



INDEPENDENT ADMINISTRATIVE SERVICES AGREEMENT

This Professional Services Agreement (this “Agreement”) is entered into as of the 1st day of June, 2019 (hereinafter the “Effective Date”), by and between **Hart Halsey LLC dba Extra Duty Solutions**, with principal office at 101 Merritt Blvd., Suite 21, Trumbull CT, 06611 (hereinafter “Company”), and **Guilford County, North Carolina, on behalf of the Guilford County Sheriff’s Office**, with principal offices at 400 W. Washington Street, Greensboro, NC, 27401 (hereinafter “Client” or “GCSO”), and collectively referred to as the “Parties.”

W I T N E S S E T H:

WHEREAS, the Client desires to retain the Company to provide certain services to the Client on the terms and conditions hereinafter set forth, and the Company desires to continue to perform such services on such terms and conditions;

NOW, THEREFORE, in consideration of the promises and of the mutual covenants contained herein, the Parties hereto do hereby agree as follows:

1. Administrative Services.

a) Subject to the terms and conditions hereof, the Client hereby engages and appoints the Company to administer the Client’s extra duty program (also known as the GCSO’s “off duty program.” This will entail:

I. Engaging with individuals and representatives of companies, organizations and institutions who wish to hire Deputies to work extra duty details (hereinafter “Customers”) via phone, website interaction or email, to explain program rules and rates, vet new customers per GCSO’s guidelines, execute the new customer process, receive requests for extra duty details, confirm extra duty details and to gather and communicate any related pertinent information and feedback.

- II.** Scheduling extra duty details with GCSO personnel in a manner consistent with department rules. Communicate as needed with GCSO personnel to confirm detail assignment scheduling and details worked.
- III.** Invoicing Customers and following-up on invoice collections in a manner agreed upon with department leadership.
- IV.** Manage officer payment process in conjunction with the Client's existing payroll process. Company will provide payroll files and direct deposit payments covering all details the Company's administrative fee (stated in Section 3) has been charged on to the Client in a cadence consistent with Client's existing payroll process periods. Alternatively, the Company will pay GCSO Deputies directly as 1099 contractors. The chosen method is at the discretion of the Client.
- V.** Collect, from customers, and pay to the Client within payments detailed in Section 1.IV, any Client administrative fees at a level specified by the Client. The client administrative fee will consist of a "vehicle fee", charged to each company or organization which covers the administrative use of a county vehicle for each job. On the last day of each month the administrative fee will be sent via check(s) to the attention of the Extra-Duty Coordinator within the Sheriff's Office via mail by Hart Halsey LLC. The Extra Duty Coordinator will also have the access to run a monthly report which will verify the number of fees collected and the total amount is correct. Deposit of the checks will follow the established internal finance procedure through the Sheriff's Office cashier system.

There is no financial exposure to the Client (Guilford County Sheriff's Office) under this Contract. There is nothing paid to the Company by the Client for the Company's services, as their services are completely paid by the customers who hire the Extra Duty Deputies. The GCSO will not pay any of the Company's 12% fee, as these funds will come directly from the customers who are hiring the Extra Duty Deputy services. If for any reason a customer defaults and does not pay an officer, the Company will then assume the liability and pay the officer.
- VI.** Manage the feedback loop i.e. initiate and field feedback from customers (good and bad) then share with the appropriate parties in a timely manner
- VII.** Provide GCSO leadership with appropriate reporting and transparency into the program on an on-going basis.
- VIII.** Accept all Customer credit risk and finance, at sole cost to the Company, all financing "float" costs associated with invoicing Customers. Invoice remittance timing will not affect the time of pay roll and administrative fee payments Company must pay Client under Sections 1.IV and 1.V. See Appendix A for operational details.

