

Leon County Research and Development Authority
Board of Governors Meeting
Location: Aeropropulsion, Mechatronics and Energy Building, Room #211
2003 Levy Avenue, Tallahassee, FL 32310
Thursday, August 2, 2018, 11:00am to 1:30pm

Agenda

1. Call to Order
2. Introduction of Guests
3. Modifications to the Agenda
4. Larry Lynch Recognition
5. Public Comment
6. Approval of Draft Meeting Minutes, June 7, 2018 (*Attachment A*)
7. Consent Agenda
 - a. Executive Committee Report, July 23, 2018 (*Attachment B*)
 - b. Treasurer's Report, August 2, 2018 (*Attachment C*)
 - c. Monthly Financial Reports
 - i. May 2018 (Link: <http://innovation-park.com/financials/0518-monthly-report-innovation-park/>)
 - ii. June 2018 (Link: <http://innovation-park.com/financials/0618-monthly-report-innovation-park/>)
 - d. Investment Reports
 - i. May 2018(*Attachment D1*)
 - ii. June 2018 (*Attachments D2*)
 - e. Morgan Building Restroom Renovations (*Attachment E1, E2*)

Executive Committee requests ratification of its approval of an agreement with Mullinax Construction, LLC in the amount of \$37,330.00 for the renovation of the Morgan Building Restrooms. The renovation has been previously approved and included in the current year budget. A summary of the informal bid responses is also attached.
 - f. RFP 18-02 Janitorial Services Agreement (*Attachment F1, F2 and <http://innovation-park.com/rfp-18-02-janitorial-services/>*)

Executive Committee requests ratification of its approval of an agreement with United States Service Industries, Inc. for Janitorial Services. A financial summary of the responses is also attached.
 - g. RFP 18-03 Property Management and Accounting Services Agreement (*Attachment G1, G2 and <http://innovation-park.com/rfp-18-03-property-management-and-accounting-services/>*)

Executive Committee requests ratification of its approval of an agreement with NAI Talcot for the provision of Property Management and Accounting Services as recommended by the evaluation committee for the RFP. A financial summary of the responses is also attached.

----- End of Consent Agenda-----

8. SPECIAL GUEST: FSU Office of Research Update—Dr. Gary Ostrander
9. Incubation/Acceleration Facility Development Funding
 - a. Presentation – *Michael Tentnowski will provide information regarding incubator/accelerator development.*
 - b. Discussion with potential funding partners

10. Election of Officers—*Melissa Van Sickle, General Counsel*

Bylaws section 2.5(a). The election of the Officers of the Authority shall occur at the last meeting of the Board each fiscal year, with the term in office to begin October 1 of the next fiscal year. All Officers shall hold office strictly at the pleasure of the Board.

11. Chair's Report
 - a. Board Nominations Update
 - b. Strategic Planning Process
 - c. Suggestions for Improvement of Awareness of the Park
12. Director of Entrepreneurship Report (Attachment H)
13. Director of Programs and Communications Report (*Attachment I*)
14. Property Manager's Report (*Attachment J*)
15. Executive Director's Report (*Attachment K*)
16. New Business
17. Adjourn

Next Meeting: October 4, 2018

(Subsequent meetings held the first Thursday of even numbered months.)

**Leon County Research and Development Authority
Board of Governors Meeting**
Thursday, June 7, 2018
11:00am to 1:30pm
Location: Danfoss Turbocor
1769 East Paul Dirac Drive, Tallahassee, FL 32310

Minutes

Members in Attendance: Dave Ramsay, Anne Longman, Keith Bowers, Dustin Daniels, Paul Dean, Kristin Dozier, Rick Frazier, Eric Holmes, April Salter.

Members not in Attendance: Kim Dixon, Kim Williams.

Guests: Ron Miller, Michael Tentnowski, Denise Bilbow, Peggy Bielby (LCRDA Staff); Lori Campbell, Ed Murray, Stephanie Shoulet (NAI Talcro); Melissa VanSickle (Broad and Cassel); Cristina Paredes (Office of Economic Vitality); Ricardo Schneider (Danfoss Turbocor); Tim Moore (FAMU Office of Research).

1. Call to Order

Chair Dave Ramsay called the meeting to order at 11:15am.

2. Introduction of Guests

All present introduced themselves.

3. Modifications to the Agenda

None.

4. Public Comment

Ed Murray thanked the Authority for the opportunity to provide property management and accounting services. Ricardo Schneider welcomed the attendees to Danfoss Turbocor.

5. Approval of Draft Meeting Minutes, April 5, 2018

April Salter offered a motion to approve the April 5, 2018 Board of Governors meeting minutes. Kristin Dozier seconded the motion, which passed unanimously.

6. Consent Agenda

- a. Executive Committee Report, May 23, 2018
- b. Treasurer's Report, June 7, 2018
- c. Monthly Financial Reports
 - i. March 2018
 - ii. April 2018
- d. Investment Reports
 - i. March 2018
 - ii. April 2018
- e. Morgan Building Lease Amendment: FSU IT Services

Executive Committee requests ratification of its approval of an amendment to the lease with Florida State University Board of Trustees for FSU IT Services Space in the Morgan Building to reduce the leased square footage from 11,044 to 10,059 square feet effective April 1, 2018 and increase the square footage to 13,269 square feet effective June 1, 2018. The rental rate is reduced from \$15,277.53 per month to \$13,914.95 per month effective April 1, 2018 and increased to \$18,355.45 per month effective June 1, 2018.

- f. Innovation Park Tech Grant Award Agreements
Executive Committee requests ratification of its approval of the award agreements for the first-place prize of \$15,000 and the second-place prize of \$10,000. The awards were determined at the Elevator Pitch Night Event on May 16, 2018, and the first and second place winners were DiaTech Diabetic Technologies LLC, and NeuroJungle LLC, respectively.
- g. Restroom Partitions Bid
Executive Committee requests ratification of the Chair's approval of an \$11,068 purchase of partitions related to the Fuqua Atrium restroom renovations. The amount and use of fund is in the approved budget. Talcot requested approval in accordance with the purchasing policy for amounts over \$10,000, as well accepting only two bids rather than three. A second bid was received for \$21,700, and a third vendor declined to bid. Staff believes the dollar amount is appropriate, and the best price is from the dominant vendor that other contractors Talcot contacted indicated they would get bids from if they were to do the job. Staff requested Chair approval to move forward with this vendor in order to keep the project on schedule, and once completed, in order to move forward with the interior Morgan restroom renovations. The urgency is driven by FSU IT services staff moving in which will increase the need for the restroom capacity as soon as possible.
- h. Janitorial Services RFP 18-02
Executive Committee requests ratification of its approval to issue RFP 18-02 for Janitorial Services. The current agreement expires August 31, 2018. Proposals will be evaluated by Talcot and staff and presented to the Executive Committee for its approval.
- i. Property Management and Accounting Services RFP 18-03
Executive Committee requests ratification of its approval to issue RFP 18-03 for Property Management and Accounting Services. The current agreement expires September 30, 2018. The Chair will form a committee of the Board to evaluate proposals and to make recommendations to the Board for the award of an agreement.
- j. Innovation Park SBIR/STTR Program FAMU Grant Funding
Executive Committee requests ratification of its approval of an agreement with Florida A&M University (FAMU), subject to final language review by the Authority's General Counsel and approval by the Chair, for the Authority to develop and operate a comprehensive Small Business Innovation Research / Small Business Technology Transfer (SBIR/STTR) training program, and to receive \$45,000 in Economic Development Administration Regional Innovations funding over three years to be matched by internal Authority funds in the form of salaries and benefits. The goal of creating this program is to educate researchers so that they can increase the amount of won SBIR/STTR awards for the region, while elevating Florida's ranking on projects won and dollar amounts brought into the state. Special emphasis will be placed on attracting economically and/or socially disadvantaged individuals to the training. The agreement, substantially in the form as attached, is being reviewed by FAMU.
- k. Collins Building Lab Lease Rate
Executive Committee requests ratification of its approval of office and lab space rents of \$16.60 per square foot. The rate contemplates minimal support services and utilities for the lab space beyond that of typical office space.
- l. Partial Release of Lease-National Magnetic Lab Parcels 4A-10A
As directed by the Executive Committee, staff requests approval a Partial Release of Lease with the Board of Trustees of the Internal Improvement Trust Fund (BTITF) for parcels 4A-10A occupied by facilities of the National High Magnetic Field Laboratory. This release was requested by BTITF to formally complete the transfer of the property previously executed on July 30, 1991. In accordance with Florida Statute, and the Authority Bylaws, the release must be approved by the Authority's Board at meeting where the appointees of the affiliated institutions of higher education are present.

Kristin Dozier offered a motion to approve the consent agenda. Anne Longman seconded the motion, which passed unanimously.

7. Special Guest: FAMU Office of Research Update—Dr. Timothy Moore

Timothy E. Moore, Ph.D., Florida A&M University Vice President for Research provided an update on the efforts to unify, build, and enhance FAMU's research and creative infrastructure, including FAMU's seeking of federal funding (3 years/\$75 million) for its Construction Infrastructure Technology Center of Excellence (CITCE): HQ will be located at Innovation Park, in a new 48,000sf building with a \$28 million design package. State-owned Camp Blanding in Starke will serve as the CITCE national verification/validation center for innovative construction, power, and waste water technologies.

8. Incubation/Acceleration Program Development

- a. Status Report – Michael Tentnowski will provide a status update regarding entrepreneurship and incubation program development.

Michael Tentnowski provided an overview of progress on the incubator/accelerator facility, programs, and pipeline, including the SBIR/STTR training: the first FSU-sponsored training session for 14 companies, and is working with TCC and FAMU to host sessions. He worked with the University of Alabama to present an NSF I-Corps training session and has conducted several other meetings with community partners.

- b. Non-profit Organization Discussion – Staff and General Counsel will present information regarding the formation of a 501(c)(3) organization to support Incubation/Acceleration Programs
After discussion, Anne Longman offered a motion to have staff proceed with forming the 501(c)(3) as presented by Ron Miller. Paul Dean seconded the motion, which passed unanimously. The direction provided to staff is:

1. Setup bylaws of IPT to reflect Section 509(a)(3) Type I Supporting Organization
 - a) Control measures as permitted under 509(a)(3)
2. Board Structure:
 - a) LCRDA Board appoints ALL IPT Board Members with a structure similar to LCRDA board but with different people serving.
 - b) LCRDA Board Vice Chair and Executive Director serve on IPT Board
 - c) Total 13 board members
 - d) LCRDA Director of Entrepreneurship serves as Executive Director of IPT
3. Setup initial board
 - a) Chair/President: Ron Miller, Power to execute documents, presides over meetings
 - b) Vice President: LCRDA Board Chair
 - c) Secretary/Treasurer: LCRDA Treasurer, financial oversight
4. Setup initial agreements with LCRDA (**all subject to LCRDA board approval**)
 - a) License agreement: Use of Innovation Park name; penalties for conduct detrimental to brand
 - b) Building development agreement: Includes control terms and expectations of terms for lease agreement)
 - c) Operating agreement: Leased staff responsibilities
 - d) Loan agreement: Funding initial startup costs and repayment terms
5. Prepare and submit 501(c)(3) application
6. Setup bank account, financial controls, insurance, etc.
7. Recruit additional board members for appointment consideration by LCRDA Board

Rick Frazier left the meeting at 12:34pm. Keith Bowers left the meeting at 1:35pm. Dustin Daniels left the meeting at 1:40pm.

9. Chair's Report

- a. RFP 18-03 Evaluation Committee Appointment
Ron Miller explained the schedule for RFP 18-03, and the Board directed him to reach out to find two volunteers in addition to Paul Dean to serve on the RFP evaluation committee.
- b. Officer Terms/Chair Elect Discussion
The Board agreed to keep the Board terms, size, and officer titles/duties unchanged.
- c. Board Recruitment

Potential applicants and application procedure for the Board were discussed; staff was directed to send to the Board the links to County application website. The Board was asked to share the information with prospective Board members, and to direct prospects with questions to Ron Miller.

10. Director of Programs and Communications Report

- a. TechGrant Recap
- b. Upcoming Events
- c. Board Newsletter

Denise Bilbow reviewed the TechGrant Pitch Night event, the E-Club Larry Lynch Retirement Roast planned for June 18 and the newsletter for the Board planned for the odd-numbered months when there is no Board meeting.

11. Property Manager's Report

Stephanie Shoulet reported the Fuqua restroom renovations are almost complete.

12. Executive Director's Report

- a. Collins Building
- b. Trail

Ron Miller reported that Collins Building plans, and the trail design, engineering, and construction planning, are proceeding.

April Salter offered a motion to allow the Executive Committee to delegate more authority to the Chair as needed to continue moving the Collins Building renovations forward. Eric Holmes seconded the motion which passed unanimously, 6-0.

13. New Business

Paul Dean advised Danfoss may need temporary office space in the fall of 2018, and then additional temporary space in summer of 2019.

14. Adjourn

The meeting was adjourned at 2:05pm.

Next Meeting: Thursday, August 2, 2018

at the

Aeropropulsion, Mechatronics and Energy Center (AME) Building
2003 Levy Ave., Tallahassee, FL 32310

(Subsequent meetings held the first Thursday of even numbered months)

Leon County Research and Development Authority
Executive Committee Meeting
Knight Administrative Centre
1736 W Paul Dirac Drive 32310
Monday, July 23, 2018, 1:00pm

Report

Members in Attendance: Chair Dave Ramsay, Immediate Past Chair Anne Longman, Member at Large Kristin Dozier (via telephone), Treasurer April Salter.

Members Absent: Vice Chair Kim Williams.

Others in Attendance: LCRDA Staff: Ron Miller, Executive Director; Michael Tentnowski, Director of Entrepreneurship; Denise Bilbow, Director of Programs and Communications; Peggy Bielby, Administrative Coordinator. NAI Talcot: Lori Campbell and Stephanie Shoulet.

1. Call to Order

The meeting was called to order at 1:10pm.

2. Introduction of Guests

All present introduced themselves.

3. Modifications to the Agenda

As required by the Bylaws, the Committee must vote to approve Kristin Dozier's participation in the meeting via telephone.

Anne Longman offered a motion to allow Kristin Dozier to participate on the meeting by electronic means. April Salter seconded the motion, which passed 3-0 with Kristin Dozier ineligible to vote on this motion.

4. Public Comment

None.

5. Approval of Draft Meeting Minutes, May 23, 2018

Anne Longman offered a motion to approve the May 23, 2018 Executive Committee meeting minutes. April Salter seconded the motion, which passed unanimously.

6. Morgan Building Restroom Renovations Agreement

Staff and NAI Talcot have reviewed informal bids for the renovation of the Morgan Building restrooms and request approval of their recommendation to award an agreement to Mullinax Construction, LLC in the amount of \$37,330.00. The renovation has been previously approved and included in the current year budget.

April Salter offered a motion to approve the award of the Morgan Building Restroom Renovation agreement to Mullinax Construction. Anne Longman seconded the motion, which passed unanimously.

7. RFP 18-02 Janitorial Services Agreement

Staff and NAI Talcot have reviewed proposals in response to RFP 18-02 Janitorial Services and requests approval of their recommendation to award an agreement to United States Service Industries, Inc. A financial summary of the responses is also attached.

Anne Longman offered a motion to approve the award of the Janitorial Services Agreement to United States Service Industries. April Salter seconded the motion, which passed unanimously.

8. RFP 18-03 Property Management and Accounting Services Agreement

The evaluation committee has reviewed proposals in response to RFP 18-03 Property Management and Accounting Services and requests approval of their recommendation to award an agreement to NAI Talcot.

Ron Miller and Kristin Dozier summarized the evaluation process and discussed the factors evaluated in reviewing the proposals.

April Salter offered a motion to approve the award of the Property Management and Accounting Services Agreement to NAI Talcor. Anne Longman seconded the motion, which passed unanimously.

9. RFQ 18-04 Collins Building Renovation

Ron Miller expressed concerns regarding the RFQ process for design-build services he discovered during the drafting of the RFQ. Previous direction was given to conduct a “qualifications based” RFQ. He believes that this process may not result in the most competitive guaranteed maximum price and guaranteed completion date in these circumstances. Upon further research and consultation with General Counsel, he learned that FS 189.053 and 287.055 provide two options for the Authority’s acquisition of design-build services: “Option 1” is the competitive proposal process. “Option 2” is the qualification-based process. He presented a summary of the two options to the Executive Committee. He recommended following Option 1. This will require procuring architectural services to create a design criteria package in sufficient detail such that at least 3 firms will be able to provide competitive proposals in response to the RFQ for design-build services. The selected architect will also provide consultation concerning evaluation of responses or bids, supervision or approval of detailed working drawings, and evaluation of the compliance of the project construction with the design criteria package.

Kristin Dozier offered a motion to approve utilizing the methods designated as “Option 1” in the discussion. Anne Longman seconded the motion, which passed unanimously.

10. Chair’s Report

- a. Slate of Officers for 2018-19

Current officers have agreed to continue to serve: Dave Ramsay (Chair), Kim Williams (Vice Chair), April Salter (Treasurer). The Board will vote at the Aug. 2, 2018 meeting.

- b. Strategic Planning for 2018-2021

After discussion, staff was directed to pursue organizing a one-day strategic planning session for fall 2018.

11. Staff Reports

- a. Director of Programs and Communications

Denise Bilbow reported on the Larry Lynch roast, STEM outreach platform for the website, TechTopics (Aug. 29), Innovation Hunt (Set. 29), and market research analysis for other research parks.

- b. Director of Entrepreneurship

Michael Tentnowski reported on the fall EEP session plans, T-Cap merging into I-Corps, and progress on \$17 million funding for the new incubator, including pursuit of EDA grants. He also reported that the agreement with FAMU for the EDA Grant subaward for the SBIR-STTR training was completed.

- c. Executive Director

Ron Miller reported that Sunnyland did not renew its lease and will vacate by August. The Development Review Committee approved a 6,600sf expansion at CAPS.

April Salter left the meeting at 3:16pm.

12. New Business

None.

13. Adjourn

The meeting adjourned at 3:16pm.

