



ALPENA COUNTY SHERIFF'S OFFICE

Sheriff Steven J. Kieliszewski
320 Johnson Street • Alpena, Michigan 49707
Phone: (989) 354-9830 • Fax: (989) 354-9868

December 4, 2019

Alpena County Finance Committee
719 W. Chisholm St
Alpena, MI 49707

Sergeant Scott Gagnon
Jail Administrator
Alpena County Sheriff's Office
320 Johnson St.
Alpena, MI 49707

Chairman of the Board,

September 11th, 2019 sealed bids were accepted for inmate food service. The bid was awarded to Canteen Services. A copy of the contract was supplied and reviewed by the prosecutor's office. The Alpena County Sheriff's Office is requesting that the contract be accepted and signed to become effective January 13, 2020. The line item that this contract will be out of is 101-301-817.000.

Respectfully,

Sergeant Scott Gagnon
Jail Administrator



CANTEEN SERVICES, INC.
FOOD SERVICE AGREEMENT

THIS AGREEMENT, made this _____, 2019, by and between **Alpena County Sheriff's Office** with offices located at **320 Johnson Street, Alpena, MI 49707** (hereinafter referred to as "Client"), and **Canteen Services, Inc.** a Michigan corporation with principal offices at 905 North Church Street, Tekonsha, MI 49092 (hereinafter referred to as "Canteen").

WITNESSETH:

WHEREAS, Client desires to avail itself of Canteen's food services; and,

WHEREAS, Canteen desires to perform such services for Client,

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto, intending to be legally bound hereby, agree as follows:

SECTION 1. CLIENT'S GRANT TO CANTEEN

Client grants unto Canteen, as an independent contractor, the exclusive right to operate a food service at the following described premises:

Alpena County Jail
320 Johnson Street
Alpena, MI 49707

(such location hereinafter referred to as the "Premises"), and the exclusive right to prepare and provide meals for jail inmates, employees, guests, and other persons as shall be approved by the Client (said manual food service hereinafter referred to as "Services").

SECTION 2. CANTEEN'S RESPONSIBILITIES

- A. Pursuant to the provisions of this Agreement, Canteen will operate and manage its Services to provide nutritious meals and maintain high standards of quality, sanitation, and cleanliness.
- B. Canteen agrees to pay all federal, state, and local taxes which may be assessed against Canteen's equipment or merchandise while in or upon the Premises, as well as all federal, state, and local taxes assessed in connection with the operation of its Services upon the Premises. Canteen also agrees to comply with all federal, state, and local laws and regulations governing the preparation, handling, storage preparations and serving of foods, and to procure and keep in effect all the necessary licenses, permits, and food handler's cards required by law, and to post such permits within the catering areas in a prominent place as required by law. All costs in connection with such taxes (excluding said

Client's real estate and personal property taxes referred to in Section 3), licenses, permits, and food handler's cards, shall be paid by Canteen. Canteen agrees to comply with applicable federal, state, and local laws and regulations pertaining to wages and hours of employment.

- C. Canteen shall hire all employees necessary for the performance of this Agreement. If possible, employees will be hired from the Alpena County area with first consideration being given to recommended present employees. Upon being hired, such employees shall be subject to such health examination as proper city, state, or federal authorities may require in connection with their employment. All persons employed by Canteen will be the employees of Canteen, and not of the Client, and will be covered by a fidelity bond. Canteen agrees that no employees of the Client will be hired by Canteen without permission of the Client for a period of six (6) months after the termination of their employment with Client. Canteen, in performing work required by this Agreement, shall not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, age, height, weight, handicap, or marital status in violation of federal, state, or local law, unless such requirement is necessary for security reasons.
- D. The Client reserves the right to reject employees placed on the premises by Canteen.
- E. Canteen shall perform all necessary spot mopping of the floors in the storage and food service preparation areas. Canteen agrees to maintain conditions of sanitation and cleanliness. Canteen further agrees that Canteen's facilities and services, as well as the food prepared by Canteen, shall at all times be subject to inspection by an authorized, capable person or persons designated by the Client. See attached Exhibit B for detailed cleaning responsibilities. Client shall furnish adequate inmate workers to cook food and do necessary clean-up of the facilities.
- F. All records shall be kept on file by Canteen for a period of three (3) years from the date the record is made, and Canteen shall, upon reasonable notice, give the Client or his authorized representative the privilege at a reasonable time of inspecting, examining, and auditing, during normal business hours, such of Canteen's business records which are directly relevant to the financial arrangements set forth in Exhibit A. The cost of such inspection, examination, and audit will be at the sole expense of the Client, and such inspection, examination, and audit shall be conducted at the Canteen location where said records are normally maintained.
- G. Canteen agrees that Canteen's employees and agents shall comply with and observe all applicable rules and regulations concerning conduct on the Premises which Client imposes upon Client's employees and agents.

