



MARIPOSA COUNTY

Sheriff's Office • (209) 966-3615



RESOLUTION - ACTION REQUESTED 2019-370

MEETING: June 25, 2019
TO: The Board of Supervisors
FROM: Doug Binnewies, Sheriff-Coroner-Public Administrator
RE: 2019-2020 FY Dietary Services Agreement for Adult Detention Facility

RECOMMENDATION AND JUSTIFICATION:

Approve an Agreement with Trinity Services Group to Provide Dietary Services at the Mariposa County Adult Detention Facility in the Not-To-Exceed Amount of \$207,268.82; and Authorize the Board of the Supervisors Chair to Sign the Agreement.

The Mariposa County Sheriff's Office Adult Detention Facility Division currently uses Trinity Services Group to provide dietary services for inmates housed at the Mariposa County Adult Detention Facility. The current agreement expires on June 30, 2019. The new agreement shows an increase of 3.00% per meal from the previous agreement. This increase was appropriately budgeted for the dietary services in the 2019-2020 requested budget.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board adopted Resolution 14-123 on March 18, 2014, approving the original agreement with Trinity Services Group to provide dietary services for the Adult Detention Facility.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

If the agreement is not approved, the Mariposa County Sheriff's Office Adult Detention Facility Division would need to seek an agreement with an alternate service provider to provide inmate meals.

FINANCIAL IMPACT:

An amount of \$207,268.82 for this Agreement has been included in Requested 2019-2020 budget.

ATTACHMENTS:

Trinity 19-20.doc (PDF)

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]

MOVER: Merlin Jones, District II Supervisor

SECONDER: Rosemarie Smallcombe, District I Supervisor

AYES: Smallcombe, Jones, Long, Cann, Menetrey

AGREEMENT FOR INMATE FOOD SERVICES

THIS AGREEMENT (“Agreement”) is made and entered into this thirtieth day of May, 2019, by and between the County of Mariposa, a political subdivision of the State of California, (“County”), and Trinity Services Group, Inc., a Florida corporation with the principle offices located at 477 Commerce Boulevard, Oldsmar, FL 34677-3018 (“Contractor”), pursuant to the following terms and conditions.

WITNESSETH:**1. TERM**

The term of this Agreement shall commence on July 1, 2019 and terminate on June 30, 2020 unless extended as provided by this Agreement.

2. SERVICES

Contractor shall perform inmate food services as described in Exhibit A, “Scope of Work,” which is attached hereto and incorporated herein by reference. Contractor shall provide all staffing and materials necessary to perform the Scope of Work.

3. COMPENSATION

Contractor shall be compensated for services performed in an amount not to exceed 207,268.82. The Contractor’s hourly rates are listed in Exhibit B, “Cost Proposal.” The County shall pay Contractor within thirty (30) days of receipt of an approved invoice.

4. INSURANCE

Contractor shall procure and maintain for the duration of the agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

A. MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

(2) Automobile Liability: ISO Form Number CA 00 01 covering any auto, (Code 1), or if Contractor has no owned autos, hired (Code 8) and non-owned autos (Code 9), with limits no less than \$1,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

B. OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provision:

(1) Additional Insured Status: The County, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 forms if a later edition is used).

(2) Primary Coverage: For any claims related to this Agreement, the Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

(3) Notice of Cancellation: Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County.

(4) Waiver of Subrogation: Contractor hereby grants to County a waiver of any right to subrogation which any insurer of said Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

(5) Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

(6) Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the County.

(7) Verification of Coverage: Contractor shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting

coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

(8) Subcontractors: Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors.

(9) Special Risks or Circumstances: County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

5. HOLD HARMLESS/INDEMNIFICATION

Contractor shall hold harmless, defend and indemnify County and its officers, employees, agents, and volunteers, from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of County.

6. INDEPENDENT CONTRACTOR

It is the expressed intention of the parties that Contractor is an independent contractor and not an employee, agent, joint venturer or partner of County. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between County and Contractor or any employee or agent of Contractor. Both parties acknowledge that Contractor is not an employee for state or federal tax purposes. Contractor shall retain the right to perform services for others during the term of this Agreement.

7. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)

In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement is determined by a court of competent jurisdiction or the Public Employees Retirement System (CalPERS) to be eligible for enrollment in CalPERS as an employee of the County, Contractor shall indemnify, defend, and hold harmless County for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of County.

8. STATE AND FEDERAL TAXES

As Contractor is not County's employee, Contractor is responsible for paying all required state and federal taxes. In particular:

- a. County will not withhold FICA (Social Security) from Contractor's payments;
- b. County will not make state or federal unemployment insurance contributions on behalf of Contractor;
- c. County will not withhold state or federal income tax from payment to Contractor;
- d. County will not make disability insurance contributions on behalf of Contractor;
- e. County will not obtain workers' compensation insurance on behalf of Contractor.

9. ASSIGNMENT

It is understood and agreed that this Agreement contemplates personal performance by the Contractor and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Contractor under this Agreement will be permitted only with the express written consent of the County.

10. NOTICE

Any and all notices, reports or other communications to be given to County or Contractor shall be given to the persons representing the respective parties at the following addresses:

CONTRACTOR:

Trinity Services Group, Inc.
Attn: Legal Department
477 Commerce Boulevard
Oldsmar, FL 34677-3018
Fax: (813)855-2330

COUNTY:

Sheriff's Office c/o Jail Commander
County of Mariposa
P.O. Box 727
Mariposa, CA 95338
Fax: (209)742-4975

11. COMPLIANCE

Contractor shall comply with all federal, state and local laws, codes, ordinance and regulations applicable to Contractor's performance under this Agreement, including, but not limited to, laws related to prevailing wages. Specifically, Contractor shall not engage in unlawful employment discrimination, including, but not limited to, discrimination based upon a person's race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation, as prohibited by state or federal law.

12. PUBLIC RECORDS ACT

Contractor is aware that this Agreement and any documents provided to the County may be subject to the California Public Records Act and may be disclosed to members of the public upon request. It is the responsibility of the Contractor to clearly identify information in those documents that it considers to be confidential under the California Public Records Act. To the extent that the County agrees with that designation, such information will be held in confidence whenever possible. All other information will be considered public.

13. ENTIRE AGREEMENT AND MODIFICATION

This Agreement contains the entire agreement of the parties relating to the subject matter of this Agreement and supersedes all prior agreements and representations with respect to the subject matter hereof. This Agreement may only be modified by a written amendment hereto, executed by both parties; however, matters concerning the scope of services which do not affect the agreed price may be modified by mutual written consent of the Contractor and the Sheriff. If there are exhibits attached hereto, and a conflict exists between the terms of this Agreement and any exhibit, the terms of this Agreement shall control.

14. ENFORCEABILITY AND SEVERABILITY

The invalidity or enforceability of any term or provisions of this Agreement shall not, unless otherwise specified, affect the validity or enforceability of any other term or provision, which shall remain in full force and effect.

15. TERMINATION AND RIGHTS UPON TERMINATION

A. This Agreement may be terminated upon mutual written consent of the parties, or as a remedy available at law or in equity. In the event of the termination of this Agreement, Contractor shall immediately be paid all fees earned as of the effective date of termination.

B. Either party may terminate this Agreement for convenience upon ninety (90) calendar days' written notice to the other party. Upon termination for convenience, Contractor shall be entitled to compensation for services performed acceptably up to the effective date of termination, as set forth in Exhibit B.

C. Should Contractor default in the performance of this Agreement or materially breach any of its provisions, County, at its option, may terminate this Agreement by giving written notification to Contractor. The termination date shall be the effective date of the notice. For the purposes of this subsection, default or material breach of this Agreement shall include, but not be limited to, any of the following: failure to perform required services in a timely manner, willful destruction of County property, dishonesty, or theft.

16. NO WAIVER

The failure to exercise any right to enforce any remedy contained in this Agreement shall not operate as to be construed to be a waiver or relinquishment of the exercise of such right or remedy, or of any other right or remedy herein contained.

17. DISPUTES

Should it become necessary for a party to this Agreement to bring an action in connection with this Agreement, the prevailing party in any claim or action shall be entitled to reimbursement for all expenses so incurred, including reasonable attorney's fees.