2. Term and Termination.

The term of this engagement and Contract shall commence on June 1, 2019, the Effective Date, and shall continue for a period of five (5) years, through the Ending Date, May 31, 2024, unless amended or terminated by either Party. At the end of the five (5) year term of this Agreement, the Parties may decide to extend this Contract, or execute a new Agreement or allow the Contract to expire without any further arrangement between the Parties. Either Party may terminate this Agreement upon thirty (30) days' prior written notice to the other Party. If the Company should breach a material obligation under this Agreement, the Client shall give the Company written notice of such breach and provide the Company an opportunity to remedy such breach within thirty (30) days of such notice. Failure to remedy any such breach within this time period will constitute sufficient grounds for termination without any further notice. Material obligations shall include, but not be limited to, the filing of bankruptcy or similar procedure due to insolvency, any unapproved assignment of, or repeated non-performance of Company's obligations under this Agreement; any breach of Company's representations and warranties; or termination or lapse of any insurance coverage or policy obligations.

3. Payment and Invoicing Terms.

In consideration for any and all services which the Company shall render to the Client pursuant to this Agreement, the Company shall charge the Customer who hires the Extra Duty Deputy services an administration fee of 12%. (This is also described in Administrative Services, Section 1.V. above.) The administration fee will be applied to any extra duty revenue including, but not limited to, officer pay, cruiser fees, K9 fees, flare fees, etc.

4. Changes.

Client may, with approval of the Company, opt to change the scope of services to be offered. Such changes shall be made by the Parties with a written Contract Addendum and shall be accepted and executed by both Parties.

5. Standard of Care.

- a) The Company warrants that services shall be performed by personnel possessing competency consistent with applicable industry standards.
- b) Manner of Performance by Company.
 - I. Company shall appoint a member of its staff to be the single primary responsible individual for delivering Company's services to Client under this Agreement.
 - II. Company shall keep complete and systematic records of all services purchased by Client. Such records shall include any records relevant to

any costs, expenses, or payments incurred or made by Company on behalf of Client, any financial records, procedures and such other documentation pertaining to Company's performance under this Agreement, all Customer identities, Customer contracts and extra-duty services rendered by the GCSO for the Customers. Company shall preserve all such records for the longest of the following two periods: (i) a term of five (5) years after termination of this Agreement or (ii) in accordance with the record retention period mandated by the North Carolina Department of Cultural Resources for County Sheriff's Offices. In the event that a legal matter arises requiring preservation of certain records, Company shall suspend destruction of such records as requested by Client or any governmental body. During the term of this Agreement and, thereafter, in accordance with the applicable record retention period, Client shall have the right to inspect, copy and audit those records during regular business hours. THIS RIGHT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT TO INSPECT, COPY AND AUDIT ANY RECORDS THAT MAY PERTAIN TO INVOICE RECORDS, CONTRACTS WITH THIRD PARTIES, PAYMENTS RELATING TO THIS AGREEMENT, AND CORRESPONDENCE.

6. Independent Contractor.

Client acknowledges that the Company is an independent contractor and, as such, shall be responsible for all taxes and other expenses attributable to the rendering of its administrative services hereunder to Client. This Agreement is not intended to, and shall not be construed to; create a joint venture, partnership, or employer/employee relationship as between the Parties. Neither the Company nor its employees or agents shall look to Client for vacation pay, sick leave, workers' compensation benefits, retirement benefits, Social Security, disability or unemployment insurance benefits, or other employee benefits; nor shall the Client, or their respective employees or agents look to Company for the same. Neither Company nor Client shall be or become liable or bound by any representation, act, or omission whatsoever of the other made contrary to the provisions of this Agreement. Client acknowledges that its officers shall at no time be considered to be employees of Company.

7. Limitation of Liability.

Notwithstanding anything to the contrary in this Agreement, neither Party shall be liable to the other for any special, indirect, consequential, lost profits or punitive damages.

8. Indemnification.

THE COMPANY ("INDEMNIFYING PARTY") SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CLIENT (GUILFORD COUNTY), ITS AGENTS, SERVANTS, EMPLOYEES, OFFICERS, DIRECTOR, ATTORNEYS, SUBSIDIARIES AND ASSIGNS FROM AND AGAINST ANY AND ALL THIRD PARTY CLAIMS, LOSSES, DAMAGES, LIABILITIES AND EXPENSES (INCLUDING, BUT NOT