SECTION 3. CLIENT'S RESPONSIBILITIES

- A. Client shall, at its own cost and expense, provide all food equipment, facilities, and floor space, as mutually agreed between Client and Canteen, necessary to the efficient operation, transporting, and control of Canteen's Services. The Client will maintain, repair, and replace said equipment and facilities at its own expense, and the Client shall keep such equipment and facilities maintained in a safe operating condition such that no Canteen employee is exposed to or subjected to any unsafe situation which would violate the Occupational Safety and Health Act, including but not limited to the general duty and the specific duty clauses thereof, or any other similar federal, state, or local law or regulation; provided, however, if equipment provided by Client becomes inoperative, hazardous, or inefficient to operate, Canteen shall have the right to effect repairs or replacements at the expense of the Client, if the Client fails to do so within a reasonable time after written notice of said equipment

deficiency. Client shall permit Canteen to have the use of all such equipment and facilities in the performance of its obligations hereunder, subject to the duty to exercise reasonable care in the use thereof. Canteen agrees that all equipment and items of equipment now or hereafter furnished by the Client to Canteen are the sole property of the Client, and Canteen agrees not to change, deface, or remove any symbol or mark of identity upon said equipment or items of equipment furnished by the Client.

- B. The Client will be responsible for all daily spot mopping of the floors in the dining area, all necessary cleaning of walls, windows, and electric light fixtures, and all necessary scrubbing, stripping, and polishing of floors in the storage, food service preparation area, and the dining room areas, as well as any areas adjacent to stands or carts used for Canteen's Services, at no cost to Canteen. See attached Exhibit B for detailed cleaning responsibilities.
- C. Client agrees that no employees of Canteen will be hired by Client without permission of Canteen for a period of six (6) months after the termination of their employment with Canteen. Client shall not impose any regulation on Canteen's employees not imposed on Client's employees.
- D. Client shall pay all real estate taxes with respect to the Premises, and Client shall pay all personal property taxes and similar taxes with respect to Client's equipment located on the Premises.
- E. Client also agrees to provide all expendable and small-wares replacements of all supplies, and provide telephone and office equipment and service to Canteen including high speed internet access.

SECTION 4. FINANCIAL ARRANGEMENTS

The financial arrangements of this Agreement are set forth in Exhibit A which is attached hereto, incorporated herein, and made a part hereof as if fully set forth in the Agreement.

SECTION 5. INDEMNIFICATION: INSURANCE

- A. Canteen shall indemnify Client and the Sheriff of Alpena County, their employees, agents, elected officials, and appointed officials, against any and all claims, suits, losses, expenses, costs, damages, including actual attorney's fees incurred by Client and/or caused, in whole or in part, by Canteen's actions or failure to act, or caused by the negligent acts or omissions of Canteen's agents or employees and/or caused by or arising out of the presence of Canteen's employees or agents on the Premises of Alpena County or arising out of the consumption or use of the products and food products sold by Canteen; provided however, nothing contained herein shall require Canteen to defend or indemnify the Client/Alpena County for losses, damages, injuries, or death arising out of the sole negligence of Alpena County, their agents or employees.
- B. Client shall promptly notify Canteen in writing of any claims or lawsuits against Client within ten (10) days after the day Client first receives actual notice of such claim or lawsuit. Client will provide Canteen with a copy of a summons and complaint in the event a lawsuit is filed.
- C. In order to secure Canteen's obligation to hold harmless and indemnify the Client, Canteen shall procure and maintain the following insurance:
 - 1. Worker's Compensation Insurance as prescribed by the laws of the State of Michigan.