Leon County Research and Development Authority

Treasurer's Report

August 2, 2018

Attachment C
Page 1 of 2

The following is a summary of the more significant items relating to financial position, financial operations, and the budget:

For the months ending
and the year-to-date through

6/30/2018

6/30/2018 5/31/2018
9 months thru

1) Balance Sheet

<u>Changes for the month:</u>	<u>Increase/ (Decrease)</u>	
	<u>6/30/2018</u>	<u>5/31/2018</u>
Operating cash	\$ 50,472	\$ (51,901)
Receivables ¹	\$ (29,093)	\$ 16,579
Property ²	\$ 31,665	\$ 4,800
Accumulated depreciation and amortization	\$ (23,429)	\$ (23,429)
Investments	\$ 6,273	\$ 5,511
Total assets	\$ 30,999	\$ (48,538)
Total liabilities	\$ 35,979	\$ (17,049)
Total capital	\$ (4,980)	\$ (31,489)

¹ Timing of first FSU IT Services rent payments

² Fuqua restroom renovations

2) Income Statement

	<u>YTD</u>	<u>Month</u>	
	<u>6/30/2018</u>	<u>6/30/2018</u>	<u>5/31/2018</u>
Interest income	\$ 48,684	\$ 5,918	\$ 5,582
Net operating income (loss) ¹ (before depreciation & amort.)	\$ 88,171	\$ 18,449	\$ (8,060)
Less: Depreciation & amort.	(212,659)	(23,429)	(23,429)
Net income (loss)	\$ (124,488)	\$ (4,980)	\$ (31,489)

¹ 5/18 Tech Grant Payments \$25k

3) Cash Flow Statement

<u>Operating Cash</u>		
	<u>6/30/2018</u>	<u>5/31/2018</u>
Beginning balance	\$ 191,796	\$ 243,697
Net change	50,472	(51,901)
Ending balance 6/30/2018	<u>\$ 242,268</u>	<u>\$ 191,796</u>

Operating cash is adequate to meet current cash disbursement needs.

Leon County Research and Development Authority
Treasurer's Report
August 2, 2018

Attachment C
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4) Budget Comparison Statement

a) Revenues:

Revenue Variances Year-to-Date thru: 6/30/2018	
Actual	\$ 730,699
Budgeted	687,893
Variance Favorable (Unfavorable)	<u>\$ 42,806</u>

Variance breakdown:

Rent ¹	\$ 45,251
Interest income	9,868
EEP program revenue ²	(15,800)
Other program revenue ³	3,500
All other	(13)
Variance Favorable (Unfavorable)	<u>\$ 42,806</u>

¹. FSU IT Services rent in Morgan Building

². Contract executed with FAMU; expect to earn \$15k grant funds awarded for SBIR/STTR Training program rather than EEP program

³. Tech Grant sponsorships

b) Operating Expenses (before Depreciation and Amortization):

Operating Expenses Year-to-Date thru: 6/30/2018	
Budgeted	\$ 692,807
Actual	642,528
Variance Favorable (Unfavorable)	<u>\$ 50,279</u>

Operating Expense Variances	Favorable/
Year-to-Date thru: 6/30/2018	(Unfavorable)
Payroll ¹	\$ 11,409
Utilities	5,629
Repairs/Maintenance	6,492
Cleaning & Improvements	1,548
Services ²	8,502
Property Administration ³	16,699
Total Favorable Variance	<u>\$ 50,279</u>

¹. Director of entrepreneurship started one month later than expected (\$11k)

². Budgeted services not yet provided, but expected in future periods

³. Legal fees \$8.2k favorable; Marketing 1.5k favorable; Other Program Expense 3.8k favorable; Travel 1.2k favorable

Respectfully submitted,
April Salter, Treasurer

LEON COUNTY RESEARCH AND DEVELOPMENT AUTHORITY

Attachment D1
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INVESTMENT PORTFOLIO

For period ending May 31, 2018

For the Month:

<u>SECURITY OWNED</u>	<u>BALANCE BOM</u>	<u>EARNINGS</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE EOM</u>	<u>YIELD</u>
FL PRIME	\$ 901,373.14	\$ 1,554.59	\$ -	\$ -	\$ 902,927.73	2.031%
SPIA	2,871,158.06	4,004.43	-	-	2,875,162.49	1.640%
	<u>\$ 3,772,531.20</u>	<u>\$ 5,559.02</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,778,090.22</u>	<u>1.768%</u>

For the Fiscal Year Beginning October 1:

<u>SECURITY OWNED</u>	<u>BALANCE BOP</u>	<u>EARNINGS</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE EOP</u>	<u>YIELD</u>
FL PRIME	\$ 892,980.13	\$ 9,947.60	\$ -	\$ -	\$ 902,927.73	1.667%
SPIA	3,027,497.86	32,664.63	-	185,000.00	2,875,162.49	1.634%
	<u>\$ 3,920,477.99</u>	<u>\$ 42,612.23</u>	<u>\$ -</u>	<u>\$ 185,000.00</u>	<u>\$ 3,778,090.22</u>	<u>1.630%</u>

Investments Limited as to Use (Capital Improvement Fund)
Unrestricted Investments

\$ 1,400,000.00
\$ 2,378,090.22

NOTABLE ADDITIONS OR DELETIONS TO ACCOUNTS:

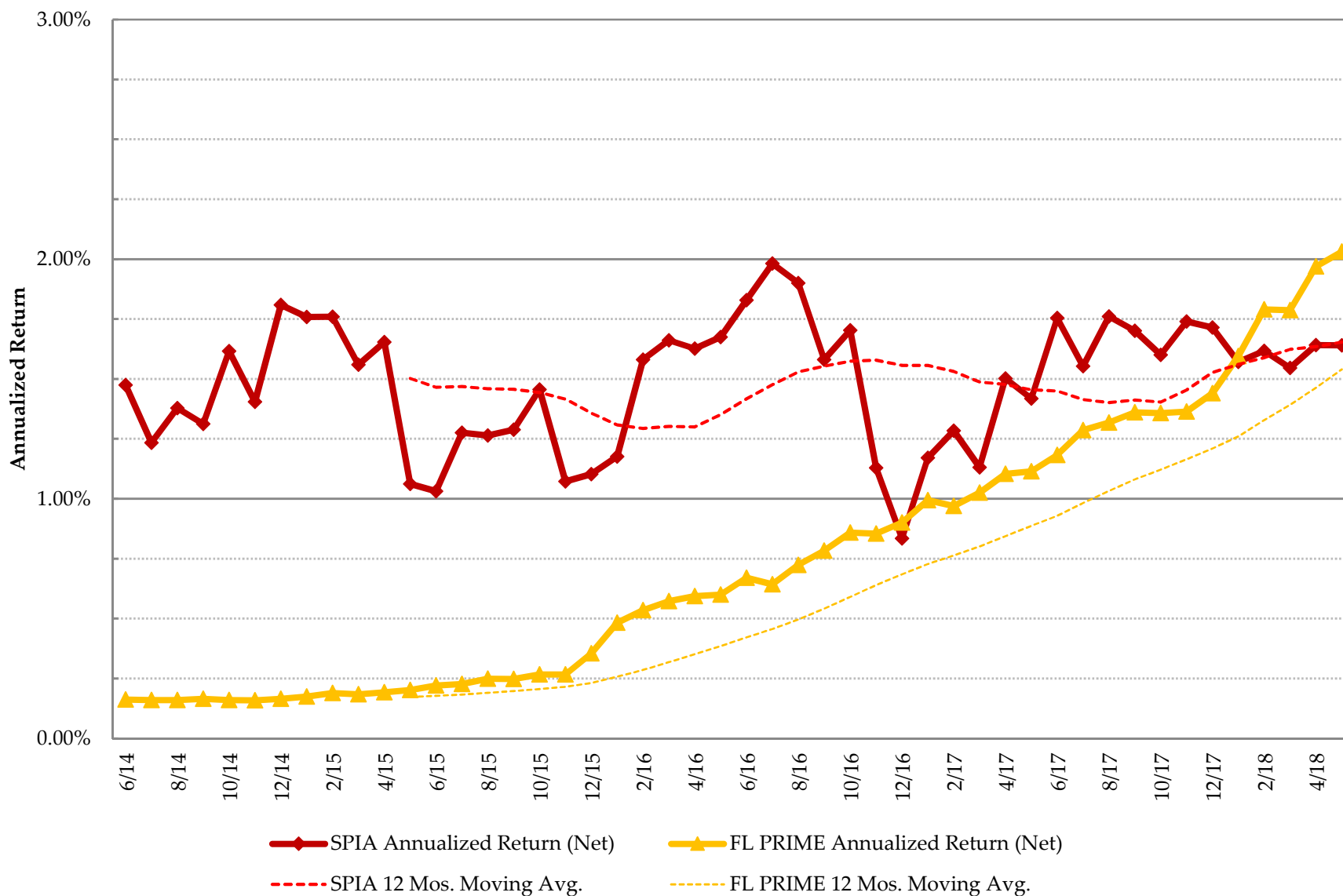
04/18 Liquidated \$185,000 from SPIA to pay for Trail

Note: Security descriptions shown on reverse

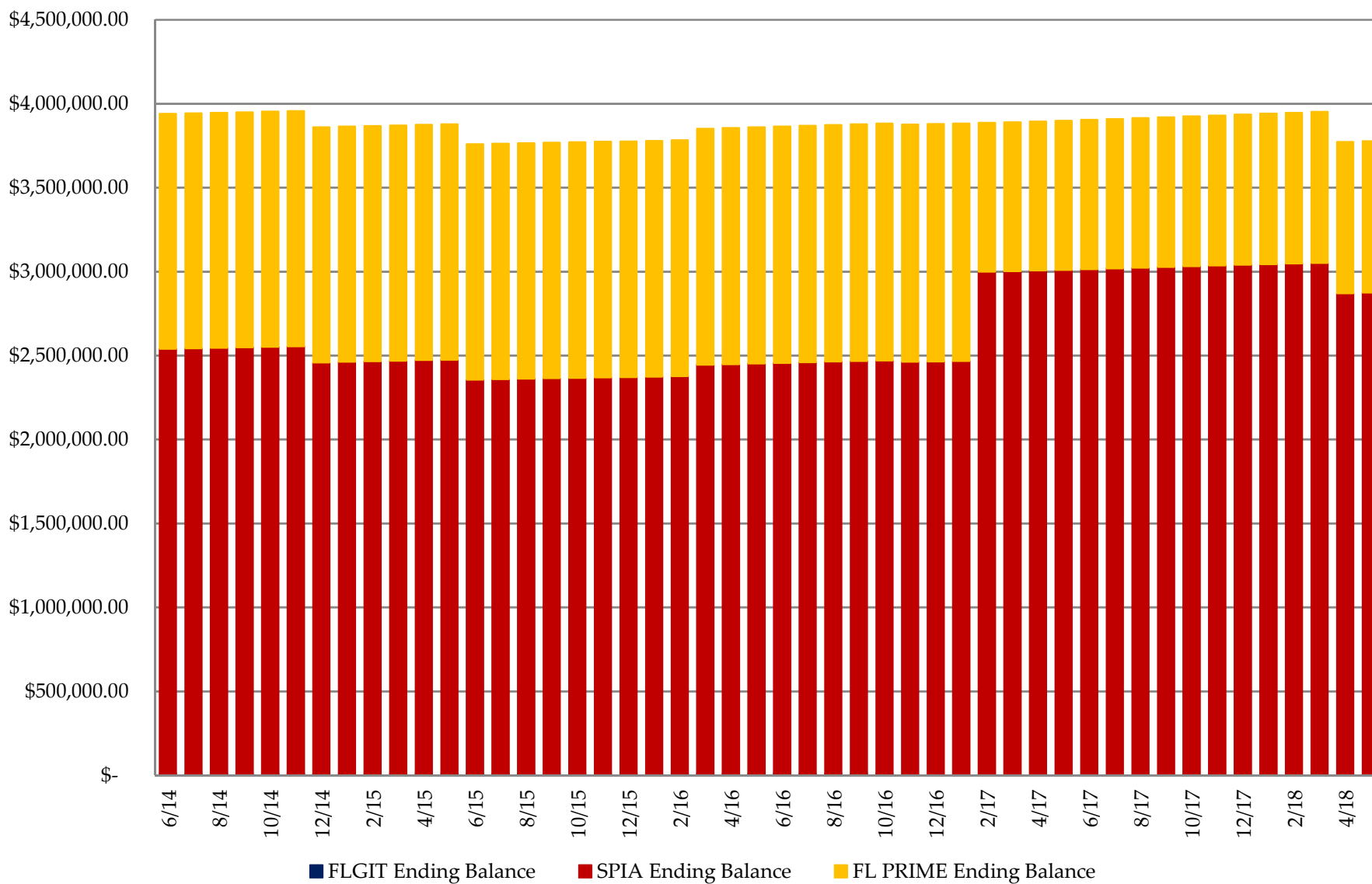
SECURITY DESCRIPTIONS:

- FL PRIME - SBA Florida Prime - The Local Government Surplus Funds Trust Fund (Florida PRIME) was created by an Act of the Florida Legislature in 1977 and currently serves over 800 participants across the state. Invests exclusively in short-term, high-quality fixed-income securities rated in the highest short-term rating category by one or more nationally recognized statistical rating organizations, or securities of comparable quality. Seeks to maintain a \$1.00 value and maintain a weighted average maturity of 60 days or less, with the maximum maturity of any investment limited to 397 days. Rated AAAm by Standard & Poor's, the highest rating available for a local government investment pool. Complies with legislation that requires numerous operational and reporting enhancements, including restating investment objectives to emphasize safety, liquidity and competitive returns with minimization of risks; and providing for enhanced internal controls, transparency and communication. Federated Investors has managed the assets of Florida PRIME to the exact specifications of its investment policies since February 13, 2008.
- SPIA – Florida Treasury Special Purpose Investment Trust – The Florida State Treasury operates a special investment program for public entities other than the State. This program is authorized in Section 17.61(1), Florida Statutes and is called the Treasury Special Purpose Investment Account (SPIA). Component units of the State, Universities, or Colleges that are created by the Florida Constitution or Florida Statutes are eligible to invest in SPIA. Current non-component unit participants, like the Authority, are allowed to stay in the program with capped investment limits and a minimum balance equal to 60% of the previous 3 months average balance. Liquidations in excess of the minimum balance require 6 months' notice. SPIA funds are invested in the same portfolio as Treasury funds, so the pool of funds has a stable base of funds (over 85% of the funds are captive trust funds) not needed for immediate disbursement. These funds are invested in a combination of short-term liquid instruments and intermediate-term fixed income securities. This “barbell” investment strategy, along with incremental income produced by securities lending, has the ability to return higher yields than a typical money market fund. Participants have the ability to invest and obtain fund withdrawals same day with an 11:00 a.m. deadline for notifying the Treasury. The SPIA maintains a credit rating of A+f by Standard & Poor's.

Leon County Research & Development Authority Investment Yield



Leon County Research & Development Authority Investments Balances



LEON COUNTY RESEARCH AND DEVELOPMENT AUTHORITY

Attachment D2
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INVESTMENT PORTFOLIO

For period ending June 30, 2018

For the Month:

<u>SECURITY OWNED</u>	<u>BALANCE BOM</u>	<u>EARNINGS</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE EOM</u>	<u>YIELD</u>
FL PRIME	\$ 902,927.73	\$ 2,268.24	\$ 1,100,000.00	\$ -	\$ 2,005,195.97	2.110%
SPIA	2,875,162.49	3,627.31	-	1,100,000.00	1,778,789.80	1.814%
	<u>\$ 3,778,090.22</u>	<u>\$ 5,895.55</u>	<u>\$ 1,100,000.00</u>	<u>\$ 1,100,000.00</u>	<u>\$ 3,783,985.77</u>	<u>1.873%</u>

For the Fiscal Year Beginning October 1:

<u>SECURITY OWNED</u>	<u>BALANCE BOP</u>	<u>EARNINGS</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE EOP</u>	<u>YIELD</u>
FL PRIME	\$ 892,980.13	\$ 12,215.84	\$ 1,100,000.00	\$ -	\$ 2,005,195.97	1.716%
SPIA	3,027,497.86	36,291.94	-	1,285,000.00	1,778,789.80	1.654%
	<u>\$ 3,920,477.99</u>	<u>\$ 48,507.78</u>	<u>\$ 1,100,000.00</u>	<u>\$ 1,285,000.00</u>	<u>\$ 3,783,985.77</u>	<u>1.650%</u>

Investments Limited as to Use (Capital Improvement Fund)
Unrestricted Investments

\$ 1,400,000.00
\$ 2,383,985.77

NOTABLE ADDITIONS OR DELETIONS TO ACCOUNTS:

04/18 Liquidated \$185,000 from SPIA to pay for Trail

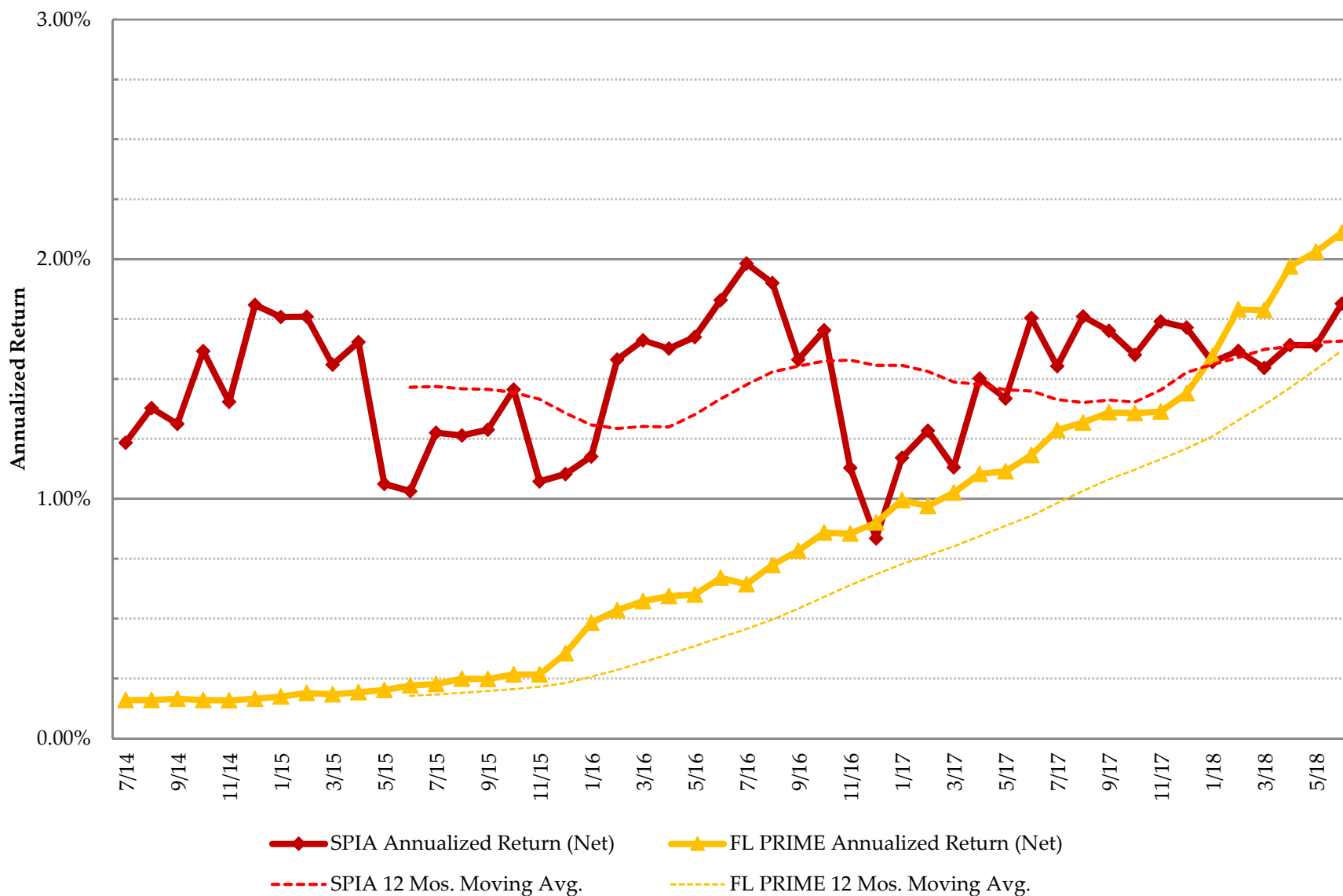
06/18 Transferred \$1.1 million from SPIA to FL PRIME to take advantage of higher returns and expected continued rising interest rates;
this was the maximum allowed liquidation from SPIA

Note: Security descriptions shown on reverse

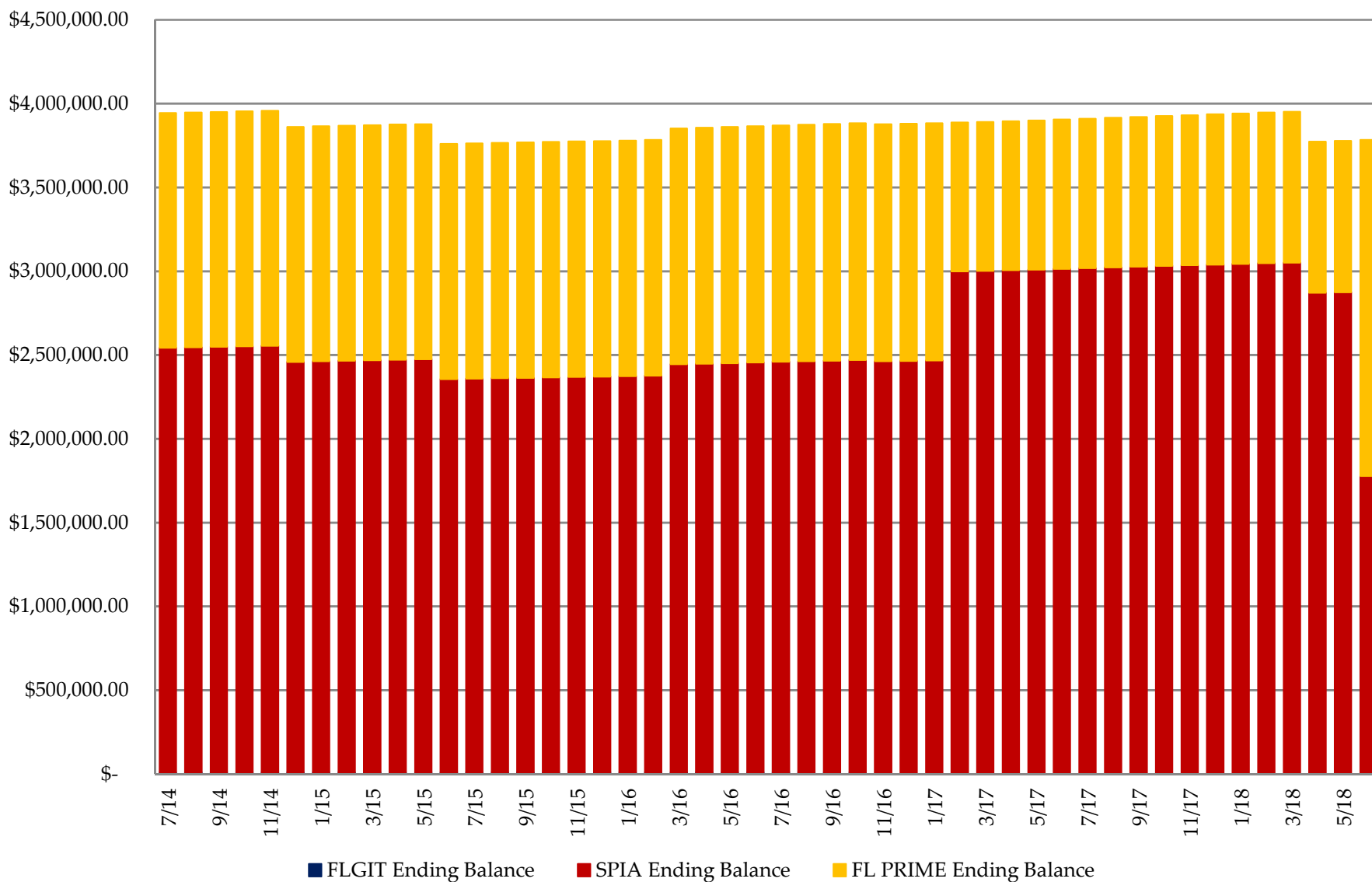
SECURITY DESCRIPTIONS:

- FL PRIME - SBA Florida Prime - The Local Government Surplus Funds Trust Fund (Florida PRIME) was created by an Act of the Florida Legislature in 1977 and currently serves over 800 participants across the state. Invests exclusively in short-term, high-quality fixed-income securities rated in the highest short-term rating category by one or more nationally recognized statistical rating organizations, or securities of comparable quality. Seeks to maintain a \$1.00 value and maintain a weighted average maturity of 60 days or less, with the maximum maturity of any investment limited to 397 days. Rated AAAM by Standard & Poor's, the highest rating available for a local government investment pool. Complies with legislation that requires numerous operational and reporting enhancements, including restating investment objectives to emphasize safety, liquidity and competitive returns with minimization of risks; and providing for enhanced internal controls, transparency and communication. Federated Investors has managed the assets of Florida PRIME to the exact specifications of its investment policies since February 13, 2008.
- SPIA – Florida Treasury Special Purpose Investment Trust – The Florida State Treasury operates a special investment program for public entities other than the State. This program is authorized in Section 17.61(1), Florida Statutes and is called the Treasury Special Purpose Investment Account (SPIA). Component units of the State, Universities, or Colleges that are created by the Florida Constitution or Florida Statutes are eligible to invest in SPIA. Current non-component unit participants, like the Authority, are allowed to stay in the program with capped investment limits and a minimum balance equal to 60% of the previous 3 months average balance. Liquidations in excess of the minimum balance require 6 months' notice. SPIA funds are invested in the same portfolio as Treasury funds, so the pool of funds has a stable base of funds (over 85% of the funds are captive trust funds) not needed for immediate disbursement. These funds are invested in a combination of short-term liquid instruments and intermediate-term fixed income securities. This “barbell” investment strategy, along with incremental income produced by securities lending, has the ability to return higher yields than a typical money market fund. Participants have the ability to invest and obtain fund withdrawals same day with an 11:00 a.m. deadline for notifying the Treasury. The SPIA maintains a credit rating of A+f by Standard & Poor's.

Leon County Research & Development Authority Investment Yield



Leon County Research & Development Authority Investments Balances



PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (this “Agreement”) is entered into this 2nd day of August, 2018 (the “Effective Date”) by and between the Leon County Research and Development Authority, a public Authority created pursuant to Chapter 159, Part V, Florida Statutes, having its principal place of business in Tallahassee, Florida (the “Authority”), and Mullinax Construction, LLC a State of Florida limited liability company having its principal place of business in Crawfordville, Florida (the “Contractor”).

WHEREAS, the Authority received informal bids for Morgan Building Restroom Renovation Services, and;

WHEREAS, the Authority wishes to allow for the Contractor to provide Morgan Building Restroom Renovation services independent of the Authority, and the Contractor desires to provide such services;

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Contractor hereby agree as follows:

1. SERVICES. The Authority hereby allows the Contractor to provide the services described in Exhibit “A” attached hereto and made a part hereof (the “Services”), upon the terms and subject to the conditions of this Agreement.
2. TERM. The Agreement shall become effective for three (3) months commencing August 2nd, 2018, and terminate on November 1, 2018, unless terminated in accordance with the provisions of paragraphs 8 or 9.
3. OPTION TO EXTEND. The Authority shall have the option to extend the contract for two (2) additional thirty (30) day terms upon fourteen (14) days written notice prior to the end of the then expiring term and any extensions thereof.
4. COMPENSATION. The amount of compensation payable by the Authority to Contractor shall be based on the rates and schedules described in Exhibit “B” attached hereto and made a part hereof. Unless otherwise specifically provided in Exhibit “B”, payment shall be made within thirty (30) days after receipt of Contractor’s invoice, which shall be accompanied by sufficient supporting documentation and contain sufficient detail to allow a proper audit of expenditures should the Authority require one to be performed.
5. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS. Contractor shall, in its performance of this Agreement, comply fully with all federal, state, county and other municipal laws and regulations, as they may be amended from time to time.
6. INDEMNIFICATION. Contractor shall indemnify, defend and hold harmless the Authority, its partners, officers, directors, shareholders, employees and agents (collectively referred to as “Indemnities”) and each of them from and against all loss, costs, penalties, fines, damages, claims, expenses (including reasonable attorney’s fees) or liabilities (collectively

referred to as “Liabilities”) by reason of any injury to or death of any person or damage to or destruction or loss of any property arising out of, resulting from or in connection with (i) the performance or non-performance of the Services contemplated by this Agreement which is or is alleged to be directly caused, in whole or in part, by any act, omission, default or negligence (whether active or passive) of Contractor or its employees, agents or subcontractors (collectively referred to as “Contractor”) or (ii) the failure of the Contractor to comply with any of the paragraphs herein or the failure of the Contractor to conform to statutes, ordinances or other regulations or requirements of any governmental authority, federal, state or local, in connection with the performance of this Agreement. Contractor expressly agrees to indemnify and hold harmless the Indemnities, or any of them, from and against all liabilities which may be asserted by an employee or former employee of Contractor, or any of its subcontractors, as provided above, for which the Contractor’s liability to such employee or former employee would otherwise be limited to payments under state Workers’ Compensation or similar laws. The indemnity set forth herein shall be in addition to those indemnities otherwise provided by law.

7. INSURANCE. Contractor shall, at all times during the term hereof, maintain the insurance coverages as set forth in Exhibit “C” attached hereto and made a part hereof.

8. CANCELLATION OR DEFAULT. In the event the Contractor’s performance is deficient, the Authority shall notify the Contractor in writing of the deficiencies and the Contractor shall have ten (10) days to correct such deficiencies. Should the Contractor fail to take appropriate action (acceptable to the Authority in its sole discretion) to correct such deficiencies, the Authority, in addition to all remedies available to it by law, may immediately upon written notice to Contractor by U.S. Mail terminate this Agreement whereupon all payments, advances or other compensation paid by Authority to the Contractor while Contractor was in default shall be immediately returned to the Authority. Contractor understands and agrees that termination of this Agreement under this section shall not release Contractor from any obligation accruing prior to the effective date of termination.

9. AUTHORITY’S RIGHT TO TERMINATE. The Authority shall have the right to terminate this Agreement, in its sole discretion, at any time, by giving written notice to Contractor at least thirty (30) days prior to the effective date of such termination. In such event, the Authority shall pay to Contractor compensation for Services rendered and expenses incurred prior to the effective date of termination. In no event shall the Authority be liable to Contractor for any additional compensation, other than that provided herein, or for any consequential or incidental damages.

10. TERMINATION OF PARTICULAR LOCATIONS. The Authority reserves the right to terminate at will, any particular location(s). Should it become necessary to add new locations to the Agreement, a new Agreement amount shall be negotiated to include such new location(s) and shall coincide with the existing Agreement terms. Should the Authority and Contractor fail to agree upon an amount to be charged for new location, the Authority reserves the right to award such location(s) as it deems necessary.

11. STRIKES OR LOCKOUTS. In the event the Contractor should become involved in a labor dispute, strike or lockout, it shall be required to make whatever arrangements that may be necessary to ensure that the conditions of the Contract are met in their entirety. Should the Contractor be unable to fulfill the Contract requirements, the Authority reserves the right to

make alternative arrangements to insure the satisfactory completion of work Contractor is unable to perform. Any costs, provided those costs would have been covered under this Agreement, incurred by the Authority as a result of such job action shall be the responsibility of the Contractor.

Under no circumstances, shall either party be liable for any loss, damage or delay due to any cause beyond either party's reasonable control, including but not limited to acts of government, strikes, lockouts, labor disputes, fires, explosion, theft, weather damage, flood, earthquake, riot, civil commotion, war, malicious mischief or act of God. However, in connection with any causes, if the Contractor has a duty to take certain actions, it shall be responsible for the losses caused by the Contractor's negligent acts or omissions.

Under no circumstances, shall either party be liable for special, indirect or consequential damages of any kind including, but not limited to, loss of profits, loss of good will, loss of business opportunity, additional financing costs or loss of use of any equipment or property, whether in contract, tort, warranty or otherwise, notwithstanding any indemnity provision to the contrary.

12. NOTICES. All notices or other communications required under this Agreement shall be in writing and shall be given by hand delivery, by U.S. Mail, or by recognized overnight courier at the address indicated herein or to such other address as a party may designate by notice given as herein provided. Notice shall be deemed given on the day on which personally delivered, or if by mail, on the fifth day after being posted or the date of actual delivery, whichever is earlier, or if by courier, on the date of receipt.

To Authority:

Leon County Research and Development Authority
Attention: Ron Miller, Executive Director
1736 West Paul Dirac Drive
Tallahassee, FL 32310
rmiller@inn-park.com

With copy to:
Broad and Cassel
Attention: Melissa VanSickle
215 South Monroe Street, Suite 400
Tallahassee, FL 32301
mvansickle@broadandcassel.com

To Contractor:

Mullinax Construction, LLC
Attention: Charlie Mullinax
1475 Crawfordville Highway
Crawfordville, FL 32327
mullinaxconstruction@embarqmail.com

13. MISCELLANEOUS

- a. This Agreement shall be construed and enforced according to the laws of the State of Florida. Venue for all purposes shall be Leon County, Florida.
- b. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of the provisions of this Agreement.
- c. No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- d. Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.
- e. The filing of any petitions in bankruptcy whether voluntary or involuntary on the part of Contractor, shall give Authority the right to terminate this Agreement.
- f. No amendment, change or modification of this Agreement shall be valid or binding upon the parties unless same shall be in writing and signed by the parties.
- g. This agreement, including all attachments and exhibits thereto, constitutes the full agreement of the parties and there are no further or other agreements, statements or warranties, whether written or oral, relied upon or in between them relating to the subject matter hereof, except as expressly herein stated. This Agreement shall inure to the benefit of and be binding upon the parties, their successors and assigns.
- h. This Agreement shall not be assigned by Contractor, in whole or in part, without the prior written consent of the Authority, which may be withheld or conditioned, in the Authority's sole discretion, and any such purported assignment in breach of this Agreement shall be null and void. The Authority reserves the right to assign this Agreement without first obtaining the consent of Contractor.
- i. The prevailing party in any action or proceeding to enforce this Agreement or for damages or declaratory relief in connection herewith shall be entitled to recover its reasonable costs and expenses, including attorney's fees, and costs through litigation, all appeals and any bankruptcy proceedings. Authority's liability to pay such costs and expenses shall be limited to the extent provided in Section 768.28 Florida Statutes, as may be amended from time to time. Nothing herein shall be construed to be a waiver of Authority's sovereign immunity.

- j. Contractor shall be an independent contractor and not an employee, partner or joint venture of Authority under this Agreement. Contractor shall be responsible for all income taxes, social security taxes, self-employment taxes and any other taxes to which Contractor or Authority may be subject to as a result of this Agreement or Contractor's performance hereunder.
- k. Contractor shall comply with all Authority rules and regulations, as they may be amended from time to time, governing access to and conduct on the property.

[The remainder of this page intentionally left blank]

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

THE CONTRACTOR

Mullinax Construction, LLC
a State of Florida limited liability company

By: _____

Name: Charlie Mullinax

Title: _____

THE AUTHORITY

Leon County Research and Development Authority,
a public Authority created pursuant to Chapter 159, Part V, Florida Statutes

By: _____

Name: David B. Ramsay

Title: Chair

EXHIBIT A SCOPE OF SERVICES

Re: Morgan Bldg. Restrooms (4)

Remove and replace all partitions in restrooms	
Remove and replace mirrors	
Remove and replace counters, sinks and faucets (Granite)	
Remove tile base board and replace with new dark 4" tile base	
Clean all existing tile floor	
Repair drywall	
Paint restrooms	
Remove ceiling tiles and insulation. Clean grid and install new tiles.	
Replace trim in showers	
Provide and install new paper and soap dispensers	
Provide and install new grab bars	
Partitions:	\$16,900.00
Toilet stalls. Solid plastic. Standard color selection	
Toilet paper GP59209 (14)	
Paper towel T76700 (8)	
Napkin disposal (7)	
Soap dispenser 91106 (8)	
Grab bars (8)	
Total:	\$3,080.00
Granite Tops and sinks:	\$4,800.00
Paint, drywall, tile base boards:	\$6,800.00
Faucets (10) and flush valves (16)	\$5,750.00
Project Total:	\$37,330.00

EXHIBIT B COMPENSATION

PRICE SCHEDULE

The Contractor shall be paid a total contract price of \$37,330.00 for work completed in accordance with Exhibit A herein according to the following payment schedule:

Upon execution of the agreement:	\$17,330.00
Upon installation of the partitions:	\$10,000.00
Upon completion of all work:	\$10,000.00

Payment shall be made within 14 days of presentation of an invoice. Final payment will be subject to review by Authority or its agent accepting compliance with required scope of work.

