

# **Lakeland Joint School District #272**

5506 N. Washington St.  
Rathdrum, ID 83858  
208-687-0431



**LJSD Vision: A community committed to academic excellence ...  
dedicated to student success.**

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## **Board Action Item Request**

**AGENDA ITEM:** Interim Director of Facilities Contract

**MEETING DATE:** November 13, 2024

**PREPARED BY:** Jessica Grantham

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### **INFORMATIONAL SUMMARY:**

SSC has an Interim Facilities Director who will be able to start with the District on November 18, 2024. The contract with SSC will cover all expenses related to the interim position.

### **RECOMMENDATION:**

We recommend contracting with SSC for the Interim Facilities Director position.

## SERVICE AGREEMENT

This Service Agreement ("Agreement") is made as of November 18, 2024 ("Effective Date"), by and between SOUTHEAST SERVICE CORPORATION d/b/a SSC SERVICE SOLUTIONS ("Contractor"), a Tennessee corporation, whose principal office is located at 1225 E. Weisgarber Road, Suite 200, Knoxville, TN 37909, and Lakeland Joint School District #272 ("Client"), whose principal office is located at 15506 N. Washington St, Rathdrum, ID 83858.

### 1. Scope of Services; Appointment

1.1. SSC shall provide an interim facilities director for the Client as of the Effective Date, who will oversee Client's Facility Services. "Facility Services" as defined in this Agreement shall mean (a) custodial, (b) grounds, (c) POM (plant, operations and maintenance, and (d) oversight of certain capital projects and improvements to Client's premises. Beginning on the Effective Date, the Parties will develop a detailed scope of work to be provided by Contractor to run the facilities program within the timeframes below:

1.1.1. Within 30 days of the Effective Date of this Agreement the Parties shall agree upon the nature and extent of any capital projects to be performed on behalf of Client.

1.1.2. Within 60 days of the Effective Date of this Agreement the Parties shall agree upon the total scope of work to be provided by Contractor.

1.1.3. Within 90 days of the Effective Date of this Agreement the Parties shall agree upon the anticipated staffing levels for the scope of work to be provided.

If the Parties are able to meet and agree upon the material terms described above, Client will grant Contractor the exclusive right to provide Facility Services during the Term in accordance with the terms set forth in this Agreement. Until Contractor and Client have completed and agreed upon the various Scopes of Work for each line of service hereunder and have attached them to this Agreement via Amendment, SSC shall only provide the interim facilities director and no other additional services.

### 2. Invoices; Payment.

2.1. Annual Contract Price. Contractor will provide the interim facilities director for \$5,085.00 per week. If Contractor and Client are able to agree upon the material terms laid forth in Section 1.1, the Parties will meet and negotiate a new Annual Contract Price, which shall be subject to adjustment in accordance with this Agreement.

2.2. Invoicing. The fee for the interim facilities director shall be invoiced monthly. If Contractor and Client are able to agree upon an Annual Contract Price it will be invoiced in equal monthly installments of 1/12<sup>th</sup> 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 this 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 thirty (30) 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 November 30, 2025 ("Initial Term"). Thereafter, this Agreement will automatically renew on a one (1) year basis (each a "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 (iv) 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).

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 General Liability, Automobile Liability, and Worker's Compensation in the following amounts:

13.1 Commercial General Liability written on an occurrence coverage form, including the other party as additional insured. The minimum limits are One Million Dollars (\$1,000,000.00) per each occurrence and aggregate.

13.2 Automobile Liability covering all owned, leased, or rented vehicles with property damage and bodily injury coverage with combined single limits of One Million Dollars (\$1,000,000.00).

13.3 Workers' Compensation (Statutory) and Employers' Liability with minimum limits of Five Hundred Thousand Dollars (\$500,000.00) per accident/per employee/policy limit.

13.4 Each party shall, at the other party's request, provide a Certificate of Insurance evidencing this coverage.

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

If to Client:  
Lakeland Joint School District #272  
Attn: CFO  
15506 N. Washington St.  
Rathdrum, ID 83858

If to Contractor:  
Southeast Service Corporation  
Attn: CEO  
1225 E. Weisgarber Road, Suite 200  
Knoxville, TN 37909

With a copy to:  
Compass Group USA, Inc.  
Attention: General Counsel  
2400 Yorkmont Road  
Charlotte, North Carolina 28217

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 Idaho 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 Idaho 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 6, 7, 9 and 10).

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.**

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

**LAKELAND JOINT SCHOOL DISTRICT # 272**

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

Printed Name: \_\_\_\_\_

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

**SOUTHEAST SERVICE CORPORATION**

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

Printed Name: \_\_\_\_\_

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

**SCHEDULE 1**  
**Specifications**

**Schedule 2**  
**Locations**



**Schedule 3**  
**Additional Service Rates**