LIMITED TO, REASONABLE ATTORNEYS' FEES AND COURT COSTS) ARISING AS A RESULT OF ANY NEGLIGENCE, ILLEGALITY OR WRONGDOING OF ANY KIND RELATED TO SERVICES PROVIDED, ALLEGED OR ACTUAL ON THE PART OF THE INDEMNIFYING PARTY PROVIDED SUCH CLAIMS, LOSSES, DAMAGES AND LIABILITIES WERE NOT CAUSED IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, BY ANY ACT OR OMISSION OF THE INDEMNIFIED PARTY. IN ADDITION, THE INDEMNIFIED PARTY MUST PROMPTLY NOTIFY THE INDEMNIFYING PARTY IN WRITING OF ANY SUCH CLAIM AND THE INDEMNIFYING PARTY IS PERMITTED TO CONTROL FULLY THE DEFENSE AND ANY SETTLEMENT OF SUCH CLAIM AS LONG AS SUCH DEFENSE OR SETTLEMENT SHALL NOT INCLUDE AN ADMISSION OF GUILT BY OR FINANCIAL OBLIGATION ON THE INDEMNIFIED PARTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION, EXPIRATION, OR CANCELLATION OF THIS AGREEMENT.

9. Severability.

Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of any remaining provisions, which remaining provisions shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the Parties that they would have executed the remaining portion of this Agreement without including any such part, parts, or portions which may, for any reason, be hereafter declared invalid. Any provision shall nevertheless remain in full force and effect in all other circumstances.

10. Insurances.

The Company agrees to maintain adequate insurance coverage for the services in this Agreement as set forth below:

- a) At all times during performance of the Services, Hart Halsey LLC d/b/a Extra Duty Solutions ("Company") shall secure and maintain in effect insurance to protect the Client and the Company from and against all claims, damages, losses, and expenses arising out of or resulting from the Company's performance of the Services under this Contract. Company shall provide and maintain in force insurance in limits no less than that stated below, as applicable.
- c) **Commercial Liability Insurance.** Before this Contract is fully executed by the Parties, Company shall provide the Client with a certificate of insurance as proof of commercial liability insurance with a minimum liability limit of Two Million Dollars (\$2,000,000.00) per occurrence combined single limit bodily injury and property damage, and Three Million Dollars (\$3,000,000.00) general aggregate. The certificate shall clearly state who the provider is, the coverage amount, the policy number, and when the policy and provisions provided are in effect. Said policy shall be in effect for the duration of this Contract. The

insurance shall be with an insurance company or companies rated A-VII or higher in Best's.

- d) **Professional Liability Insurance.** Before this Contract is fully executed by the Parties, Company shall provide the Client with a certificate of insurance as evidence of Professional Errors and Omissions Liability Insurance with coverage of at least Two Million Dollars (\$2,000,000.00) per occurrence and an annual aggregate limit of at least Three Million Dollars (\$3,000,000.00). The certificate shall clearly state who the provider is, the amount of coverage, the policy number, and when the

policy and provisions provided are in effect. **The Certificate of Liability shall state, "Guilford County is added as an additional insured as evidenced by the endorsement attached to this Certificate."** Original insurance policies or certified copies of policies may be required by the County at any time. Current, valid insurance policies meeting the requirements stated herein shall be maintained for the duration of the Agreement. Renewed policies shall be sent thirty (30) days prior to any expiration date.

- d) The insurance shall be with an insurance company or companies rated A-VII or higher in Best's Guide. Guilford County shall be named as an additional insured on the Company's general liability insurance policy, which shall be primary and not contributory to any other insurance that may be available to the County.
- e) County employees will not be covered under the Company's worker's compensation insurance. Client shall be responsible for determining what, if any, worker's compensation coverage shall be required for officers while on extra duty and Client and/or Customer shall be responsible for obtaining and keeping in force any such worker's compensation insurance coverage that is required.

11. Survival.

Sections 2 through 19, inclusive, of this Agreement shall survive the expiration or termination of this Agreement in accordance with their terms.

12. Notice.

Any notice required or permitted to be given under this Agreement shall be in writing and deemed effective if either delivered in person or by overnight courier, facsimile or first class mail, certified with return receipt requested, or email. Notices to the Client shall be delivered to:

Guilford County
301 West Market Street
Greensboro, NC 27401
Attention: Marty K. Lawing, Guilford County Manager
Email: mlawing@guilfordcountync.gov

Notices to the Company shall be delivered to:

Hart Halsey LLC
101 Merritt Blvd
Trumbull CT 06611
Attention: Rich Milliman
Email: RMilliman@HartHalsey.com

13. Assignment.

The Agreement is not assignable or transferable by Client. This Agreement is not assignable or transferable by the Company without the written consent of Client, which consent shall not be unreasonably withheld or delayed.