EXHIBIT C INSURANCE

- a. **CONTRACTOR'S INSURANCE.** Contractor shall, at its sole cost, maintain limits no less than the following throughout the Term:
- i. **General Liability.** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage with a \$2,000,000 annual aggregate. Contractor's insurance shall include Authority as an additional insured as provided herein below.
 - ii. **Automobile Liability:** \$1,000,000 combined single limit per accident for bodily injury and property damage for non-owned, hired automobile. Contractor's insurance shall include Authority as an additional insured as provided herein below. The requirements of this provision may be waived upon submission by Contractor of a written statement that no automobiles are used to conduct business.
 - iii. **Worker's Compensation and Employers Liability:** Insurance covering all employees meeting statutory requirements in compliance with the applicable state and federal laws. In lieu of naming Authority as an additional insured, Contractor shall provide to Authority a waiver of all rights of subrogation against Authority with respect to losses payable under such workers' compensation policy(ies).
- b. **AMENDED INSURANCE REQUIREMENTS.** Authority reserves the right to reasonably amend the insurance requirements to standards reasonable and customary for the size and type of business being conducted by Contractor by the issuance of a notice in writing to Contractor. The Contractor shall provide any other insurance or security reasonably required by Authority.
- c. **DEDUCTIBLES AND SELF-INSURED RETENTIONS.** Any deductibles or self-insured retentions applicable to any of Contractor's policies required above shall be declared to and approved by Authority. Thereafter, at the request of Authority, Contractor shall cause its insurer to reduce or eliminate such deductibles or self-insured retentions as they may apply to Authority, its agents, officers, officials, employees and volunteers or, in lieu of such reductions or eliminations, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.
- d. **AUTHORITY AS ADDITIONAL INSURED.** Authority, its agents, officers, officials, employees, and volunteers are to be named and covered as additional insureds, with no limitations on the scope of protection afforded, in all of Contractor's insurance policies, other than workers' compensation policies, that include coverage for the following:
- i. liability arising from, or in connection with, activities performed by, or on behalf of, Contractor;
 - ii. products and completed operations of Contractor;
 - iii. premises owned, occupied, or used by Contractor; or
 - iv. automobiles owned, leased, hired, or borrowed by Contractor.

- e. **CONTRACTOR'S INSURANCE AS PRIMARY.** With regard to claims for injuries to persons or damages to property which may arise from, or in connection with, the performance by Contractor, its agents, representatives, employees, and/or subcontractors of the rights, duties and responsibilities pursuant to this Agreement, Contractor's insurance coverage shall be primary insurance with respect to Authority, its agents, officers, officials, employees, and volunteers. As such, any insurance or self-insurance maintained by Authority, its agents, officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it. In such instances when Contractor's insurance coverage is primary, Contractor hereby waives all rights of subrogation against Authority with respect to losses payable under such insurance coverage.
- f. **CERTIFICATES OF INSURANCE.** Contractor shall furnish Authority with certificates of insurance and with any original endorsements evidencing the coverages described above. Such certificates shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by Authority prior to the commencement of Contractor's services under this Agreement. Authority reserves the right to require complete, certified copies of all Contractor's required insurance policies at any time. Each of Contractor's required insurance policies shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to Authority. All of Contractor's required insurance policies shall be placed with insurers with a Best's rating of no less than A:VII and which are licensed in the state of Florida.
- g. **OTHER ENDORSEMENTS REQUIREMENTS FOR CONTRACTOR'S INSURANCE.** Each of Contractor's required insurance policies shall contain endorsements for, or otherwise provide, the following:
 - i. that any failure to comply with the reporting provisions of the policies shall not affect coverage provided to Authority, its agents, officers, officials, employees, or volunteers;
 - ii. that, to the extent of insurer's limits of liability, Contractor's insurance coverage shall apply separately to each insured against whom claims are made or suit is brought; and
 - iii. that the companies issuing the insurance policy(ies) shall have no recourse against Authority for payment of premiums or assessments for any deductibles which are the sole responsibility and risk of Contractor.

TALCOR Management Bids				
<u>Flooring</u>		TOTAL	<u>DETAILS</u>	
Southern Flooring		\$2,874.22	Remove base from all four bathrooms and install new tile base.	
<u>Plumbing and Fixtures</u>				
WW Gay Mechanical		\$8,000.00	Install fourteen (14) new toilet flush valves, reset all toilets, replace (10) toilet seats, Install two (2) urinals flush valves, Install ten (10) single handle sink faucets, Install four (4) single handle shower valves, Install four new shower drain covers. All trim on (4) showers. Scope is correct and I have a verbal bid of \$8,000, Plumbing Company delayed in getting me their bid, they will get me their official bid tomorrow 7/13.	
Small fixtures		\$933.00	Trash cans, Toilet paper GP59209 (14), Paper towel T76700 (8), Napkin disposal (7), Soap dispenser 91106 (8), Grab bars (8) Shower curtains, Mirrors (4) INSTALLED BY TALCOR MAINTENANCE STAFF	
<u>Partitions</u>				
Door Products		\$16,380.00	Demo and install 14 plastic partitions.	
<u>Paint</u>				
Universal Coatings		\$4,700.00	Repair drywall, paint walls.	
<u>Ceiling Tiles</u>				
Talcor Maintenance		\$600.00	Remove and replace ceiling tiles. This is materials only.	
<u>Counter Tops</u>				
MGM Countertops		\$5,458.00	Removal countertops in all four restrooms, install granite countertops, 10 undermount oval sinks, with back splashes and front aprons.	
<u>Strip and seal Floors</u>				
<u>Extreme Carpet Care</u>		\$638.40	Strip and seal all four restrooms floors.	
	TOTAL	\$39,583.62		
				<u>NOTES</u>
<u>Mullinax Construction</u>				
1st Draw upon acceptance of \$17,000.00. 2nd Draw of \$10,000 upon installation of partitions. Final payment of \$10,330 upon completion.		\$37,330.00	Remove and replace all partitions in restrooms Remove and replace mirrors Remove and replace counters, sinks and faucets (Granite) Remove tile base board and replace with new dark 4" tile base Clean all existing tile floor Repair drywall Paint restrooms Remove ceiling tiles and insulation. Clean grid and install new tiles. Replace trim in showers Provide and install new paper and soap dispensers Provide and install new grab bars Partitions: \$16,900.00 Toilet stalls. Solid plastic. Standard color selection Toilet paper GP59209 (14) Paper towel T76700 (8) Napkin disposal (7) Soap dispenser 91106 (8) Grab bars (8) Total: \$3,080.00 Granite Tops and sinks: \$4,800.00 Paint, drywall, tile base boards: \$6,800.00 Faucets (10) and flush valves (16) \$5,750.00	Best value, maintenance will switch out electrical plate covers, and add new light fixture covers. Add additional shower curtains, shower caddy. \$100.00 in supply's
<u>Extreme Carpet Care</u>		\$638.40	Strip and seal all four restrooms floors.	
	TOTAL	\$37,968.40		

CRR, Commercial Repairs & Renovation, Inc.				
25% draw upon acceptance.	TOTAL	\$58,661.98	<p>Men's Restroom 2 each & Women's Restroom 2 each -</p> <ul style="list-style-type: none"> o Remove old ceiling tile, paint grid & replace with new ceiling tile. o Remove & replace toilet partitions, handrails & door stops. o Install owner supplied Toilet Paper dispensers & paper towel dispensers. o Remove & replace flush valves & toilet seats, shower valves, shower head, shower drain cover & main drain cover. o Remove & replace Countertops, sinks, faucets & mirrors. (Replacement countertop is Granite) o Remove & replace Tile Base. o Drywall repairs as needed. o Prep & paint all walls, door frames & ceiling grid. <p>☐ Women's Restroom 2 each ONLY -</p> <ul style="list-style-type: none"> o Remove & discard Trash Container & Sanitary Napkin Dispenser. Patch wall. o Replace one light fixture above mirror & ADD one light fixture above the other. 	<p>They added in painting the ceiling grid, and changing out one light fixture and adding another above the mirrors. We can change the cover instead saving money. The ceiling grid doesn't need to be painted.</p>
OliverSperry Renovation	TOTAL	\$70,475.00	<p>Drywall</p> <ul style="list-style-type: none"> • The sheetrock will be cutout to be able to replace the shower valves for the shower units in each bathroom • The sheetrock will be replaced and refinished <p>Ceramic Tile Base</p> <ul style="list-style-type: none"> • Install new Mosaic Art Epic , 2x2 Black Matte, grout to match the rest <p>Acoustical Ceilings</p> <ul style="list-style-type: none"> • Install new ceiling tile in all bathrooms <p>Painting</p> <ul style="list-style-type: none"> • Paint all walls with two coats of Sherwin Williams Acrylic Paint , Color to be Olympus White SW6253 • Door frames to be painted two coats of semi-gloss paint <p>Plumbing / Black Granite counter tops</p> <ul style="list-style-type: none"> • Install fourteen (14) new toilet flush valves • Install two (2) urinals flush valves • Install ten (10) single handle sink faucets • Install four (4) single handle shower valves • Install four new shower drain covers • Install four (4) black granite counter tops with white built in sinks , the women's <p>Bathrooms have three sinks and the men's bathroom has two sinks per bathroom</p>	<p>Differences - Electrical</p> <ul style="list-style-type: none"> • Install two (2) wall mounted light fixtures over the sink area • Replace all switch and receptacle covers
			<p>Bathroom Partitions & Accessories</p> <ul style="list-style-type: none"> • Install all new solid plastic toilet partitions • Install new double roll toilet tissue holders • Install new towel hooks in the shower areas • Install new soap dispensers • Install new paper towel holders • Install all grab bars <p>Mirrors</p> <ul style="list-style-type: none"> • Install two (2) 74 ½" x 38 " mirrors • Install two (2) 44" x 38 " mirrors <p>Electrical</p> <ul style="list-style-type: none"> • Install two (2) wall mounted light fixtures over the sink area • Replace all switch and receptacle covers 	<p>Yes we usually do a progress payment two weeks after we start. This project is estimated to take 4 weeks total to complete all 4 bathrooms. We normally do a 50% payment request, but it is negotiable .</p>

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (this “Agreement”) is entered into this ____ day of _____, 2018 (the “Effective Date”) by and between the Leon County Research and Development Authority, a public Authority created pursuant to Chapter 159, Part V, Florida Statutes, having its principal place of business in Tallahassee, Florida (the “Authority”), and **United States Service Industries, Inc. (doing business as USSI)**, a State of Delaware corporation having its principal place of business in Bethesda, Maryland (the “Contractor”).

WHEREAS, the Authority issued RFP Number 18-02 Janitorial Services on June 8, 2018, and;

WHEREAS, the Authority wishes to allow for the Contractor to provide janitorial services independent of the Authority, and the Contractor desires to provide such services;

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Contractor hereby agree as follows:

1. **SERVICES.** The Authority hereby allows the Contractor to provide the services described in Exhibit “A” attached hereto and made a part hereof (the “Services”), upon the terms and subject to the conditions of this Agreement.
2. **TERM.** The Agreement shall become effective for one (1) year commencing September 1, 2018, and terminate on August 31, 2019, unless terminated in accordance with the provisions of paragraphs 8 or 9.
3. **OPTION TO EXTEND.** The Authority shall have the option to extend the contract for two (2) additional one (1) year terms upon sixty (60) days written notice prior to the end of the then expiring term and any extensions thereof. This agreement may be extended in additional one (1) year terms by mutual agreement of the parties.
4. **COMPENSATION.** The amount of compensation payable by the Authority to Contractor shall be based on the rates and schedules described in Exhibit “B” attached hereto and made a part hereof. Unless otherwise specifically provided in Exhibit “B”, payment shall be made within thirty (30) days after receipt of Contractor’s invoice, which shall be accompanied by sufficient supporting documentation and contain sufficient detail to allow a proper audit of expenditures should the Authority require one to be performed.
5. **COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS.** Contractor shall, in its performance of this Agreement, comply fully with all federal, state, county and other municipal laws and regulations, as they may be amended from time to time.
6. **INDEMNIFICATION.** Contractor shall indemnify, defend and hold harmless the Authority, its partners, officers, directors, shareholders, employees and agents (collectively referred to as “Indemnities”) and each of them from and against all loss, costs, penalties, fines, damages, claims, expenses (including reasonable attorney’s fees) or liabilities (collectively referred to as “Liabilities”) by reason of any injury to or death of any person or damage to or

destruction or loss of any property arising out of, resulting from or in connection with (i) the performance or non-performance of the Services contemplated by this Agreement which is or is alleged to be directly caused, in whole or in part, by any act, omission, default or negligence (whether active or passive) of Contractor or its employees, agents or subcontractors (collectively referred to as "Contractor") or (ii) the failure of the Contractor to comply with any of the paragraphs herein or the failure of the Contractor to conform to statutes, ordinances or other regulations or requirements of any governmental authority, federal, state or local, in connection with the performance of this Agreement. Contractor expressly agrees to indemnify and hold harmless the Indemnities, or any of them, from and against all liabilities which may be asserted by an employee or former employee of Contractor, or any of its subcontractors, as provided above, for which the Contractor's liability to such employee or former employee would otherwise be limited to payments under state Workers' Compensation or similar laws. The indemnity set forth herein shall be in addition to those indemnities otherwise provided by law.

7. INSURANCE. Contractor shall, at all times during the term hereof, maintain the insurance coverages as set forth in Exhibit "C" attached hereto and made a part hereof.

8. CANCELLATION OR DEFAULT. In the event the Contractor's performance is deficient, the Authority shall notify the Contractor in writing of the deficiencies and the Contractor shall have ten (10) days to correct such deficiencies. Should the Contractor fail to take appropriate action (acceptable to the Authority in its sole discretion) to correct such deficiencies, the Authority, in addition to all remedies available to it by law, may immediately upon written notice to Contractor by U.S. Mail terminate this Agreement whereupon all payments, advances or other compensation paid by Authority to the Contractor while Contractor was in default shall be immediately returned to the Authority. Contractor understands and agrees that termination of this Agreement under this section shall not release Contractor from any obligation accruing prior to the effective date of termination.

9. AUTHORITY'S RIGHT TO TERMINATE. The Authority shall have the right to terminate this Agreement, in its sole discretion, at any time, by giving written notice to Contractor at least thirty (30) days prior to the effective date of such termination. In such event, the Authority shall pay to Contractor compensation for Services rendered and expenses incurred prior to the effective date of termination. In no event shall the Authority be liable to Contractor for any additional compensation, other than that provided herein, or for any consequential or incidental damages.

10. TERMINATION OF PARTICULAR LOCATIONS. The Authority reserves the right to terminate at will, any particular location(s) or portions of location(s). Should it become necessary to add new locations or portions of location(s) to the Agreement, a new Agreement amount shall be negotiated to include such new location(s) and shall coincide with the existing Agreement terms. Should the Authority and Contractor fail to agree upon an amount to be charged for new location, the Authority reserves the right to award such location(s) as it deems necessary.

11. STRIKES OR LOCKOUTS. In the event the Contractor should become involved in a labor dispute, strike or lockout, it shall be required to make whatever arrangements that may be necessary to ensure that the conditions of the Contract are met in their entirety. Should the Contractor be unable to fulfill the Contract requirements, the Authority reserves the right to

make alternative arrangements to insure the satisfactory completion of work Contractor is unable to perform. Any costs, provided those costs would have been covered under this Agreement, incurred by the Authority as a result of such job action shall be the responsibility of the Contractor.

Under no circumstances, shall either party be liable for any loss, damage or delay due to any cause beyond either party's reasonable control, including but not limited to acts of government, strikes, lockouts, labor disputes, fires, explosion, theft, weather damage, flood, earthquake, riot, civil commotion, war, malicious mischief or act of God. However, in connection with any causes, if the Contractor has a duty to take certain actions, it shall be responsible for the losses caused by the Contractor's negligent acts or omissions.

Under no circumstances, shall either party be liable for special, indirect or consequential damages of any kind including, but not limited to, loss of profits, loss of good will, loss of business opportunity, additional financing costs or loss of use of any equipment or property, whether in contract, tort, warranty or otherwise, notwithstanding any indemnity provision to the contrary.

12. NOTICES. All notices or other communications required under this Agreement shall be in writing and shall be given by hand delivery, by U.S. Mail, or by recognized overnight courier at the address indicated herein or to such other address as a party may designate by notice given as herein provided. Notice shall be deemed given on the day on which personally delivered, or if by mail, on the fifth day after being posted or the date of actual delivery, whichever is earlier, or if by courier, on the date of receipt.

If to Contractor:

United States Service Industries, Inc.
Attention: Danna Hewick, Vice President of Business Development
4340 East-West Highway, Suite 204
Bethesda, MD 20814
Marketing@ussiclean.com

If to Authority:

Leon County Research and Development Authority
1736 West Paul Dirac Drive
Tallahassee, FL 32310
Attention: Ron Miller, Executive Director
Rmiller@inn-park.com

Broad and Cassell
Attention: Melissa VanSickle
215 South Monroe Street, Suite 400
Tallahassee, FL 32301
mvansickle@broadandcassesel.com

13. MISCELLANEOUS

- a. This Agreement shall be construed and enforced according to the laws of the State of Florida. Venue for all purposes shall be Leon County, Florida.
- b. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of the provisions of this Agreement.
- c. No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- d. Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.
- e. The filing of any petitions in bankruptcy whether voluntary or involuntary on the part of Contractor, shall give Authority the right to terminate this Agreement.
- f. No amendment, change or modification of this Agreement shall be valid or binding upon the parties unless same shall be in writing and signed by the parties.
- g. This agreement, including all attachments and exhibits thereto, constitutes the full agreement of the parties and there are no further or other agreements, statements or warranties, whether written or oral, relied upon or in between them relating to the subject matter hereof, except as expressly herein stated. This Agreement shall inure to the benefit of and be binding upon the parties, their successors and assigns.
- h. This Agreement shall not be assigned by Contractor, in whole or in part, without the prior written consent of the Authority, which may be withheld or conditioned, in the Authority's sole discretion, and any such purported assignment in breach of this Agreement shall be null and void. The Authority reserves the right to assign this Agreement without first obtaining the consent of Contractor.
- i. The prevailing party in any action or proceeding to enforce this Agreement or for damages or declaratory relief in connection herewith shall be entitled to recover its reasonable costs and expenses, including attorney's fees, and costs through litigation, all appeals and any bankruptcy proceedings. Authority's liability to pay such costs and expenses shall be limited to the extent provided in Section 768.28 Florida Statutes, as may be amended from time to time. Nothing herein shall be construed to be a waiver of Authority's sovereign immunity.