2. Comprehensive General and Automobile Liability Insurance, with combined single limits of \$1,000,000 for any one occurrence in which bodily injury or property damage is alleged. Also, excess liability umbrella form in the amount \$10,000,000.

Canteen shall furnish Client with a Certificate of Insurance evidencing such coverage naming Client as additional insured. The cost of the above insurance will be paid by Canteen.

SECTION 6. COMMENCEMENT AND TERMINATION

This agreement shall become effective as of the **January 13, 2020**, and shall remain in force for five (5) years, thereafter; extending for additional one (1) year periods, on a year-to-year basis, upon mutual agreement. Either party may terminate this Agreement by giving ninety (90) days' written notice to the other party. The Client may terminate this Agreement for nonperformance by Canteen immediately without 90 days' notice.

Upon the termination or expiration of this Agreement, Canteen shall, as soon thereafter as is feasible, vacate all parts of the Premises occupied by Canteen, where applicable, and return the Premises to Client, together with all the equipment furnished by the Client pursuant to this Agreement, in the same condition as when originally made available to Canteen, excepting ordinary wear and tear and fire and other casualty loss.

The termination of this Agreement shall not affect the rights, privileges, liabilities, and/or responsibilities of the parties as they exist as of the effective date of termination and the parties shall cooperate fully with each other during the term of the contract and subsequent to the termination in order to ascertain and satisfy the liabilities of either party to the other. The indemnities in this Agreement shall survive the termination.

SECTION 7. INDEPENDENT CONTRACTOR RELATIONSHIP

It is mutually understood and agreed, and it is the intent of the parties that an independent contractor relationship be established and is hereby established under the terms and conditions of this Agreement; that employees of Canteen are not nor shall they be deemed to be employees of Client; and, that employees of Client are not nor shall they be deemed to be employees of Canteen.

SECTION 8. LOCKDOWN AND INSPECTION

- A. In the case of lockdown or other related acts, Canteen shall serve a special menu that would be kept on site for this type of emergency. If lockdown or emergency lasts more than three days the administrator and Canteen will determine what course of action needs to be taken.
- B. The Client shall have the right to inspect or search all employees and agents of Canteen, their property and belongings while upon the Premises, without prior warning at any time. The Client shall have the right to refuse access of any person to the secured areas of the facility.

SECTION 9. ASSIGNMENT

Neither Canteen nor Client may assign or transfer this Agreement, or any part thereof, without the prior written consent of the other party.

SECTION 10. ENTIRE AGREEMENT: WAIVER

This Agreement constitutes the entire Agreement between the parties with respect to the provision of Canteen's Services, and there are no other or further written or oral understandings or agreements with respect thereto. No variation or modification of this Agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of Canteen and Client. This Agreement supersedes all other agreements between the parties for the provision of Canteen's Services on the Premises.

SECTION 11. NOTICES

All notices to Client shall be addressed to it at:

Alpena County Sheriff's Office
320 Johnson Street
Alpena, MI 49707

All notices to Canteen shall be addressed to it at:

Canteen Services, Inc.
905 N. Church Street
Tekonsha, MI 49092

SECTION 12. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals of the day and year first above written.

CANTEEN SERVICES, INC.

ALPENa COUNTY SHERIFF'S OFFICE

Signature Date

Signature Date

President
Title

Title

Jeffrey Tiggleman
Printed Name

Printed Name

EXHIBIT A

I. PRICING

Canteen agrees to operate its food service for ALPENA COUNTY SHERIFF'S OFFICE under the following terms:

- A. Canteen will provide the facilities with food service at a set price per meal. All jail personnel including jail staff shall be charged the same price. The cost per meal will be determined on a weekly basis (Sunday morning through Saturday evening) according to the following schedule:

<u>Description</u>	<u>Price</u>
Inmate / Sack Meals	\$2.55
Kosher Meals	\$6.50
Medical Snack	\$1.25

Based on a four (4) week rotating menu including one (1) cold and two (2) hot meals per day with a minimum average of 2500 calories.