It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a court of competent jurisdiction in the County of Mariposa, State of California.

18. CAPTIONS

The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

19. NUMBER AND GENDER

In this Agreement, the neutral gender includes the feminine and masculine, the singular includes the plural, and the word “person” includes corporations, partnerships, firms or associations, wherever the context so requires.

20. MANDATORY AND PERMISSIVE

“Shall” is mandatory. “May” is permissive.

21. SUCCESSORS AND ASSIGNS

All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

22. COUNTERPARTS

This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

23. OTHER DOCUMENTS

The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and, to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

24. CONTROLLING LAW

The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

25. AUTHORITY

Each party and each party’s signatory warrant and represent that each has full authority and capacity to enter into this Agreement in accordance with all requirements of law. The parties also warrant that any signed amendment or modification to the agreement shall comply with all requirements of law, including capacity and authority to amend or modify the Agreement.

26. NEGOTIATED AGREEMENT

This Agreement has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this Agreement within the meaning of California Civil Code section 1654. Each party represents and warrants that in executing this Agreement it does so with full knowledge of the rights and duties it may have with respect to the other party. Each party also warrants and represents that it has received independent legal advice from its attorney with respect to the matters set forth in this Agreement and the rights and duties arising out of this Agreement, or that such party willingly foregoes any such consultation.

27. NO RELIANCE ON REPRESENTATIONS

Each party warrants and represents that it is not relying and has not relied upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this Agreement, have been independently verified. Each party further understands that it is responsible for verifying the representations of law or fact provided by the other party.

28. WARRANTY

County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby warrants that all work shall be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release.

29. FUNDING AVAILABILITY

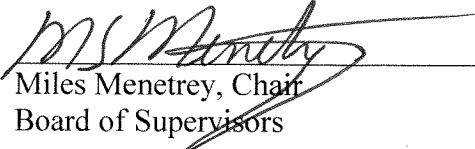
It is mutually agreed that if the County budget of the current fiscal year and/or any subsequent fiscal years covered under this Agreement does not appropriate sufficient funds for this Agreement, this Agreement shall terminate and be of no further force and effect upon the day notice is provided by County to Contractor of such event. Upon termination of this Agreement, the County shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement except for services rendered prior to such termination and Contractor shall not be obligated to perform any provisions of this Agreement. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement. County budget decisions are subject to the discretion of the Board of Supervisors.


If funding for any fiscal year is reduced or deleted by the County budget for purposes of this Agreement, the County shall have the option to either cancel this Agreement with no liability occurring to the County, except County must reimburse Contractor for services rendered prior to such reduction or modification of the County budget, or offer an Agreement amendment to Contractor to reflect the reduced amount.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

COUNTY OF MARIPOSA

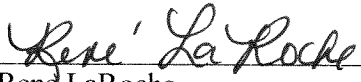
CONTRACTOR


Miles Menetrey, Chair
Board of Supervisors


David M. Miller
Chief Operating Officer

ATTEST:

APPROVED AS TO FORM:


Rene' LaRoche
Clerk of the Board

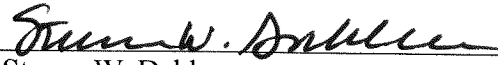

Steven W. Dahlem
County Counsel

Exhibit A
SCOPE OF WORK

WHEREAS, Client requires inmate food services at the Mariposa County Jail and

WHEREAS, Trinity is in the business of providing food services for correctional institutions and is ready, willing and able to provide the necessary inmate food services,

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 TRINITY

Client grants to Trinity, as an independent subcontractor, the exclusive right to operate inmate food services at the Mariposa County Jail, located at 5379 Highway 49 North, Mariposa CA 95338 (such location hereinafter referred to as the "Premises"), and the exclusive right to serve to inmates at such Premises food products, non-alcoholic beverages, and other such articles ("Products") as shall be approved by the Client (such food service hereinafter referred to as "Services"). Staff and other persons may be served but Trinity's rights to serve staff and others shall not be exclusive.