- j. Contractor shall be an independent contractor and not an employee, partner or joint venture of Authority under this Agreement. Contractor shall be responsible for all income taxes, social security taxes, self-employment taxes and any other taxes to which Contractor or Authority may be subject to as a result of this Agreement or Contractor's performance hereunder.
- k. Contractor shall comply with all Authority rules and regulations, as they may be amended from time to time, governing access to and conduct on the property.

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

THE CONTRACTOR

United States Service Industries, Inc.
a State of Delaware corporation

By: Stephanie Nester

Digitally signed by Stephanie Nester
DN: cn=Stephanie Nester, o=United States Service Industries, Inc., c=US
Date: 2018.07.16 14:32:40 -0400

Danna Hewick
Vp of Business Development
7-16-18

Name: _____

Title: _____

THE AUTHORITY

Leon County Research and Development Authority,
a public Authority created pursuant to Chapter 159, Part V, Florida Statutes

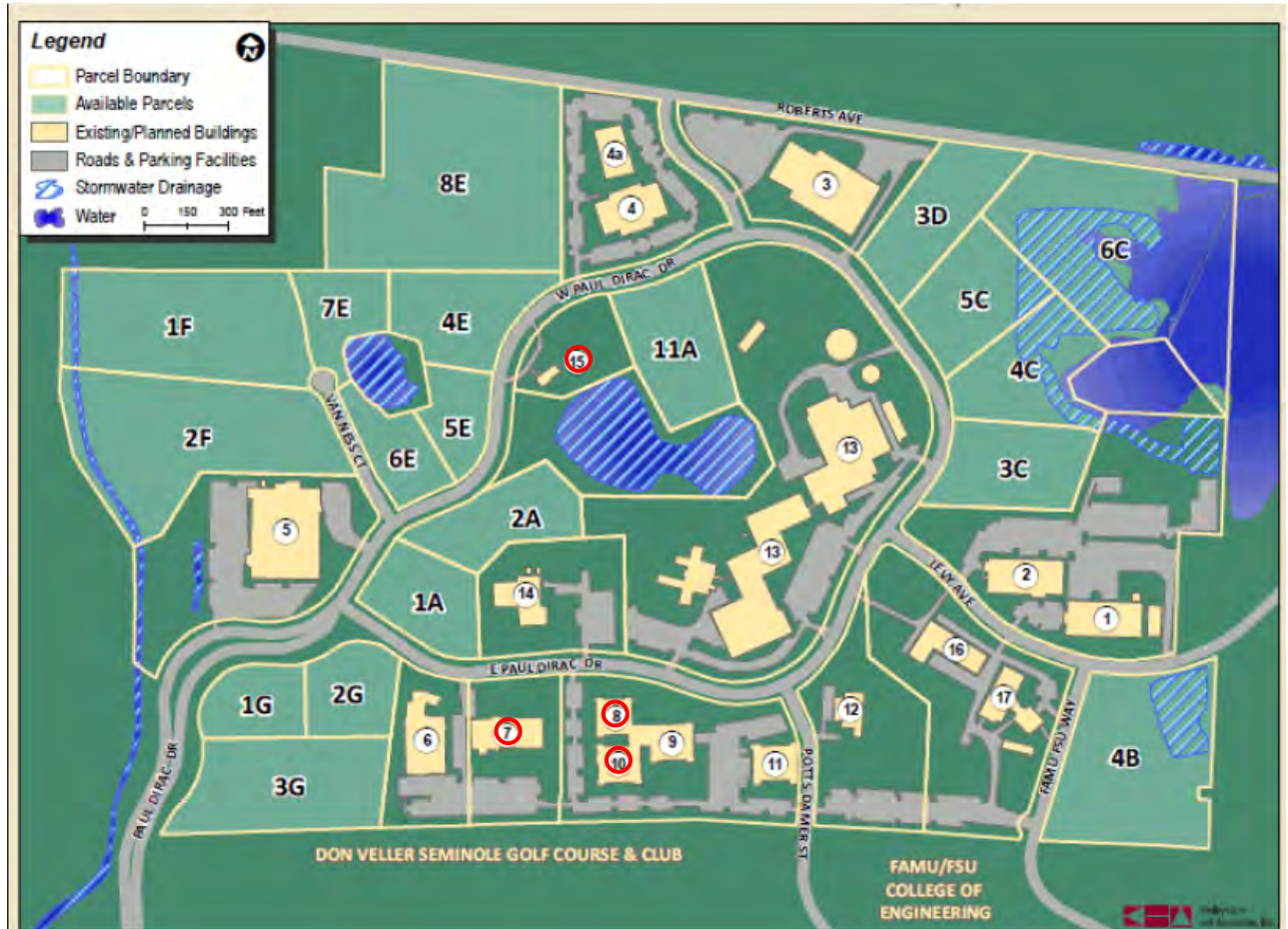
By: _____

Name: David B. Ramsay

Title: Chair

EXHIBIT A SCOPE OF SERVICES

A. LOCATIONS: This Agreement shall apply to the follow locations:



Bldg #	PROPERTY NAME	PROPERTY ADDRESS
8	Morgan	2035 E Paul Dirac Dr
10	Johnson	2035 E Paul Dirac Dr
7	Collins	2051 E Paul Dirac Dr
15	Knight	1736 W Paul Dirac Dr

B. SERVICE SPECIFICATIONS

1. PERFORMANCE STANDARDS

The Authority shall be the sole determinant of all standards referenced in these specifications, including but not limited to, standards of cleanliness and the measurement thereof (performance standards), standards of green cleaning products and methods, standards of conduct, dress

standards, standards for management response and cooperation, etc. complaints, concerns, or comments presented by the Authority regarding any of these standards and the measure of the Contractor's performance thereunder shall not be subject to debate.

2. INDEPENDENT CONTRACTORS

The Contractor will not be allowed to treat employees as independent contractors. No individuals or subcontractors classified as independent contractors, pursuant to the United States Internal Revenue Service definition, shall be permitted to work on any part of this contract, or in or on the premises of any Authority building, as an express term and condition of this proposal. The Contractor shall accept full responsibility for ensuring that adequate Worker's Compensation Insurance is available for each of his employees.

3. PERSONNEL

a. Contract Manager

The Contractor shall arrange for a contract manager (which may be the Contractor himself) and an alternate to be the primary contacts for services. The contract manager or alternate must respond within 30 minutes.

The contract manager will receive notices, reports, or requests for service from the Property Manager of the Authority or her representative, (herein after referred to as the "Property Manager") and shall be available at all times when the contract work is in progress. It is the policy of the Authority that Authority direction or supervision of Contractor's employees, directly or indirectly, shall not be exercised.

b. Employees

The Contractor, at its sole cost, shall furnish all labor necessary to properly perform all services according to the specifications set forth in this Agreement. The Contractor shall provide a current FDLE (Florida Department of Law Enforcement) background check on each individual that will be working in the buildings no later than five (5) working days prior to the individual beginning work. The background check will be reviewed and approved by the Property Manager before any Contractor employee may begin work. The Contractor may access the FDLE site themselves to perform this check online. The Contractor is responsible for any costs associated with this action. The address for the site is: <https://web.fdle.state.fl.us/search/app/default>. If the individual has not been a resident in Florida for 12 months, then a check should be done from their previous residence. The Authority reserves the right to reject any proposed custodial personnel based on background check information.

All employees assigned by the Contractor to perform the work as outlined under this contract shall be physically able to do their assigned work. It shall be the Contractor's responsibility to ensure that all employees meet the physical standards to perform the work assigned. All personnel will receive close and continuing first line supervision. All crew supervisors must have a minimum of one (1) year of experience in the commercial janitorial field.

4. PERSONNEL EXPERIENCE REQUIREMENTS

All site managers engaged in directing the work to be accomplished under this contract shall possess at least one (1) year of recent (within the past 5 years) experience in directing cleaning type operations in a supervisory capacity for buildings of the approximate size of the building(s) to be cleaned under this contract.

5. OPERATIONS AND MANAGEMENT PLANS

Contractor shall conduct its operations in accordance with the “Operations and Management Plan” submitted as part of its proposal and attached hereto as Attachment 1, which plan may be amended from time to time, as necessary, with the concurrence of the Property Manager.

6. HOURS OF WORK

Most offices will be required to be cleaned between 5:30 p.m. and 12 midnight, Monday through Friday, unless other hours are agreed to by the Authority. **Currently there is approximately 27,294 SF at the Johnson Building, 22,707 SF at the Morgan Building, 4,269 SF at the Collins Building, and 2,632 SF at the Knight Building that for security purposes will require cleaning during normal office business hours.** The Contractor and the Authority’s Property Manager will agree to a schedule for the cleaning of these areas which may be either in the morning upon commencement of the normal workday or at the end of the work day prior to the offices being closed. The Authority reserves the right to modify the hours in which offices need to be cleaned, as needed, for security purposes. The Contractor has agreed that at least one staff person, that will be assigned to clean the offices required to be cleaned during normal office business hours, will inspect the restrooms and breakrooms in the Buildings and spot clean and stock same, as needed, at no additional cost.

As an optional service, the Contractor shall provide a porter to service the Facilities to provide emergency custodial services; monitor, clean and stock restrooms, and other related work, as necessary.

7. SPECIAL SERVICES

a. Carpet Cleaning and Floor Refinishing

Upon request, **and subject to negotiating competitive pricing at the time service is requested,** the Authority may require the Contractor to provide carpet cleaning and floor refinishing services. These services will be billed as part of the next regularly scheduled Contractor’s invoice but will be listed separately on the invoice along with standard contract charges. Orders for carpet cleaning and/or floor refinishing services will be placed in writing by the Authority. In no event shall the Authority be liable to the Contractor for payments for any carpet cleaning and floor refinishing work performed by the Contractor, unless the Contractor performs such work by WRITTEN directive of the Authority.

b. Special or Unusual Conditions

In the event special or unusual conditions, the Property Manager, may require the Contractor to provide additional janitorial or cleaning services not covered by these specifications. Payment will be made at a rate negotiated with the Contractor. These services will be billed as part of the next regularly scheduled Contractor’s invoice but will be listed separately on the invoice along with standard contract charges. Orders for special services may be placed orally (in the event of an emergency) or in writing by the Property Manager. All written orders will describe the service to be provided and will state the negotiated fee which the Contractor will be compensated. Except in the event of an emergency, in no event shall the Authority be liable to the Contractor for payments for any extra work performed by the Contractor, unless the Contractor performs such work by WRITTEN directive of the Authority.

8. EMERGENCY SERVICES

If an emergency arises (such as flooding of a particular section of a building) the Contractor shall divert his force, or such part thereof as deemed necessary by the Property Manager, from their normal assigned duties to meet these conditions. When these employees are no longer needed,

they shall be directed by the Contractor to return to their normal duties. The Contractor shall not be penalized because the normal daily work which otherwise would have been performed had to be neglected, but every effort must be made to complete contract requirements.

9. SUPPLIES, MATERIALS, EQUIPMENT AND UTILITIES

- a. The Contractor, at its sole cost, shall furnish all supplies, materials, and equipment necessary for the proper performance of the janitorial service. Supplies and materials include, but are not limited to, brooms, brushes, dust cloths, microfiber mops, sponges, squeegees, porcelain ware cleaner, liquid and powder detergents, disinfectants, glass cleaner, floor polish, waxes, stripper, metal and furniture polish, and any other compounds necessary to properly maintain the premises. The Contractor shall supply plastic bags and liners, including bags for sanitary disposal receptacles and wastebaskets. The Authority assumes no responsibility for equipment, tools, materials or any other items used in the performance of Contractor's work. This shall include any stored materials and supplies, if any. Authority property will not be used in any manner for personal advantage, business gain, or other personal endeavor by the Contractor or the Contractor's employees.
- b. In order to minimize the health and environmental impacts of maintaining clean facilities, the Authority is requiring the use of environmentally preferable cleaning products and methods. Environmentally Preferable Cleaning Products are to be used during the entire term of the contract. Contractor shall use only environmental preferable products in the following categories:
 - General-purpose cleaners, floor cleaners, bathroom cleaners, glass cleaners, and carpet cleaners;
 - Disinfectants;
 - Other chemicals, as needed, to perform the duties of the particular job or function.

For purposes of this contract, the Authority defines an environmentally preferable cleaning product as one that is certified through Green Seal GS-37, DfE (EPA's Design for the Environment) or the ECP/EcoLogo (Canada's Environmental Choice Program). Products that are not listed through one of these certification agencies will not be allowed to be used as part of this cleaning contract. For more information on the certification agencies and product lists, see the following websites: (1) Green Seal (GS-37) www.greenseal.org or (2) EPA Design for the Environment www.epa.gov/dfe. Prior to contract award, the Contractor must provide a complete list of products, including Material Safety Data Sheets they will use. As stated above, the products must be certified through one of the three certifying agencies listed above with the exception of floor finishes and floor strippers. The use of any product not certified through one of the three certifying agencies shall require the prior approval of the Property Manager.

- c. Changes to any products and/or product lists used as part of this contract must be submitted in writing to the appropriate Building Operations Manager, along with any new Material Safety Data Sheets. Noncompliant chemicals must be removed immediately from the building. Chemicals used for disinfection of blood and other potentially infectious material shall be on EPA's list of registered antimicrobial products effective against blood borne/body fluid pathogens.
- d. Provide to the Authority and post in the janitorial area, Material Safety Data Sheets (MSDS) for all chemicals used or stored in the building. The Contractor shall not use any material or supplies, which the Authority determines, would be unsuitable for the purpose, or offensive or harmful to any part of the facility, its contents, equipment, employees, or patrons.

- e. Provide all necessary cleaning equipment including, but not limited to, buffing machines, vacuum cleaners with HEPA filters, carpet extractors, etc., needed for the performance of the work of this contract. Such equipment shall be of the size and type customarily used in work of this kind and shall meet all OSHA and local standards. All equipment shall meet or exceed qualifications of GreenSeal (GS-42) or EcoLogo (CCD). Equipment deemed by the Property Manager to be of improper type or design or inadequate for the purpose intended shall be replaced by the CONTRACTOR. GreenSeal standards may be found at www.GreenSeal.org and ECOLOGO standards may be found at: <http://industries.ul.com/environment/certificationvalidation-marks/ecologo-product-certification>.
- f. All employees of the Contractor including supervisors shall be required to wear uniforms. The uniforms must be approved by the Authority. Employees of the Contractor not in uniform will not be allowed to work. At a minimum the uniforms will consist of a uniform shirt or smock. The uniforms shall have the Contractor's name affixed thereon in a permanent manner. The Contractor's name along with other designations such as the employee's name shall be easily identifiable. Any color or appropriate color combination may be used for the uniforms. Employees shall be required to dress neatly, in accordance with tasks being performed. Uniforms must be readily identifiable and not be hidden by any outerwear or other clothing when employee is on duty.
- g. The Contractor must insure that all restrooms are fully stocked at all times including weekends and holidays. This is to include evenings when buildings are used for functions. The items to be fully stocked at all times are: toilet tissue, towels, seat covers, and liquid soap (with preference for use of foaming dispensers to minimize product use). Provision and installation of said supplies shall be the Contractor's sole responsibility regardless of perceived operating difficulties. Products must meet the specifications of GreenSeal, EcoLogo and/or CFPA Certified.
- h. The Authority reserves the right to require Contractor to change products used, if in the Authority's opinion the products used do not achieve quality results.

10. SECURITY CLEARANCES

All employees, performing work under the contract must comply with all security and administrative requirements of the Authority. The Contractor shall ensure that all required background checks are provided prior to the employees obtaining access to provide services. The Authority may refuse access to, or require replacement of, any personnel for cause, including, but not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with the Authority's security or other requirements. Such approval shall not relieve the Contractor of its obligation to perform all work in compliance with the contract.

The Authority reserves the right to exercise full and complete control over granting, denying, withholding, withdrawing, or terminating clearances for employees. The Authority may, as he/she deems appropriate, authorize and grant temporary clearance to employees of the Contractor. However, the granting of a temporary clearance to any such employee shall not be considered as assurance that a full clearance will follow as a result of the temporary clearance and the granting of either a temporary or full clearance shall in no way prevent, preclude or bar the withdrawal or termination of any such clearance by the Property Manager.

11. IDENTIFICATION/BUILDING PASS

The Contractor, at his/her own expense shall provide for photo identification badges for all employees used on this contract. No employee of the Contractor shall be allowed to work on this contract without a photo identification badge. Photocopies of all badges are to be supplied to the Property Manager, prior to starting of contract and before each new employee begins work.

The Contractor shall make sure that every new employee has a photo identification/building pass before the employee enters for duty. The Contractor shall sign each pass issued. The Contractor shall make sure that all passes are destroyed as employees are dismissed or terminated, or when the contract expires. All passes must contain an expiration date.

The Contractor shall make sure that all employees wear identification badges during duty hours. The Property Manager or other personnel designated shall periodically verify passes of Contractor employees along with their personal identification.

12. BUILDING SECURITY AND ACCESS CONTROL

- a. No employee will be allowed to work without a current identification badge.
- b. The Contractor shall be given means of access to all rooms requiring cleaning. Any keys or key cards issued to the Contractor for such use shall be in accordance with the Authority key policy and shall be produced on demand of the Property Manager. No keys will be given for rooms requiring cleaning during normal business hours.
- c. Any area to which Contractor is provided access by means of a key/key card, shall be opened for the purpose of cleaning only. Immediately upon completion of cleaning, the area shall be secured. No person or persons shall be permitted access to secured areas by any contract personnel.
- d. Upon completion of cleaning in a prescribed area, the Contractor's employees shall turn off all the lights in the area, so that upon completion of duties, all lights not required for insurance/safety purposes, i.e. night and exit lights, shall be turned off, and all doors and windows secured. The Contractor's site manager and/or crew supervisor shall check to ensure that all requirements are met, prior to release of work crew for the day/night, including the replacement of all furniture and equipment moved during the cleaning process. The Contractor shall be responsible for activating any alarm systems.
- e. Any conditions in the facility(ies) that may require repair shall be reported to the Authority in writing within 24 hours. For example, dripping faucets, damaged walls, burned out lights, etc.
- f. If keys/key cards are lost, the Contractor will pay for necessary lock changes, key re-issuance, and call-out charges for access, and such cost shall be deducted from the current invoice.
- g. No personal items, with the exception of jewelry and medication, will be allowed in the building during work hours. The Authority shall not be responsible to the Contractor or any of the Contractor's employees for loss of personal property.