The above pricing will remain in effect for 12 months, thereafter; price review/revision(s) annually, within 30 days prior to anniversary date, and upon mutual agreement.

- B. Alpena County Jail will provide telephone and internet service for business purposes of administering this Agreement, utilities, floor cleaning supplies, uniforms for inmate workers, breakfast trays, expendable/small-ware replacements, and all repairs and maintenance cost of equipment.
- C. Canteen's price is based upon Alpena County Jail supplying a sufficient number of inmate workers. The jail administration will replace any disruptive inmate worker at Canteen's request. Canteen also reserves the right to request additional inmate assistance for deep cleaning as needed. In the event that inmate labor is not available, Canteen would acquire temporary labor from M.E.S.C. and bill the Alpena County Jail for this cost.

- D. Hours of service for the Jail facility will be:

Breakfast	6:30 a.m.
Lunch	11:00 a.m.
Dinner	5:30 p.m.

Hours may be adjusted if mutually agreed upon.

- E. In the event a determination is made during the term of this Agreement or after the term of this Agreement by the appropriate governmental authority that the payment either in part or in full, paid by the Client pursuant to this Agreement, is subject to any sales tax, this tax, together with any interest and/or penalties with respect thereto concerning such payments, shall immediately be reimbursed by Client to Canteen, notwithstanding the year in which such determination is made or the fact that this Agreement may have expired or been terminated for any reason by either party hereto prior to the date of such determination is made during the term of this Agreement, the Client shall, in addition, from the time of such determination forward, pay such tax to Canteen in the same manner.

II. CREDIT TERMS

Invoices for all meals will be processed monthly. All past-due amounts, over 45 days past billed, due to Canteen will be subject, at the option of Canteen, to a service charge of up to one percent (1%) per month of the unpaid balance.

In the event that sales amounts set forth in said statements are not paid according to the terms hereof, or in the event that Canteen, in its sole discretion, determines that Client's credit has become impaired, Canteen shall have the option of either declining to continue its services hereunder except on a cash-in-advance basis until such time as said credit has been re-established to Canteen's satisfaction, or terminating this Agreement without any liability whatsoever to Canteen.

III. BASIS OF FINANCIAL TERMS

The financial terms of this Agreement have been negotiated between the parties upon the conditions that Canteen will operate its Services at the same points of service and remain in operation only the hours agreed to when Canteen begins operations hereunder. If Client desires Canteen to operate its Services for additional points of service and/or for additional hours, Client and Canteen shall mutually agree on the appropriate financial arrangements for the additional points of service and/or additional hours.

EXHIBIT B

<u>RESPONSIBILITIES OF CANTEEN AND ALPENA COUNTY JAIL (CLIENT)</u>	<u>CANTEEN</u>	<u>CLIENT</u>
Floor Cleaning - Daily spot mopping of floors in the storage and food service preparation areas	X	
Floor Cleaning--Daily spot mopping of floor in the dining areas and all necessary scrubbing, stripping, and polishing of floor in the storage, food service preparation area and the dining areas		X
Freezers and Refrigerators - Cleaning of shelving, walls, and floor	X	
Freezers and Refrigerator - Cleaning of fans, coils, and condensers		X
Cleaning of cooking utensils, and mixing equipment and utensils, hand utensils, containers, toasters, coffee makers, grills, steam kettles, steamers, can openers, work surfaces, mixers, slicers, grinders, saws, deep fat fryers and skillets, vegetable peelers, sinks, beverage dispensers, mops and buckets, cafeteria tables, eating utensils, trays, tumblers, cups, storeroom shelving, shelving in food preparation and serving areas, ice machine, utensil racks, and utility drawers	X	
Food Costs	X	
Labor Costs	X	
Inmate Labor		X
Paper Goods	X	
Cleaning Supplies	X	X
Uniforms	X	X
Telephone Services		X
Expendable/Small-ware Replacements		X
Interest on Late Payments		X
Employee Insurance	X	
General Liability Insurance	X	
Facilities Liability Insurance		X
Maintenance Costs		X
Utilities		X
Dumpster Service		X
Pest Control		X
Food License	X	
Fire Systems		X
Sack Lunch Program	X	
Record Keeping	X	
Equipment Maintenance and/or Replacement		X