Contractor's program. Contractor's software program shall have the capacity to perform the following functions:

1. Web based work order request system
2. Mobile dispatching utilizing smart phone or tablet technology
3. Schedule, track, and complete PM work orders.
4. Schedule, track, and complete CM work orders.
5. Scheduling of staff.
6. Maintain employee training records and competency assessments.
7. Equipment inventory and maintain a list of all equipment by location, descriptive type, model #, date of purchase, purchase cost, etc.
8. Provide equipment repair history with associated costs.
9. Provide service contacts with detailed information regarding expiration and costs.
10. Provide OEM or equivalent specifications for PM's and or CMs on equipment.



11. Provide a parts inventory module.
12. Provide a one-year capital replacement plan on major pieces of mechanical equipment or building structure.
13. Provide on-line support for software.
14. All reports pertaining to equipment, their history, floor plans, and designs; personnel management; and policy and procedures specifically designed for Client shall remain property of Client.
15. The automated information system shall have the capacity to generate various reports (i.e. by user area, buildings, system/class/object, historical repairs and cost information on each piece of equipment).

D. Fire and Life Safety Protection

1. Manage ongoing Inspections of buildings, fire protection systems and areas to detect and eliminate fire, safety, health and security hazards.
2. Assure that compliance is achieved by informing Client regarding any compliance deficiencies with applicable life safety and building codes and regulations.
3. Participate in Client's fire, emergency response and recovery plans of all Client facilities.

E. Building and Systems Maintenance

Contractor shall supervise, administer, and perform (where self-performance of maintenance is possible) the preventive maintenance and operation of building systems and infrastructure equipment, listed below ("Covered Equipment"). Contractor shall maintain Covered Equipment per standard industry practices.

- HVAC systems, including chillers, boilers, pumps, fans, cooling towers, drives and motors, and all control systems
- Electrical systems, ballasts and lighting, power distribution, emergency generators, and distribution systems.
- Parking, yard, and exterior building lighting
- Domestic water systems and pumps
- Hot water storage tanks and related controls
- Storm and waste water drainage systems
- Sewage ejectors and sump pumps
- All other utility systems and components for electricity, water, steam, gas, oil, compressed air, etc.
- Fire protection and sprinkler systems and associated alarms, pumps, valves and controls
- Elevators, escalators and other vertical lifting devices
- Local temperature control systems, excluding building automation systems (BAS), where physically located within the Facilities
- Water treatment systems within the Facility
- General electrical systems maintenance, excluding improvements and additions of services
- General plumbing systems maintenance, excluding improvements and additions of services
- Exterior building maintenance and repair

The Annual Contract Price excludes any third party vendor contracts required to perform maintenance on the Covered Equipment. The parties shall mutually agree in writing if any third party vendor contracts are to be entered into by Contractor. Such contracts shall be billed according to the management fee for third party vendors set forth in Schedule 3.

F. Statement of work exclusions:

The following are specifically excluded from the Statement of Work and Annual Contract Price ("SOW Exclusions"). Contractor may perform SOW Exclusions at the hourly rates set forth in Schedule 3 if mutually agreed between the parties.

1. Any repair or maintenance activities for Covered Equipment valued at over \$2500.00 in self-performed labor and materials.
2. Client vehicles and client vehicle maintenance.
3. Costs of maintenance or services for campus buildings not included in Schedule 2.
4. Large shop tools and inventories of parts and supplies, provided by Client as of the Effective Date (provided such will be available to be re-deployed or used by Contractor and will remain Client's property), except if repairs or replacement of large shop tools are required due to the negligence of Contractor.

5. Uninterruptible power systems (UPS).
6. **"Special Project"** - defined as WO or projects which conform to one or more of the below Special Project Classifications.

All Special Projects will be submitted to Client administration for approval using a project requisition form supplied by Contractor; the content and procedure associated with the project requisition form will be mutually agreed to by both parties.