13. STANDARDS OF CONDUCT

The Contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, appearance, and integrity and shall be responsible for taking disciplinary action with respect to his employees as may be necessary. The Contractor is also responsible for ensuring that his/her employees do not disturb papers on desks, open desk drawers or cabinets, filing systems, or use Authority or tenant telephones or other equipment, except as authorized. If the Property Manager brings unacceptable work habits and appearance of the Contractor's employees to the attention of the Contractor, corrective action must be immediately taken. If needed action is not taken the Property Manager may instruct the Contractor to remove such individuals from the building or to not use such individuals for the work of this contract. When employees of the Contractor are determined to have misused Authority or tenant property the Contractor shall be notified, and appropriate action shall be taken by the Contractor. The Contractor shall be required to reimburse the Authority or its tenants when specific monetary loss can directly be attributed to the misuse of property/equipment by a Contractor employee.

14. TRASH AND WASTE REMOVAL PROCEDURES

The Contractor shall keep the elevator and surrounding areas clean. All waste placed into dumpsters shall be bagged or placed in closed containers before disposal. It shall be the Contractor's responsibility to provide said containers/bags. All cardboard containers must be broken down before disposal or deposit for recycling. The Contractor shall provide appropriate equipment for office trash removal so as to avoid the possibility of floor damage due to the dragging of trash bags through office areas. The Rubbermaid brand trash cart, or acceptable equivalent, is the required equipment for doing this work. Containers and bags must be of heavy duty strength and handled in a manner to avoid breakage and leakage. Any additional cleanup necessary, due to problems as described above, shall be performed immediately and at the Contractor's expense.

15. SENSITIVE EQUIPMENT AREAS

- a. The Contractor will ensure that special care is taken to maintain areas containing computer equipment as dust free as possible. This will entail vacuuming and/or dry mopping (with mop head treated with light oil-base cleaner) daily, and wet mopping once a week.
- b. The use of large numbers of electronic equipment, such as CRT's, executive work stations, personal computers, word processing equipment, communications equipment, etc., requires that the Contractor instruct his cleaning personnel on the proper manner in which to perform their duties around this type of sensitive equipment. This instruction shall include the identification and proper usage of electrical circuits for cleaning equipment in the areas of this sensitive electronic equipment.
- c. Extreme caution while cleaning will be given to the following:
 - Avoidance of power interruption to devices;
 - The use of the same circuit by cleaning equipment and sensitive devices at the same time. The Contractor shall consult with the Authority for identification of these areas;
 - The use of cleaning equipment near sensitive devices;
 - The use of only those cleaning products guaranteed not to damage sensitive electronic equipment;
 - The use of cleaning products on or around sensitive devices
- d. When breakers are tripped due to the Contractor's use of electrical outlets the Authority's on call person shall be notified immediately.

16. DUE CARE BY CLEANING PERSONNEL

- a. The Contractor will not allow smoking by his employees in Authority facilities.
- b. The Contractor will not allow the consumption of food or drink in any areas other than Authority approved locations.
- c. It shall be the Contractor's responsibility to clean up and/or rectify any damage to Authority or tenant's property caused by any individuals connected with the Contractor, to the satisfaction of the Authority.

17. WASTE RECYCLING PROGRAM. Upon implementation of a recycling program, as may be amended from time to time, Contractors will be required to participate in the such recycling program by collecting waste to be recycled and depositing it at designated locations without additional cost to the Authority. Items will include paper and co-mingled cans and bottles. During the life of the contract, recycling containers will be marked for Recyclable Waste. The Contractor may not mix items from these containers. The waste must be segregated in the proper carts. Non-recycled trash may be disposed of into dumpsters.

18. ADDING AND DELETING SPACE

The Property Manager will give the Contractor a written notice no less than five (5) full working days in advance as to which areas are to be added or deleted from the routine cleaning schedule. Invoice adjustments will be made using a cost per square foot proposed by the Contractor. If space is added to the schedule it shall be cleaned in accordance with the specifications for similar space. The period for adding to or deducting from the payments will start on the effective date of the notice and continue for the time period specified in the notice.

19. CONTRACT DEDUCTIONS.

- a. It is the objective of the Authority to obtain full cleaning performance in accordance with the specifications, and at the quality standards of work set forth in this contract. To that end, the Authority is contracting for the complete performance of each cleaning job as identified in the specifications. In instances where any room is not satisfactorily cleaned or polished and serviced, as determined by the Property Manager in his/her discretion, an automatic deduction will be made for the entire room at a rate of two (2) times the unit (square foot) price established for the contract for the first occurrence.
- b. If any work which is scheduled for performance is omitted or unsatisfactorily performed, the attention of the Contractor will be called to this failure or omission, and a deduction can be made from any monies due or to become due the Contractor at the rate proposed by the Contractor.
- c. If the Contractor or employees of the Contractor bring unauthorized persons into any facility during contract working hours, a deduction will be assessed at a rate of 2 times the unit (square foot) price established for the contract for the entire facility and the Contractor shall accept all responsibility for damage, theft, loss or injury caused by, or inflicted upon the individual while in the facility.
- d. The Authority reserves the right to remove any building or portion thereof from the contract or to cancel the contract as a whole or in part, for non-performance or unsatisfactory performance, with a 30-day written notice.

20. QUALITY CONTROL

- a. The Contractor shall establish a complete quality control program to assure the requirements of the contract are provided as specified. One copy of the Contractor's basic quality control program shall be provided to the Authority prior to start of services under the contract. An updated copy must be provided to the Authority as changes occur. The program will include, but not be limited to the following:
- b. An inspection system that assures the satisfactory execution of all the services specified and all of the conditions stipulated in this document.
- c. A method of identifying deficiencies in the quality of services performed before the level of performance is deemed unacceptable.
- d. A file of all inspections conducted by the Contractor and the corrective action taken. This documentation shall be made available to the Property Manager upon request at any time during the life of the contract.
- e. At least once each month at each facility, the Contractor will meet with the Property Manager or his/her designee to inspect the facility using a quality evaluation form (Sample Quality Evaluation form attached).

21. MISCELLANEOUS

- a. Employees must be briefed on fire and emergency procedures, including the location of fire equipment and safety exits.
- b. Report fires, hazardous conditions and items in need of repair.
- c. Close windows and turn off lights and fans when not in use.

- d. Close doors and lock room in security areas after cleaning.
- e. Turn in lost and found articles to the Authority's administrative offices.
- f. Inform all employees of the need to exercise a reasonable vigilance in implementing this policy and to notify the Property Manager when an unauthorized or suspicious person is seen on the premises.

22. GENERAL CLEANING STANDARDS

The Authority expects the Facilities specified herein to be cleaned and maintained at a level of quality commensurate with the highest standards of professional janitorial service. The minimum service will be as follows:

A. Restrooms

- 1. Daily
 - a. Clean, polish and dry all receptacles
 - b. Sweep floors
 - c. Damp mop floors with a solution of water and disinfectant
 - d. Clean and disinfect all fixtures (toilets, urinals and sinks)
 - e. Spot clean partition walls, doors, light switches and other horizontal surfaces.
 - f. Dust moldings and ledges
 - g. Empty and sanitize all trash and sanitary napkin receptacles and replace liners.
 - h. Stock all dispensers with soap, towels, tissue, toilet seat covers, sanitary napkin dispensers and related supplies.
 - i. Wet wipe and polish bright metal
 - j. Remove dust from louvers/grills
 - k. Clean and polish mirrors
 - l. Replace air fresheners as needed
- 2. Weekly
 - a. Damp mop and spray buff resilient floors.
 - b. Sweep to remove spray buff debris.
 - c. Damp mop ceramic and other pre-finish tile and polish with soft bristle brush.
 - d. Sweep to remove mop strings and related debris.
 - e. Wood and vinyl baseboards shall be clean and free of accumulations of old wax and mopping solutions. Ceramic baseboards should be cleaned and be free of old wax and mopping solutions. In addition, there should be no discoloration of ceramic as the tile rises above the floor surface up the wall.
 - f. Wash full surface area of all stall partitions and doors with solution of water and disinfectant.
 - g. High dust vents, frames and sills
- 3. Monthly
 - a. Clean ceramic tile surfaces so that tile and grout have a uniform color.
 - b. Machine scrub hard surface areas.
- 4. Quarterly
 - a. Machine scrub hard surface flooring
 - b. Damp wipe full surface area of stall partitions, doors, window frames and sills with solution of water and disinfectant.
 - c. Spray and wet wipe waste receptacles with solution of water and disinfectant/deodorizer.
 - d. Thoroughly clean and polish all bright metal.
 - e. Thoroughly clean all porcelain surfaces to remove all stains.

- f. Clean, scrub and disinfect baths and shower stalls.
- g. Wash full surface area of all window frames and sills with solution of water and disinfectant

B. Room Cleaning

1. Daily

- a. Empty trash receptacles, damp wipe trash receptacles daily, replace plastic liners in receptacles daily if necessary.
- b. Clean/wash basins (do not clean if dishes are left in the sink)
- c. Fill dispensers
- d. Solid waste collected from facilities shall be placed in the designated container
- e. Mirrors shall be cleaned/polished
- f. Clean edges of carpeting near baseboards and in areas not reached by vacuum. (Corn or synthetic bristle brooms are permitted)
- g. Spot clean carpeting
- h. Dust file cabinets and other fixtures
- i. Dust all horizontal surfaces, including wall moldings.
- j. Dust, vacuum and/or clean louvers, grills, etc.
- k. Dust mop hard surface flooring with treated medium. Clean corners and edges carefully so as to remove accumulations of dust and debris.
- l. Damp mop hard surface flooring in kitchen's and/or break rooms, leaving no streaking or mop debris.
- m. Clean and sanitize kitchen/lounge sinks and counter areas.
- n. Damp mop marble floor and other "pre-finished" hard surface flooring.
- o. Dust benches and chairs in all common areas.

2. Weekly

- a. Spray buff or mop buff hard surface flooring
- b. All chairs and vinyl furniture shall be vacuumed once a week.
- c. Janitorial closets must be kept odor free. Keep mop sinks drains open at all times.
- d. Dust office fixtures desks, credenzas, tables, chairs, etc., with treated material. If surface is a plastic laminate (Formica), utilize dust cloth. Do not move papers. Dust around office machines and communications equipment. Do not move equipment.
- e. High dust door frames, windowsills, ledges, fixtures, etc.
- f. Low dust chair and table bases, and baseboards.
- g. Dust blinds.
- h. Spot clean walls, doors, frames, and light switches.
- i. Pile brush all corridors, hallways and high density "open" carpeted areas with "Certified" pile brush.
- j. Thoroughly vacuum carpeted areas.

3. Monthly

- a. Spot clean wall surfaces.
- b. Clean storage closets.
- c. Spot clean carpeting. Report loose seams, strings and bubbles to the Property Manager.
- d. Wash all base boards.
- e. Machine scrub hard surface areas.
- f. Dust or vacuum HVAC registers.

4. Semi-annually
 - a. Vacuum blinds or drapes.
5. Annually
 - a. Clean all light fixture diffusers and dust light bulbs.

C. Common Areas

1. Daily
 - a. Wipe glass doors
 - b. Clean/wipe wood/ metal frames and remove accumulations of residue.
 - c. Damp mop, buff or spray buff resilient floors. Remove service debris.
 - d. Dust/vacuum louvers/grills.
 - e. Clean, vacuum elevator tracks and (door) foot plates.
 - f. Vacuum and clean edges of carpet.
 - g. Wipe, clean light plates and push plates using a soft cloth and mild soap.
 - h. Dust horizontal surfaces, including stairwell surfaces.
 - i. Sweep, dust mop or vacuum stairwells.
 - j. Dust mop resilient flooring. Clean corners and/or edges.
 - k. Remove dust/cobwebs, etc., from light fixtures within reach.
 - l. Report physical deficiencies to Authority.
 - m. Clean/dust elevators. Remove accumulations of residue, gum, etc. Wipe metal and remove smudges.
 - n. Clean, sanitize and polish drinking fountains
2. Weekly
 - a. Maintain ALL “pre-finished hard surface” floors using approved materials and methods. These materials and methods shall be of a quality that conforms to industry standards and cause no damage to property.
3. Quarterly
 - a. Damp wipe/polish marble wall surfaces, wainscoting and base boards.

D. Exteriors

1. Daily
 - a. Sweep entrances, and landings to building. Remove gum and other materials from entry areas. If day porter services are procured, day porter shall check during daytime to insure entrances are always clean.
 - b. Empty and clean all cigarette urns.
 - c. Empty and damp wipe all ashtrays.
 - d. Keep parking lot and surrounding grass areas free of trash.

E. Glass

1. Daily
 - a. Damp wipe/clean glass entrance doors and glass panels, partitions, bookcase glass and other office fixture glass.
2. Monthly
 - a. Wash (squeegee) both sides of entrance glass and adjacent glass paneling.
3. Quarterly

- a. Wash (squeegee) all interior glass, including window glass, mirrors, vertical and horizontal panels, clocks, classroom glass and panels.

F. Horizontal/Vertical Blinds

1. Weekly
 - a. Dust with wool or feather duster. (If dusting does not clean, wash with general purpose cleaner.)
2. Quarterly
 - a. Thoroughly vacuum or dust with wool or feather duster.
 - b. Clean sills with dust cloth, wool, feather duster or vacuum.
3. Semi-Annually
 - a. Wash Venetian blinds. Clean cords and tapes.

G. Stairwells (if applicable)

1. Daily
 - a. Remove accumulated trash
 - b. Spot sweep as required
2. Weekly
 - a. Sweep
 - b. Dust mop to remove stains
 - c. Dust handrails, ledges, etc.
 - d. Spot clean walls and doors
3. Other various maintenance projects as assigned by management

H. Carpet Cleaning (upon written request)

1. Baseboards should be cleaned and free of spotting, streaking and debris, etc.
2. Extract all carpeting with warm water. Pre and post spotting if necessary. Cut all runners, strings and other loose carpet fiber.
3. Report poor seams to Authority.

J. Floor Refinishing (upon written request)

1. Strip, rinse and refinish resilient floor surfaces. (use minimum of two coats of floor finish)
2. Burnish or spray buff within seven days. Sweep/dust mop to remove debris.
3. Strip and rinse ceramic and other pre-finished bathroom tile.
4. Baseboards should be cleaned and free of spotting, streaking and debris, etc.
5. Strip, rinse and finish (use minimum of three coats of floor finish) all hard resilient flooring.
6. Buff or spray buff within seven days. Sweep and/or dust mop to remove debris, strings, etc.

EXHIBIT B COMPENSATION

PRICE SCHEDULE

The Contractor shall be paid at the price per square feet rate(s) below. The cleanable square feet and total costs shall be adjusted in accordance with the scope of work in Exhibit A as necessary. All payments are subject to performance of the scope of work outlined in Exhibit A, and other terms of the agreement specified herein.

COST OF BASIC SERVICES

	PROPERTY NAME	PROPERTY ADDRESS	PRICE PER SQUARE FEET/ MONTH	CLEAN-ABLE SQUARE FEET (AS OF 6/1/18)	TOTAL COST PER MONTH	TOTAL COST PER YEAR
1	Morgan	2035 E Paul Dirac Dr	\$ 0.0775	22,707	\$ 1,759.79	\$ 21,117.48
2	Johnson	2035 E Paul Dirac Dr	\$ 0.0775	27,294	\$ 2,115.28	\$ 25,383.36
3	Collins	2051 E Paul Dirac Dr	\$ 0.0775	4,269	\$ 330.85	\$ 3,970.20
4	Knight	1736 W Paul Dirac Dr	\$ 0.0775	2,632	\$ 203.98	\$ 2,447.76
Total			\$ 0.0775	56,902	\$ 4,409.90	\$ 52,918.80

Annual % increase for additional option years 2 & 3: 3%

Carpet cleaning and resilient floor refinishing shall be quoted at the time service is requested, and the Authority may elect to contract with another provider for these services.

EXHIBIT C INSURANCE

- a. **CONTRACTOR’S INSURANCE.** Contractor shall, at its sole cost, maintain limits no less than the following throughout the Term:
- i. **General Liability.** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage with a \$2,000,000 annual aggregate. Contractor’s insurance shall include Authority as an additional insured as provided herein below.
 - ii. **Automobile Liability:** \$1,000,000 combined single limit per accident for bodily injury and property damage for non-owned, hired automobile. Contractor’s insurance shall include Authority as an additional insured as provided herein below. The requirements of this provision may be waived upon submission by Contractor of a written statement that no automobiles are used to conduct business.
 - iii. **Worker’s Compensation and Employers Liability:** Insurance covering all employees meeting statutory requirements in compliance with the applicable state and federal laws. In lieu of naming Authority as an additional insured, Contractor shall provide to Authority a waiver of all rights of subrogation against Authority with respect to losses payable under such workers’ compensation policy(ies).
- b. **AMENDED INSURANCE REQUIREMENTS.** Authority reserves the right to reasonably amend the insurance requirements to standards reasonable and customary for the size and type of business being conducted by Contractor by the issuance of a notice in writing to Contractor. The Contractor shall provide any other insurance or security reasonably required by Authority.
- c. **DEDUCTIBLES AND SELF-INSURED RETENTIONS.** Any deductibles or self-insured retentions applicable to any of Contractor’s policies required above shall be declared to and approved by Authority. Thereafter, at the request of Authority, Contractor shall cause its insurer to reduce or eliminate such deductibles or self-insured retentions as they may apply to Authority, its agents, officers, officials, employees and volunteers or, in lieu of such reductions or eliminations, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.
- d. **AUTHORITY AS ADDITIONAL INSURED.** Authority, its agents, officers, officials, employees, and volunteers are to be named and covered as additional insureds, with no limitations on the scope of protection afforded, in all of Contractor’s insurance policies, other than workers’ compensation policies, that include coverage for the following:
- i. liability arising from, or in connection with, activities performed by, or on behalf of, Contractor;
 - ii. products and completed operations of Contractor;
 - iii. premises owned, occupied, or used by Contractor; or
 - iv. automobiles owned, leased, hired, or borrowed by Contractor.