SECTION 2. TRINITY'S RESPONSIBILITIES

2.1 Pursuant to the provisions of this agreement, Trinity will operate and manage its services hereunder at the premises and keep its services adequately serviced and supplied with appropriate merchandise and food products of good quality at prices as agreed upon by the parties. Such services shall meet or exceed the requirements and standards set forth in the California Minimum Standards for Local Detention Facilities, Title 15, regarding food services.

2.2 Trinity agrees to pay Federal, State, and local taxes which may be assessed against Trinity's equipment or merchandise while in the Premises, as well as all Federal, State, and local taxes assessed in connection with the operation of its services at the Premises. Except in circumstances in which the Client is exempt from sales tax, Trinity shall bill and Client shall pay for all applicable sales taxes. Trinity also agrees: (i) to comply with PREA standards (ii) to comply with all Federal, state, and local laws and regulations governing the preparation, handling, and serving of foods; (iii) to procure, post as required by law and keep in effect all necessary licenses, permits, and food handler's cards required by law; and (iv) meet all guidelines as prescribed by the American Correctional Association. All costs in connection with such taxes (excluding Client's real estate and personal property taxes) referred to herein,

licenses, permits and food handler's cards, shall be a cost of Business and will be charged to the operation of the Business.

2.3 Trinity shall hire all employees necessary for the performance of this agreement. Upon being hired, such employees shall be subject to such health examinations and proper local, state, or federal authorities may require in connection with their employment in addition to security background screening as permitted by law to include criminal backgrounds check conducted by the client. All persons employed by Trinity will be employees of Trinity, and not of the Client, and will be covered by employee dishonesty coverage. The Client may refuse access to any Trinity employee. Trinity shall be solely responsible for all employees and hereby indemnifies Client from any liability for such obligation. Trinity agrees to comply with applicable Federal, State, and local laws and regulations pertaining to wages and hours of employment.

2.4 Trinity shall preform all necessary cleaning in the food service equipment, foodservice preparation areas, and floors in the storage and food service preparation areas. Trinity agrees to maintain conditions of sanitation and cleanliness in accordance with applicable laws.

2.5 All records shall be kept on file by Trinity for a period of three (3) years from the date the record is made and Trinity shall, upon reasonable notice, give the Client or its authorized representative the privilege during normal business hours of inspecting, examining, and auditing such of Trinity's business records which are solely and directly relevant to the financial agreements set forth in Exhibit B. 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 Trinity locations where said records are normally maintained. Such information shall be deemed confidential information and shall be subject to the terms of section 12 herein.

2.6 Trinity agrees that Trinity's employees and agents shall comply with, and observe, all applicable rules and regulations concerning conduct on the premises that Client imposes upon Client's employees and agents.

2.7 Trinity agrees to be responsible for the repair and/or replacement of any equipment lost or damaged due to its employees' negligent acts or omissions but not sur to the acts or omissions of inmates. This does not include the repair or maintenance for normal equipment wear and tear and other responsibilities of the client as defined in Section 3.

2.8 In connection with the services provided hereunder, Trinity shall purchase inventory, equipment, and services from various sellers and vendors by Trinity at its sole discretion (each a "Vendor"). Purchases from vendors shall be made under such terms Trinity deems in its sole discretion as acceptable ("Vendor Terms"). All Vendor Terms are the exclusive obligation and property of Trinity. Client does not have any liability under, or any right

to, any Vendor Terms and no Vendor Terms will operate to reduce or otherwise affect the amount or performance of Client's Obligations.

SECTION 3. CLIENT'S RESPONSIBILITIES

3.1 Client shall, without cost to Trinity, provide Trinity with the necessary space for the operation of its Services, and shall furnish, without cost to Trinity, all utilities including but not limited to, the following; heat, hot and cold water, gas, lights and electric current, garbage removal services, exterminator services, sewage disposal services, and office space.