All work self-performed by Contractor resident staff labor for Special Projects shall be billed at the rates listed in Schedule 3. Special Projects performed by Contractor resident staff shall not exceed 208 hours per year per employee of their available paid regular hours under the Agreement on a monthly basis, so that it will not detract from the quality standard of plant operations and maintenance services Contractor will be providing.

Special Project Classifications:

- a. Projects or maintenance for equipment or systems not included in the Covered Equipment.
- b. Deferred maintenance on Covered Equipment.
- c. Replacement or improvement projects of any Covered Equipment. Installation/construction that upgrades or modernizes the Covered Equipment to meet new technology or standards, thereby extending its useful life.
- d. Discretionary construction, alterations or improvements to the Facilities, including, but not limited to, cosmetic painting projects (change of color or design scheme), additions or relocations of electrical, plumbing, or mechanical fixtures for convenience or other non-functional purposes, installation of art or aesthetic objects, and similar activities.
- e. All testing, monitoring, abatement and remediation of hazardous materials and environmental conditions.
- f. Provision of furnishings and fixed equipment that did not previously exist.
- g. Piping and electrical trace and reroute support for construction services projects.
- h. Maintenance painting of any areas requested more than once a year.
- i. Carpentry cabinets/millwork projects and the replacement of doors, door hardware, and cabinetry.
- j. Unplanned and unbudgeted projects associated with, or required for regulatory compliance beyond the control of Contractor.
- k. Repairs resulting from vandalism, catastrophe, floods, fires, or acts of God.

Schedule 1-C
Grounds Specifications

1. **Allocation of Costs Between the Parties.** Responsibilities for the cost of the items relating to the Services are indicated below (indicated by placing an "x" in the appropriate space).

	Contractor	Client
Grounds Equipment provided by Contractor replacement and repair	X	
Grounds Equipment provided by Client replacement and repair		X
Fuel		X
Uniforms (provided to Contractor employees)	X	
Contractor employee background security checks	X	
Vandalism		X
Utilities		X
Internet Access		X
All grounds supplies, including snow (mulch, fertilizer, salt, etc.)		X

2. **Landscape / Lawn Management Specification**

General Lawn Maintenance / Mowing

Provide basic Mow, Edge and Trim of lawns (MET) during the active growth season. Mowing to include cutting of all lawns/ athletic fields on a continual rotation of no less than ten (10) calendars between service. Each service (cut) all areas inaccessible by a mower or fixed objects will be trimmed with a non-filament line trimmer. Walks and curbs will be edged with a steel blade edger with each service (cut).

Included in mowing service:

- Mow
- Edge
- Trim

Policing campus and removal of any debris including paper, rocks, cups or any object that could become a projectile.

Grounds will also provide light trimming of trees up to fifteen feet (15') from ground with hand tools and shearing/ pruning of shrub to maintain current design intent. Any trimming of trees required above fifteen feet (15') will be performed by a licensed arborist.

Other services provided by grounds personnel may include lining of intramural fields/ field day or other items as directed by the Director of Grounds.

Snow/Ice Removal

1) Contractor employees will plow snow at inception of snow fall until the Client campus is cleared with reasonable time allowed for rest periods. Contractor shall commence snow plowing services when snow accumulation reaches two (2) inches. If snow accumulation is less than two (0-2) inches, Contractor shall initiate a De-ice service if snow or ice is accumulating and in some cases pre-treatment may be needed. During the time periods when Contractor employees are removing snow, they are not performing routine maintenance/ grounds tasks and work order completion during these time periods may be delayed.

2) Client shall provide all snow and ice melt products. Client shall provide proper storage space (indoor or hut based on volume). Contractor would be responsible for notifying Client of product storage needs.