- e. **CONTRACTOR'S INSURANCE AS PRIMARY.** With regard to claims for injuries to persons or damages to property which may arise from, or in connection with, the performance by Contractor, its agents, representatives, employees, and/or subcontractors of the rights, duties and responsibilities pursuant to this Agreement, Contractor's insurance coverage shall be primary insurance with respect to Authority, its agents, officers, officials, employees, and volunteers. As such, any insurance or self-insurance maintained by Authority, its agents, officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it. In such instances when Contractor's insurance coverage is primary, Contractor hereby waives all rights of subrogation against Authority with respect to losses payable under such insurance coverage.
- f. **CERTIFICATES OF INSURANCE.** Contractor shall furnish Authority with certificates of insurance and with any original endorsements evidencing the coverages described above. Such certificates shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by Authority prior to the commencement of Contractor's services under this Agreement. Authority reserves the right to require complete, certified copies of all Contractor's required insurance policies at any time. Each of Contractor's required insurance policies shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to Authority. All of Contractor's required insurance policies shall be placed with insurers with a Best's rating of no less than A:VII and which are licensed in the state of Florida.
- g. **OTHER ENDORSEMENTS REQUIREMENTS FOR CONTRACTOR'S INSURANCE.** Each of Contractor's required insurance policies shall contain endorsements for, or otherwise provide, the following:
 - i. that any failure to comply with the reporting provisions of the policies shall not affect coverage provided to Authority, its agents, officers, officials, employees, or volunteers;
 - ii. that, to the extent of insurer's limits of liability, Contractor's insurance coverage shall apply separately to each insured against whom claims are made or suit is brought; and
 - iii. that the companies issuing the insurance policy(ies) shall have no recourse against Authority for payment of premiums or assessments for any deductibles which are the sole responsibility and risk of Contractor.

Leon County R&D Authority
RFP 18-02 Janitorial Services
Summary
7/2/2018

Company	% Inc	Year 1	Year 2	Year 3	3 year total	3 year diff	Sq ft	Average
								Per sq ft/mo
M&J	2.50%	51,920.25	53,218.26	54,548.71	159,687.22		56,902	0.077954
USSI	3.00%	52,918.86	54,506.43	56,141.62	163,566.90	3,879.69	56,902	0.079848
C&L *	6.07%	54,625.92	58,040.04	61,454.16	174,120.12	14,432.90	56,902	0.085000
Extreme	0.00%	68,282.40	68,282.40	68,282.40	204,847.20	45,159.98	56,902	0.100000

* % Inc is Average Annual Increase

PROPERTY MANAGEMENT & ACCOUNTING SERVICES AGREEMENT

This Property Management Agreement ("Agreement") is made this **2nd day of August, 2018**, by and between the LEON COUNTY RESEARCH AND DEVELOPMENT AUTHORITY, a public Authority created pursuant to Chapter 159, Part V, Florida Statutes ("Authority"), and TALCOR COMMERCIAL REAL ESTATE SERVICES, INC., a Florida corporation ("Agent") (hereinafter collectively referred to as the "Parties").

WHEREAS, the Authority has developed a research and development park which currently consists of seventeen facilities and 207.92 acres, more or less, known as Innovation Park, more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, the Property currently contains approximately 114,000 square feet in five buildings under management, as well as leased land, undeveloped land, park signage, rights of way, easements, and stormwater facilities more particularly described in Exhibit "B" attached hereto and incorporated herein by reference (the "Locations"); and

WHEREAS, on June 8, 2018, the Authority issued a request for proposals for the provision of certain accounting, reporting, and property management services for the Property and such request for proposals was subsequently issued by the Authority and proposals were received by the Authority no later than July 2, 2018; and

NOW, THEREFORE, in consideration of the following mutual promises, covenants, and representations set forth herein, the sufficiency of which is hereby acknowledged, Authority and Agent hereby agree as follows:

Article 1. **GENERAL**

1.1. This Property Management & Accounting Services Agreement ("Agreement") shall supersede all prior Agreements between the Authority and Agent.

1.2. The Agents Property Management Proposal is incorporated by reference with any conflicts superseded by this Property Management & Accounting Services Agreement.

Article 2. **RESPONSIBILITIES OF AGENT**

It is agreed that the duties and responsibilities of Agent in connection with the management of said Property shall be as follows:

2.1. Management of Property

2.1.1. Agent is hereby designated as Authority's agent for the purpose of managing the Property. Agent shall use its best efforts and due diligence to manage the Property and perform accounting, reporting, and property management services that include:

2.1.1.1. Bidding, hiring, and management of service contractors for the Property, including but not limited to the janitorial, landscaping, and HVAC companies which have been retained by the Authority.

2.1.1.2. Purchase of minor operating supplies for the Property;

2.1.1.3. Obtaining bids for major replacements, additions or remodeling projects for the Property;

2.1.1.4. Performing on-site inspections of the Property;

2.1.1.5. Recording and responding to Property's tenants' work orders;

2.1.1.6. Maintaining the Property's key bank;

2.1.1.7. Providing emergency on-call service for the Property twenty-four (24) hours per day, seven (7) days per week; and

2.1.1.8. Performing other duties and responsibilities related to the effective management of the Property.

2.1.2. Agent shall take all reasonable steps to timely collect and enforce the collection of all rentals and other charges due to Authority from tenants of the Property in accordance with the terms of their tenancies. Agent shall handle all tenant requests and negotiations on behalf of Authority and shall use all reasonable efforts to assure compliance by tenants with the provisions of their leases.

2.1.3. Agent shall serve on behalf of Authority such notices as are necessary to enforce the rights of Authority under its leases on the Property, and may, with Authority's prior written approval, evict tenants, sue in the name of Authority to recover possession and/or rents and other sums due from tenants, and settle, compromise and release such actions or suits or reinstate such tenancy. Agent shall not institute actions or incur legal fees for which Authority might be responsible without prior written consent of Authority.

2.2. Preparation of Proposed Budget

2.2.1. Agent shall work in cooperation with Authority's Executive Director to submit, no later than August 1 of each calendar year or as otherwise agreed to by the parties, an operational budget containing an estimated net operating income projection for the ensuing budget year ("Proposed Budget").

2.2.1.1. Proposed Budget shall itemize projected revenues and expenses in accordance with a chart of accounts approved by Authority and shall be in an electronic form approved by the Authority.

2.2.1.2. Proposed Budget shall incorporate any capital improvements or deferred maintenance items further recommended by Agent or Authority.

2.2.1.3. Proposed Budget shall, to the extent directed by Authority, incorporate Authority's personnel and administrative expenses, as well as program revenue and related expenses.

2.2.1.4. The Authority shall have the right to modify the Proposed Budget in its sole discretion.

2.2.2. The budget year for each Proposed Budget shall begin on October 1 and end on September 30 ("Fiscal Year").

2.3. Collection of Revenues and Disbursements for Expenses

2.3.1. Agent shall use its best efforts and due diligence to collect all rents and revenues from the Property.

2.3.2. All monies collected under the Agreement, including any and all advance rents, shall be deposited in the designated Authority checking account which is a Qualified Public Depository. At no time shall any of the funds of said account be commingled with the funds of Agent.

2.3.3. From the designated Authority checking account, Agent shall pay all operating expenses, taxes and other authorized expenses of the Property in accordance with the Approved Fiscal Year Budget, as that term is defined herein below. Payment requests shall be submitted in advance to the Authority, and all checks signed in accordance with Authority bylaws and policies. In the event Authority elects to have any payments made in a manner other than as herein provided, Authority shall so notify Agent in writing. Upon Authority's request, Agent shall promptly deliver to Authority all original copies of bills, statements or invoices for goods or services provided to the Property. Agent shall maintain an operating balance in the account as directed by the Authority ("Operating Reserves").

2.3.4. Agent shall conduct a monthly cash flow analysis to identify funds in excess of the allowed Operating Reserves, or funds insufficient to pay expenses, and coordinate with the Executive Director to remit to, or draw funds from, an investment account identified by the Authority.

2.4. Operation and Management

2.4.1. With the exception of those employees and personnel hired by the Authority, including but not limited to the Executive Director, the Director of Entrepreneurship, the Director of Programs and Communications, and the Administrative Coordinator of the Authority, Agent shall hire, discharge and supervise all personnel and labor necessary for the performance of the duties described herein. All employees, except contract labor, shall be considered as employees of Agent and Agent shall deduct from the employees' salaries or wages, all taxes which may from time to time be proper in connection with unemployment insurance, social security and withholding taxes, as well as any other taxes which may be applicable, and Agent shall make whatever reports may be required by the State and Federal Governments relative by such taxes, or withheld salaries or other deductions. All such

records shall at all reasonable times be made available to Authority, Authority's employees, or Authority's representatives or agents for examination. All employees of Agent shall be covered under Agent's worker's compensation insurance policy.

2.4.2. Agent shall use its best efforts and perform all measures necessary for the orderly management of the Property. Agent shall cause the Property to be maintained in such physical and operational condition as Authority shall direct Agent and within Approved Fiscal Year Budget. In connection therewith, Agent shall maintain and repair the Property at the Authority's expense as Agent may deem necessary and proper and may expend such sums as allowed or specifically authorized by the Authority consistent with the Authority's procurement policies.

2.4.3. Agent shall assure that all maintenance requests are promptly responded to, and that the resolution of such requests are conveyed to the Authority by electronic means in a timely manner, but no later than monthly following such resolution.

2.4.4 Agent shall enter into or renew contracts in Authority's name and at the Authority's expense for electricity, gas, telephone, water, and other utility services as are customarily furnished or rendered in connection with the management of commercial real property, and contracts for maintenance, cleaning, painting, lawn maintenance, lighting, and asphalt repairs as Agent deems prudent in its reasonable business judgment and in accordance with the Approved Fiscal Year Budget, provided that such contracts, to the extent reasonably possible, may be terminated by Authority upon thirty (30) days' notice.

2.4.5. Agent shall purchase, on the behalf of Authority and at Authority's expense and within Approved Fiscal Year Budget, all property supplies, which Agent shall reasonably deem necessary to directly maintain and operate the Property. Agent's supplies and other overhead are the responsibility of the Agent.

2.5. Competitive Pricing

2.5.1. Whenever the services of independent contractors are employed in connection with the maintenance of the Property, Agent shall use its best efforts to secure such services at the best price available, taking into consideration the quality of the work done and the reliability of such independent contractors, and in accordance with the Authority's procurement policies.

2.5.2. If an affiliate or division of Agent is selected to render such services the Authority will be notified of the relationship to Agent prior to Agent's contracting out the work and, if the cost of providing such goods or services exceeds two thousand five hundred dollars (\$2,500.00), shall further obtain Authority's prior approval. Further, if an affiliate or division is selected to render such services, Agent shall have obtained quotes for the cost of providing such goods and services from no less than three different vendors, and the cost to Authority shall not exceed the cost of like goods or services had they been procured in the open market, as supported by the obtained quotes, nor the costs of like goods or services charged by such affiliate or division to any other Authority to whom Agent was then rendering management services.

2.6. Records/Accounting

2.6.1. Agent shall establish an accounting system for this Agreement in accordance with generally accepted accounting procedures and practices for audit and tax purposes. Based on subsequent audit reports for Authority, Agent shall modify its system and procedures to address findings and recommendations as may be contained in such audit reports.

2.6.2. Agent's responsibilities shall include the following: preparing monthly and annual financial statements; preparing all schedules and supporting documents required by external auditors for the annual audit; cooperating with external auditors in preparation of the annual audit; preparing annual operating and capital expenditure budgets; preparing payroll, including submitting deductions, social security taxes, retirement contributions, medical insurance, etc.; maintaining and reconciling all bank accounts and invested funds; preparing and filing all state and federal forms and reports as may be required, including and not limited to the remittance of State sales taxes, payroll taxes, w-2's and 1099's; collecting rents on a monthly basis; calculating and collecting common area management and maintenance fees ("CAM") annually; paying expenses; and billing tenants and others for services as applicable.

2.6.2.1 All expenses related to the performance of Agent's responsibilities under this Article shall be the responsibility of the Agent. Expenses include but are not limited to Agent's payroll and benefits, taxes, office supplies, postage, checks and forms.

2.6.3. Agent shall provide monthly reports to Authority or Authority's designee regarding the Property, which reports shall include the following at Authority's direction; such reports will be prepared by the twentieth of each month for the prior month:

- 2.6.3.1. Trial Balance
- 2.6.3.2. Balance Sheet
- 2.6.3.3. Income Statement
- 2.6.3.4. Budget Comparison, with Variance Explanations
- 2.6.3.5. Cash Flow Statement
- 2.6.3.6. Cash Flow Forecast
- 2.6.3.7. Bank Reconciliation
- 2.6.3.8. Unreconciled Checks
- 2.6.3.9. Check Register
- 2.6.3.10. Deposit Register
- 2.6.3.11. Aged Accounts Receivable Report
- 2.6.3.12. Accounts Payable Detail
- 2.6.3.13. Mortgage or Bond Statement
- 2.6.3.14. General Ledger
- 2.6.3.15. Journal Entry Register
- 2.6.3.16. Rent Roll
- 2.6.3.17. New Lease Abstracts
- 2.6.3.18. Projections for Current and Future Lease Expirations
- 2.6.3.19. Work Order Log

2.6.4. Agent shall maintain accurate records of all agreements entered into and all funds received and disbursed in connection with its management of the Property and, at the Authority's direction the performance of payroll and accounting services related to the Authority's personnel and office costs, including without limitation, rent rolls, and deposit receipts, records of security deposits, leases and contracts. All records shall be open for inspection at all reasonable times by Authority, Authority's employees, or Authority's representatives or agents.

2.6.5. Agent shall provide an accurate accounting of all monies generated from and operating expense of the Property to Authority on a monthly basis by the twentieth of each month for the prior month. Such accounting shall be subject at any time to audit by Authority, Authority's employees, or Authority's representatives or agents.

2.6.6. Agent shall maintain all accounting records in accordance with the chart of accounts approved by Authority.

2.6.7. Agent shall utilize a software system to maintain the Property's accounting records.

2.6.7.1. At Authority's sole option and at Agent's expense, Agent shall provide Authority, Authority's employees, and other entities authorized by Authority, Internet-based access to records for the Property. Such access shall provide read-only, download, and print access to records for the Property maintained. Agent shall provide training and documentation to Authority's employees, and other entities authorized by Authority, to facilitate this access.

2.6.7.2. Access to records shall include, at Agent's expense, electronic images of all invoices paid by the Authority.

2.6.7.3. All fees and expenses incurred by Agent related to software licenses, computer hardware, and the processing of transactions utilizing the Agent's software system shall be at Agent's expense.

2.7. Agent shall provide Authority expense recovery and reconciliation reports regarding the Property, at the Authority's direction.

2.8. Agent shall annually provide Authority CAM calculations, including the allocation of such expenses to Property's tenants, consistent with the terms of tenants' leases and Authority's direction.

2.8.1. Agent shall provide proposed CAM calculations to Authority for its review and approval prior to charging tenants for such CAM expenses.

2.8.2. CAM calculations for each Fiscal Year shall be prepared by Agent based on data maintained by Agent.

2.9. Agent shall annually prepare and record a depreciation of capital assets schedule for the Property.

2.10. Agent shall extract data regarding the Property from its software program in Excel format, at Authority's direction, and provide such extracted data to Authority.

2.11. Agent shall complete an inventory of Authority's fixed assets no later than the end of each Fiscal Year. A separate accounting shall be made for all small tools and other assets purchased by Agent for the Authority which do not otherwise qualify to be capitalized under the Authority's fixed asset policy but may be subject to theft or loss.

2.12. Agent shall maintain records of Authority's employee's leave records, including all leave time used, approval of such time, and leave balances.

2.13. Internal Controls and Operating Procedures

2.13.1. Agent shall provide its services under this Agreement with internal controls and operating procedures that, at a minimum, meet those described in Exhibit "C" attached hereto and incorporated herein by reference. The Authority reserves the right to modify these minimum controls and operating procedures when it determines, in its sole discretion, the changes are necessary to maintain proper accounting controls.

2.13.2. Agent shall provide the Authority with monthly invoices with separate fees for accounting services and property management services.

2.14. Appraisals

2.14.1. Agent shall cooperate with and assist appraisers or counsel retained by Authority to evaluate the Property or to appeal assessed values, but Agent shall not be responsible for such undertakings.

2.15. Compliance

2.15.1. Agent shall cause all acts and things to be done in or about the Property as Agent shall deem reasonably necessary to comply with any and all orders or regulations affecting the Property placed thereon by any federal, state, county or municipal authority having jurisdiction thereof, and orders of any board of fire underwriters, or other similar body.

2.15.2. Agent shall promptly notify Authority of all notices it receives regarding governmental requirements affecting the Property. Agent shall obtain and keep current all licenses and permits (including signing any building permits with prior notice to Authority on behalf of Authority) required in connection with the management and operation of the Property.

2.16. Insurance

2.16.1. Minimum Limits of Insurance -Agent shall maintain, at Agent's expense, insurance with limits no less than the following throughout the Term:

2.16.1.1. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage with a \$2,000,000 annual aggregate.

2.16.1.2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. (Non-owned, Hired Car).

2.16.1.3. Workers' Compensation and Employers Liability: Insurance covering all employees meeting Statutory requirements in compliance with the applicable state and federal laws and Employer's Liability with a limit of \$500,000 per accident, \$500,000 disease policy limit, \$500,000 disease each employee. ***Waiver of Subrogation in lieu of Additional Insured is required.***

2.16.1.4. Errors and Omissions: \$2,000,000 limit of liability for each claim.

2.16.1.5. Fidelity Bond: Agent shall be required to establish a fidelity bond for the fidelity bond amount per loss of \$500,000 for all employees of Agent who handles funds for Authority, perform services required of Agent hereunder, or who are authorized to sign checks drawn from the Authority's funds.