14. Entire Agreement; Modification.

This Agreement constitutes the entire understanding between the Parties hereto with respect to the subject of the Company's engagement by the Client, as provided for herein, and supersedes any and all other understandings, negotiations or agreements relating thereto, and no modification to this Agreement, nor any waiver of any rights, shall be effective unless agreed to in writing by the Party to be charged.

15. Section Headings.

The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

16. Choice of Law.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina without regard to the principles of conflicts of laws.

17. Review of Agreement.

It is acknowledged that the Client has had ample opportunity to review and consider the terms of this Agreement and to review this Agreement with Client's counsel and has voluntarily agreed to the terms presented, including, without limitation, freely choosing that North Carolina law shall govern this Agreement and all matters dealt with herein, and to waive any other rights it may have, in consideration of the agreements set forth herein.

18. Counterparts.

Each person executing this Agreement on behalf of a Party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such Party, with full right and authority to execute this Agreement and to bind such Party with respect to all of its obligations hereunder. This agreement may be executed in counterparts by original or electronic signature, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

19. Force Majeure.

Neither Party shall be responsible for delays or failures (including any delay to make progress in the prosecution of any Services) if such delay arises out of causes beyond its control. Such causes may include, but are not restricted to, acts of God or of the public enemy, fires, floods, epidemics, riots, quarantine restrictions, strikes, freight, embargoes, earthquakes, electrical outages, and severe weather.

20. Affirmative Action.

Guilford County and the Company shall comply with Equal Employment Opportunities (EEO) requirements, and to take affirmative action to ensure that all individuals have an equal opportunity for employment without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, genetic information, or veteran status under the Guilford County EEO Plan, as amended, implemented pursuant to 41 CFR Part 60-2.10(a)(3), 41 CFR §60-741.44(a) and 41 CFR §60-300.44(a), and in accordance with the following laws, as amended: Title VII and Title IX of the Civil Rights Act of 1964; The Equal Pay Act of 1963; Executive Order 11246; the Age Discrimination in Employment Act of 1967; the Rehabilitation Act of 1973, as amended (Section 503); the Americans with Disabilities Act of 1990; the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA); the Civil Rights Restoration Act of 1988; NC General Statutes Chapters 116 and 126 and Title II of the Genetic Information Nondiscrimination Act of 2008, the North Carolina Equal Employment Opportunity Policy effective June 1, 2015, along with all other applicable federal and state laws governing equal employment opportunities.

(The remainder of this page is intentionally left blank.
This Contract continues with signatures on the following page.)

WITNESS the following signatures and seals all pursuant to authority duly granted,
effective as of the day and year first above written.

GUILFORD COUNTY

ATTEST:

Marty K. Lawing Date
Guilford County Manager

Robin B. Keller Date
Guilford County Clerk to Board

(COUNTY SEAL)

HART HALSEY, LLC

WITNESS:

Member/Manager Date

Witness Date

Printed Name: _____

Printed Name: _____

(CORPORATE SEAL)

No Corporate Seal Exists

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APPENDIX A: CUSTOMER PAYMENT DETAILS

All credit-worthy customers are offered net forty-five (45) payment terms on all extra duty details. Company accepts credit risk on all such customers and finances the financial float associated with payment terms.

Company has the right to deem particular customers non-credit-worthy and require pre-payment from or credit card on file from such customers. Company agrees to not designate any customer as non-credit-worthy, which has been a weekly recurring customer, in consistent good standing, with the Client's extra duty program for at least one (1) year.

Customers deemed to be non-credit-worthy, and customers wishing not to be invoiced for serviced rendered, will have the option of pre-paying via check, credit card, or escrow account. Company has the right to charge a Customer's credit card for the amount of an invoice plus 5% if Customer has failed to pay the invoice within fifty (50) days.

If a Customer utilizes the services of a third-party billing service which charges usage fees to the Company, the Company has the right to charge those fees back to the Customer.