3) Any and all equipment and/or third party contractors required for excessive snow removal that cannot be handled by typical equipment used daily in maintenance and grounds operations is the fiscal responsibility of Client. In addition, if snow accumulates to a depth which prevents Contractor from providing proper ingress and egress as well as enough areas in Client parking lots, a third party contractor shall be required to remove and haul the snow away or relocate on site (which ever may be more cost effective) at the fiscal responsibility of Client.

4) If snow accumulation reaches a point that it must be removed from roofs of any structures the Contractor will not be responsible for labor or supplies. In lieu of Contractor self-performing, Contractor will supply bids for a third party contractor that is equipped to properly remove snow per OSHA and safety standards and will be the fiscal responsibility of the Client but managed by Contractor.

5) Icicle removal from building eaves is required, Contractor's employees may remove any icicles they can reach from the ground with typical grounds or maintenance equipment such as pole pruners, extended handle tools but not to exceed two stories. Contractor's employees will not remove icicles from roof level. If Client owns buildings/ structures that require icicle removal from a greater height than that described above, Contractor will supply bids for third party contractor that is equipped to properly remove icicles per OSHA and safety standards and the cost will be fiscal responsibility of the Client but managed by Contractor.

6) Client understands that snow plowing, by its very nature, involves pushing a steel blade over the surface of the pavement. If pavement is defective, deteriorated, weakened, frost heaved, or, was installed improperly, the results of this previous damage are more likely to appear after snow plowing. Contractor is not responsible for any damages to pavement, ground cover, landscape lighting, concrete, vehicles, curbs, utilities, or other features of the landscape that are typically encountered when plowing, except due to the negligence of Contractor. Contractor shall endeavor to provide employees for weekend coverage during the winter months to minimize overtime if possible. Snow and ice removal after Contractor employee's normal operating hours will be billed at rate at time and a half of their hourly wage.

Schedule 2
Locations

Building	Address	Sq. Ft.	Acreage
Central HS	801 N Walnut St.	315,786	48
Stadium	601 N Walnut St	13,241	
Fieldhouse	501 N Walnut St	44,848	
Northside MS	2400 W Bethel Ave	213,220	30
Southside MS	1601 E 26th St	254,050	40
MACC	2500 N Elgin St	108,178	20
EWA ES	1000 E Washington St	69,705	10
Grissom ES	3201 S Macedonia Ave	73,945	15
Longfellow ES	1900 E Centennial Ave	55,283	15
Mitchell ES	2809 W Purdue Ave	40,552	9
North View ES	807 W Yale Ave	48,085	13
South View ES	2100 S Franklin St	75,898	15
Storer ES	3211 W Mansfield Dr	72,512	18
Sutton ES	3100 E Memorial Dr	73,999	10
West View ES	3401 W Gilbert St	53,785	14
Camp Adventure	4881 South Proctor Road		41
Anthony Building	2501 N Oakwood Ave	37,602	

Schedule 3
Special Project Rates

Custodial Projects

- Floor projects that are done by Contractor staff outside of normal project calendar for additional refinishing, restoration, carpet extraction shall be performed at the rate of \$37.50 per hour plus materials.
- General projects that are done by Contractor staff for additional cleanings outside of school functions, event set ups, etc. shall be performed at the rate \$25.00 per hour plus materials.

Maintenance Projects

- Maintenance projects that are done by Contractor staff for additional repairs, refinishing, plumbing, electrical, lock and door repair, etc. shall be performed at the rate \$46.50 per hour plus materials.
- If Customer chooses to utilize Contractor's project management services to manage Client capital projects, Contractor shall provide the project management services at the rate of \$100.00 per hour plus travel expenses.

Grounds Projects

- Grounds projects that are done by Contractor staff for additional landscape service shall be performed at the rate of \$40.00 per hour plus materials.

Material Costs and labor / Subcontracted Special Projects

- Materials and third party vendor contracts shall be billed at invoice price plus 5%.

Overtime/ Holiday Rates

- All hourly rates above are standard rates. Overtime rates are 1.5 times standard rates. Holiday and weekend rates are 2 times standard rates.