3.2 Client shall, at its own cost and expense, provide all necessary small wares, basic kitchen food preparation equipment, facilities, and floor space as mutually agreed is necessary for the efficient provisions of Trinity's Services hereunder. The Client will maintain, repair, and replace said equipment and facilities at its own expense. Notwithstanding the foregoing, if equipment by Client becomes inoperative, hazardous, or inefficient to operate Trinity shall notify Client and have the right to effect repairs or replacements at the expense of the Client, if the Client fails to do so after a reasonable amount of time after notice of said equipment deficiency. Furthermore, during such time period when the equipment is inefficient, hazardous, or fails to operate Client shall, if applicable, pay the cost of all paper products used during such time period. Client shall permit Trinity 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. All equipment and items of equipment furnished by client to Trinity are the sole property of the Client, and Trinity will not change, deface, or remove any symbol or mark of identity from said equipment furnished by the Client.

3.3 The Client will be responsible, at no cost to Trinity, for all necessary cleaning of walls, windows, and electric light fixtures and all scrubbing, mopping and polishing of floors in any and all dayroom and dining areas. All such cleaning shall be accomplished by Client staff or inmate workers and supervised by Client staff and shall be performed on a schedule determined by agreement between Client and Trinity.

3.4 Client shall not, during the term of this agreement nor for one (1) year thereafter, solicit to hire, hire, or contract with any Trinity Employee, Manager, director, or officer. Employee shall collectively mean employees of the party, its parent, and affiliated companies. In the event that Client breaches the terms of this provision, Client shall pay Trinity an amount equal to the annual salary of such Employee.

3.5 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 in the Premises.

Exhibit B
COST PROPOSAL

I. PRICE PER MEAL

Client shall pay Trinity \$3.1532 per meal with a minimum of fifty eight (58) meals per meal service (breakfast, lunch and dinner). To the extent Trinity's receipts are less than Trinity's costs and expenses, Trinity shall bear all losses. To the extent Trinity's receipts exceed its costs and expenses, Trinity shall be entitled to all profits therefrom. In the event this Agreement is extended meal prices shall be adjusted annually, effective July 1 of each year, by an amount equal of: (i) the change in the Bureau of Labor Statistics, Consumer Price Index, and Food Manufactured. Annual price adjustments shall be based on the most current data available sixty (60) days prior to the contract anniversary date and shall be communicated to the Client not less than thirty (30) days prior to the effective date of the new prices.

In addition, in the event of material unanticipated cost changes, whether in (i) federal, state or local sales, payroll based or other taxes, labor employee benefits, merchandise, equipment; (ii) the minimum wage rate or enacting regulations or the enactment or application of any "living wage", "prevailing wage" or similar laws by any governmental entity having jurisdiction over the parties, it is agreed that Trinity Services shall have the right to request an adjustment of its per meal prices to reflect impact of the cost changes. If other material conditions change due to causes beyond Trinity Services' control, including, but not limited to a change in the scope of services, menu changes requested by the facility, decrease in inmate population or the availability of the inmate labor, efforts to organize labor or changes in federal, state or local standards or regulation including any applicable Child Nutrition Program standards or other unforeseen conditions beyond Trinity Services' control, it is agreed that Trinity Services shall have the right to request adjustment of its per meal prices to reflect the impact of the change in circumstances.

II. PAYMENT TERMS

Trinity shall invoice the Client each month, in arrears, for the total amount due from the Client as the result of the number of meals served in the preceding month. Client shall pay the invoice amount within thirty (30) days of the date of the invoice from Trinity. All past due amounts due Trinity will be subject, at the option of Trinity, to a service charge equal to one and one half percent (1.5%) per month of the unpaid balance.

In the event said amounts set forth in said statements are not paid according to the terms hereof, or in the event that Trinity, in its sole discretion, determines that Client's credit has become impaired, Trinity shall have the option to: (a) either decline to continue provision of Services hereunder, except on a cash in advance basis, until such time as credit has been re-established to Trinity's satisfaction; or (b) terminate this Agreement without liability whatsoever to Trinity, by giving sixty (60) days prior written notice to Client.

All costs of collection of past due amounts, including but not limited to reasonable attorney's fees, shall be chargeable to and paid by the Client.

III. BASIS OF FINANCIAL TERMS

The financial terms of this Agreement have been negotiated between the parties upon the condition that Trinity will operate its Service at the same points of service and remain in operation under the same operating standards as agreed at the time of execution of this Agreement. If the Client desires Trinity to change the operation or scope of its Services, Client and Trinity shall mutually agree on the appropriate financial adjustments for the requested changes.