2.16.2. Deductibles and Self-Insured Retentions -Any deductibles or self-insured retentions must be declared to and approved by Authority. At the option of Authority, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects Authority, its officers, officials, employees and volunteers; or Agent shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

2.16.3. Other Insurance Provisions -The policies are to contain, or be endorsed to contain, the following provisions:

2.16.3.1. General Liability and Automobile Liability Coverages (**Authority is to be named as Additional Insured**).

2.16.3.1.1. Authority, its officers, officials, employees and volunteers are to be covered as insureds as respects; liability arising out of activities performed by or on behalf of Agent, including the insured's general supervision of Agent; products and completed operations of Agent; premises owned, occupied or used by Agent; or automobiles owned, leased, hired or borrowed by Agent. The coverage shall contain no special limitations on the scope of protections afforded Authority, its officers, officials, employees or volunteers.

2.16.3.1.2. Agent's insurance coverage shall be primary insurance as respects Authority, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by Authority, its officers, officials, employees or volunteers shall be excess of Agent's insurance and shall not contribute with it.

2.16.3.1.3. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Authority, its officers, officials, employees or volunteers.

2.16.3.1.4. Agent's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2.16.3.2. All Coverages -Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to Authority.

2.16.4. Acceptability of Insurers -Insurance is to be placed with insurers with a Best's rating of no less than A:VII.

2.16.5. Verification of Coverages -Agent shall furnish Authority with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by Authority before work commences. Authority reserves the right to require complete, certified copies of all required insurance policies at any time.

2.16.6. Subcontractors -Agent shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

2.16.7. Agent shall assist Authority, at Authority's direction, to identify appropriate types and levels of insurance for Authority and in the procurement of such insurance for Authority.

2.17. Other Provisions

2.17.1. Agent shall attend regular meetings of Authority's Board, which are generally scheduled on a bi-monthly basis and shall prepare a bi-monthly report in a timely manner for inclusion on regular Board meeting agendas and with such meeting's materials. The frequency of regular Board meetings may be changed by the Authority from time to time.

2.17.2. Agent shall immediately notify Authority upon Agent's receipt of written notice of any lawsuit, claim or threatened claim against Authority. Agent shall advise Authority when legal assistance is recommended to enforce the provisions of a lease or for other matters, but Agent shall not engage counsel nor incur any legal fees for which Authority might be responsible without the previous written consent of Authority. Agent shall provide information to and otherwise assist counsel retained by Authority.

2.17.3. Agent shall not use the Property or any office thereon for conducting any business not related to Agent's responsibilities hereunder.

2.17.4. Agent shall retain all records, leases, contracts, other documents or writings, and data in electronic format in connection with the Property throughout the Term. Such records shall be retained in a secure location, within the geographic area of Leon County, Florida, and shall be accessible through Agent by the Authority, Authority's employees, or Authority's representatives or agents. Records transfer provisions to be followed at the time of termination are provided in Article 6 below.

2.17.5. Agent shall add a link from their website to the Authority's Innovation Park website where the name "Innovation Park" is listed, as appropriate to assist in promoting the Authority and the Park.

2.17.6. Agent shall work in good faith to secure additional Innovation Park marketing on the "UrbanTallahassee.com" website at no charge to the Authority. The parties shall work together in good faith on the scope and content of such marketing.

2.17.7 Agent shall pay to Authority an annual sponsorship of at least \$1,000 per year during the term of the contract in support of the Authority's Innovation Park TechGrant program. The sponsorship may be directed to a different Authority program by agreement of the parties. Sponsorship benefits received by Agent shall be the same as other sponsors contributing the same amount to the program.

2.18. Staffing

2.18.1 Employees On-Site at the Property

2.18.1.1 Property Manager

Agent shall provide a part time property manager at Agent's expense. Such property manager shall perform the duties of the property manager, as required by this agreement and proposed by the Agent in its proposal, including, without limitation, the following:

1. Meet with each tenant on a regular basis in order to ascertain their satisfaction with the building's management and maintenance.
2. Continue to educate each tenant in the use of Agent's web based "maintenance request" in order to assure that each request is logged and that the tenant receives confirmation of said request.
3. Follow up on tenant requests, making sure that the work done was satisfactory to the tenant.
4. Communicate regularly with the maintenance staff regarding issues affecting the property.
5. Communicate regularly with the Authority's staff regarding property issues.

6. Supervise and evaluate the performance of all service contractors.
7. Negotiate, as needed, in accordance with the Authority's Policy & Procedures, any service contracts and/or other contractor required services.
8. Procure capital improvement replacements, as needed, in accordance to the Authority's Policy & Procedures.
11. Perform property inspections on a regular basis.
12. Issue purchase orders, in accordance with the Authority's Policy & Procedures, and approve all invoices for payment.
13. Prepare monthly property operating summary and budget variance reports.
14. Prepare an annual operating budget in coordination with the Authority's Executive Director.
15. Attend the Authority's Board of Governor's regular meetings.
16. Attend such other meetings as requested by the Authority.

2.18.1.2. Maintenance Worker

Agent shall provide at Agent's expense, at least a part-time maintenance worker who shall remain on-site **at minimum 5 hours per day**. Such maintenance worker, or other staff of Agent, shall respond to the requests of the Authority and its tenants within one hour during normal work hours, and within one hour for after hour's emergencies. Such on-site maintenance worker shall perform the duties of the maintenance worker, as required by this agreement and proposed by the Agent in its proposal, including, without limitation, the following:

1. Agent will endeavor to resolve all tenant work requests within twenty-four (24) hours. If a work request cannot be completed within twenty-four (24) hours, Agent shall notify the tenant in writing, with copy to the Authority, regarding the reason for the delay and the expected time the work will be completed.
2. Inspect daily (Monday-Friday) the property's grounds and full-service building's common areas, picking up debris and noting items that need attention.
3. Inspect daily (Monday-Friday) the common area restrooms located in the full-service buildings, making sure they are properly stocked, clean, and that all fixtures are working properly.

4. Inspect daily (Monday-Friday) the property's common areas and full-service building's common area lighting, and replacing, or causing to be replaced, all spent bulbs and/or ballast.
5. Inspect monthly the exit signs and emergency lighting in all full-service buildings.
6. Inspect monthly the building's roofs, making sure that all roof drain covers, and gutters are debris free, and that the roofs are free from litter.
7. Respond to all emergencies.
8. Maintain secure building access through the Authority's building access control software or in conjunction with the Authority's security contractors including the issuance and deletion of access cards and keys.
9. Ensure daily (Monday-Friday) that exterior restrooms are unlocked at the beginning of the work day and locked at the end of the work day. Although the responsibility of the Agent, this may be accomplished with the assistance of janitorial staff.

2.18.1.2.1. Additional maintenance persons and/or maintenance services in excess of 30 hours per week ("Additional Maintenance Services") shall be provided by Agent, if required in order to provide an adequate response to a situation, and with prior approval of the Authority except in the event of an emergency where Agent shall notify Authority as soon as practicable.

2.18.1.2.1.1. During normal business hours Additional Maintenance Services will be provided at Authority's expense and at the rate of forty-five dollars (\$45.00) per hour. After normal business hours, and during Agent's Holidays, as defined below, Additional Maintenance Services will be provided at Authority's expense and at the rate of sixty-seven and 50/100 dollars (\$67.50) per hour.

2.18.1.2.1.2. Normal business hours are Mondays through -Fridays, other than Agent's Holidays, from 7:30 a.m. to 4:00 p.m. Normal business hours times may be modified by Authority by providing notice to Agent; however, such revised business hours shall not begin prior to 7:00 a.m. or extend later than 5:30 p.m., and such revised business hours shall not be for a time period greater than 8.5 hours for each business day with the understanding there will be one-half hour off the clock and without pay for lunch. Normal business hours may be modified by Agent with Authority's prior written approval.

2.18.1.2.1.3. There are a total of seven (7) days during each calendar year in which Agent's employees observe the following holidays: (1) New Year's Day, (2) Memorial Day, (3) Independence Day, (4) Labor Day, (5)

Thanksgiving Day, (6) the day after Thanksgiving, and (7) Christmas ("Agent's Holidays"). Agent's Holidays may be revised upon the prior written approval of Authority. The Agent shall provide emergency service during approved holidays at the negotiated after hours rate

2.18.1.3. Other Employees, if Requested by Authority

2.18.1.3.1. At Authority's expense and direction, Agent shall provide other staff, relevant to the provision of services under this Agreement, whose worksite assignment is located at the Property, at a compensation to be agreed upon in writing by the Authority.

Article 3. **RESPONSIBILITIES OF AUTHORITY**

In consideration of the accounting, reporting and property management services to be rendered by Agent under this Agreement, Authority agrees as follows:

3.1. Authority shall promptly furnish Agent with all documents and records required for the management of the Property, including but not limited to all leases, amendments and pertinent correspondence relating thereto; the status of rental payments; copies of service contracts in effect; and all applicable insurance policies which are carried by Authority from time to time during the term of this Agreement.

3.2. Authority shall approve an operational budget containing an estimated net operating income and incorporating any capital improvements or deferred maintenance items, no later than the first regular Board meeting of each Fiscal Year (first Thursday in October) for the ensuing Fiscal Year ("Approved Fiscal Year Budget").

3.3. Authority shall at all times maintain sufficient funds in the Authority's designated checking account to enable Agent to pay all obligations of the Property in a timely manner. In instances where collections are projected to be insufficient or will not be received in time to satisfy this requirement, Authority shall promptly provide Agent with the necessary funds, in advance, upon notification by Agent. Authority agrees to promptly reimburse Agent for any monies advanced by Agent for costs incurred in accordance with the terms of this Agreement.

3.4. Authority shall provide reasonable access, workspace, reasonable offices supplies, for Agent's employees, whose assigned worksite is the Property, while such employees are performing Agent's work under this Agreement at the Property.

3.5. Authority shall provide Agent accurate expenditure data in a form and manner such that Agent may prepare CAM calculations and allocations based on the prior Fiscal Year expenditures.

3.6. Insurance

3.6.1. Authority shall provide insurance for the Property.

3.6.2. Authority shall deliver copies of all property insurance certificates required by Agent signed by authorized representative of the insurance companies, to Agent, at

TALCOR Commercial Real Estate Services, Inc.
1018 Thomasville Rd., Suite 200A
Tallahassee, FL 32303
Attention: E. Edward Murray
murray@talcort.com

Article 4.

COMPENSATION

4.1. Management Fee

4.1.1. For services rendered pursuant to and during the Term for Agent's property management, reporting, and accounting services, Authority shall pay Agent a management fee (the "Management Fee") of **\$7,000.00** per calendar month, which is a total of **\$84,000.00** per year. This Management Fee is comprised of **\$2,100.00** per month for accounting and reporting services and **\$4,900.00** per month for property management services. The Management Fee shall be pro-rated for any portion of a calendar month during the Term.

4.1.2. The Management Fee, and the hourly rates for Additional Maintenance Services as specified in section 2.18.1.2.1.1., shall increase at the rate of **2.5%** per year beginning one year from the Effective Date of the Agreement.

4.1.3 The Management Fee is the only compensation to be paid to the Agent. All Property revenue and maintenance expenses, utilities, supplies expense, the Authority's payroll, taxes and other direct Property expenses are the assets and liabilities of the Authority as otherwise defined herein.

Article 5.

TERM OF AGREEMENT AND POTENTIAL RENEWAL PERIOD

5.1. The effective date shall be **October 1, 2018** ("Effective Date").

5.2. This Agreement shall become effective for three (3) years commencing as of the Effective Date and ending on **September 30, 2021** ("Term"), unless terminated or extended in accordance with the terms hereof.

5.3. The Term may be extended for additional one (1) year periods by agreement of the parties. Such agreement, if any, shall be executed at least sixty (60) days prior to the end of the Term including any extensions thereof.

5.4. Final approval of this Agreement shall be subject to ratification by the Board of Governors of the Leon County Research and Development Authority.

Article 6.

TERMINATION

6.1. This Agreement shall terminate on the earlier of (a) expiration of the Term set forth above, or (b) termination by either party as set forth below.

6.1.1. This Agreement may be terminated by Agent with or without cause upon ninety (90) days written notice to Authority. In the event of cancellation by Agent, Agent shall furnish within thirty (30) days after the effective date of cancellation an accounting of receipts and disbursements effective to the date of termination.

6.1.2. This Agreement may be terminated by Authority with or without cause upon ninety (90) days written notice to Agent. Such termination by Authority shall be subject to Authority's payment of all fees and expenses due hereunder.

6.2. Upon termination of this Agreement, Agent shall pay all expenses for invoices received through the date of termination in accordance with Article 2.3 herein. Invoices for expenses received after the date of termination shall be forwarded in accordance with Authority's written instructions. Further, any payments of Authority's account received by Agent and not deposited to the Authority's checking account following the date of termination of this Agreement shall be forwarded in accordance with Authority's written instructions. All records, leases, contracts, other documents or writings, and data in connection with the Property are the property of Authority and shall be turned over immediately to Authority or to another party designated in writing by Authority. Agent shall cooperate with Authority in the electronic transfer of Property data from its software system to other data system as designated in writing by Authority. Agent's right to compensation shall immediately cease, except for amounts payable hereunder prior to the date of termination. Agent agrees to cooperate with Authority or Authority's agent for a period of sixty (60) days after the termination of this Agreement to facilitate a smooth transition, and to answer questions from Auditors.

Article 7.

GOVERNMENTAL REGULATIONS

7.1. Agent shall, in its performance of the Agreement, comply fully with all federal, state, county and other municipal laws and regulations affecting the Property and Agent's obligations under this Agreement, including but not limited to the following:

7.1.1. Chapter 159 Part V, Florida Statutes, Research and Development Authorities;

7.1.2. Lease Agreement dated January 28, 1980, between the State of Florida Board of Trustees of the Internal Improvement Trust Fund and Authority, recorded at O.R. Book 1031, Page 1936, Official Records of Leon County, Florida; and,

7.1.3. Innovation Park/Tallahassee Declaration of Restrictive Covenants and Restrictions dated February 10, 1981, recorded at O.R. Book 984, Page 2269, and Official Records of Leon County, Florida.

Article 8.
NON-LIABILITY OF AGENT

8.1. Agent shall not be responsible for any failure to pay any sums or charges required for the proper operation of the Property or the proper administration of this Agreement if necessary funds are not made available to Agent from revenue received from the Property or otherwise from Authority upon sufficient written notice from Agent.

Article 9.
INDEMNIFICATION

9.1. Authority shall, to the extent of the limitations provided in Section 768.28, Florida Statutes, as may be amended from time to time, indemnify and hold Agent harmless from any liability or expense, including attorney's fees, incurred by Agent in the proper performance of its duties under this Agreement except for those matters incurred as a result of negligent acts or omissions of Agent or its employees and independent contractors. Nothing herein shall be construed to be a waiver of Authority's sovereign immunity.

9.2. Agent shall indemnify and hold Authority, its partners, officers, directors and shareholders harmless from any liability or expense, and costs through litigation and appeals and any bankruptcy proceedings, incurred by Authority as a result of alleged or actual negligent acts or omissions of Agent or its employees and independent contractors, regardless of whether such act or omission is active or passive.

9.3. The indemnity set forth in the Article 9 shall be in addition to those indemnities otherwise provided by law.

Article 10.
MISCELLANEOUS

10.1. No amendment, change or modification of this Agreement shall be valid or binding upon the parties unless same shall be in writing and signed by the parties.

10.2. This Agreement represents the entire understanding of the parties, and there are no further or other agreements, statements or warranties, whether written or oral, relied upon or in effect between them relating to the subject matter hereof, except as expressly herein stated. This Agreement shall inure to the benefit of and be binding upon the parties, their successors and assigns.

10.3. This Agreement shall not be assigned by Agent without the prior written consent of Authority, or by Authority without the prior consent of Agent, and any such purported assignment in breach of this Agreement shall be null and void, except that Authority may assign this Agreement to any partnership in which Authority or a wholly owned subsidiary of Authority is a general partner, without first obtaining the consent of Agent.

10.4. The prevailing party in any action or proceeding to enforce this Agreement or for damages or declaratory relief in connection herewith shall be entitled to recover its reasonable costs and expenses, including attorney's fees, and costs through litigation, all appeals and any bankruptcy proceedings. Authority's liability to pay such costs and expenses shall be limited to the extent provided in Section 768.28, Florida Statutes, as may be amended from time to time. Nothing herein shall be construed to be a waiver of Authority's sovereign immunity.

10.5. Should any section or any part of any section of this Agreement be rendered void, invalid or unenforceable by any competent court for any reason, such a determination shall not render void, invalid or unenforceable any other section or other part of any section of this Agreement.

10.6. The filing of any petitions in bankruptcy whether voluntary or involuntary on the part of Agent, shall give Authority the right to terminate this Agreement.

10.7. This Agreement shall be construed and enforced in accordance with the laws of the State of Florida. Venue for all purposes shall be Leon County, Florida.

10.8. The terms hereof shall be binding upon and shall inure to the benefit of the Parties hereto and their successors and assigns.

10.9. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of the provisions of this Agreement.

Article 11.

INDEPENDENT CONTRACTOR

11.1. Agent shall be an independent contractor and not an employee, partner or joint venture of Authority under this Agreement. Agent shall be responsible for all income taxes, social security taxes, self-employment taxes and any other taxes to which Agent or Authority may be subject to as a result of this Agreement or Agent's performance hereunder.

Article 12.

NOTICES

12.1. All written notices or demands required or permitted under this Agreement, shall be in writing, and addressed as follows:

If to Agent:

TALCOR Commercial Real Estate Services, Inc.
1018 Thomasville Rd., Suite 200A
Tallahassee, FL 32303
Attention: E. Edward Murray, President
murray@talcor.com

If to Authority:

Leon County Research and Development Authority

1736 West Paul Dirac Drive
Tallahassee, FL 32310
Attention: Ron Miller, Executive Director
Rmiller@inn-park.com

With a copy to:

Broad and Cassel
Attention: Melissa VanSickle
215 South Monroe Street, Suite 400
Tallahassee, FL 32301
mvansickle@broadandcassel.com

12.2 Either party may change the information above by giving written notice as provided in this Section.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date below.

AGENT

AUTHORITY

TALCOR COMMERCIAL REAL ESTATE
SERVICES, INC.
a Florida corporation

LEON COUNTY RESEARCH
AND DEVELOPMENT AUTHORITY,
a public Authority created pursuant to
Chapter 159, Part V, Florida Statutes

By: 

By: _____

Print Name: E. EDWARD MURRAY

Print Name: DAVID B. RAMSAY

Its: PRESIDENT

Its: CHAIR

Date Signed: 7/26/18

Date Signed: _____

Witness: 

Witness: _____

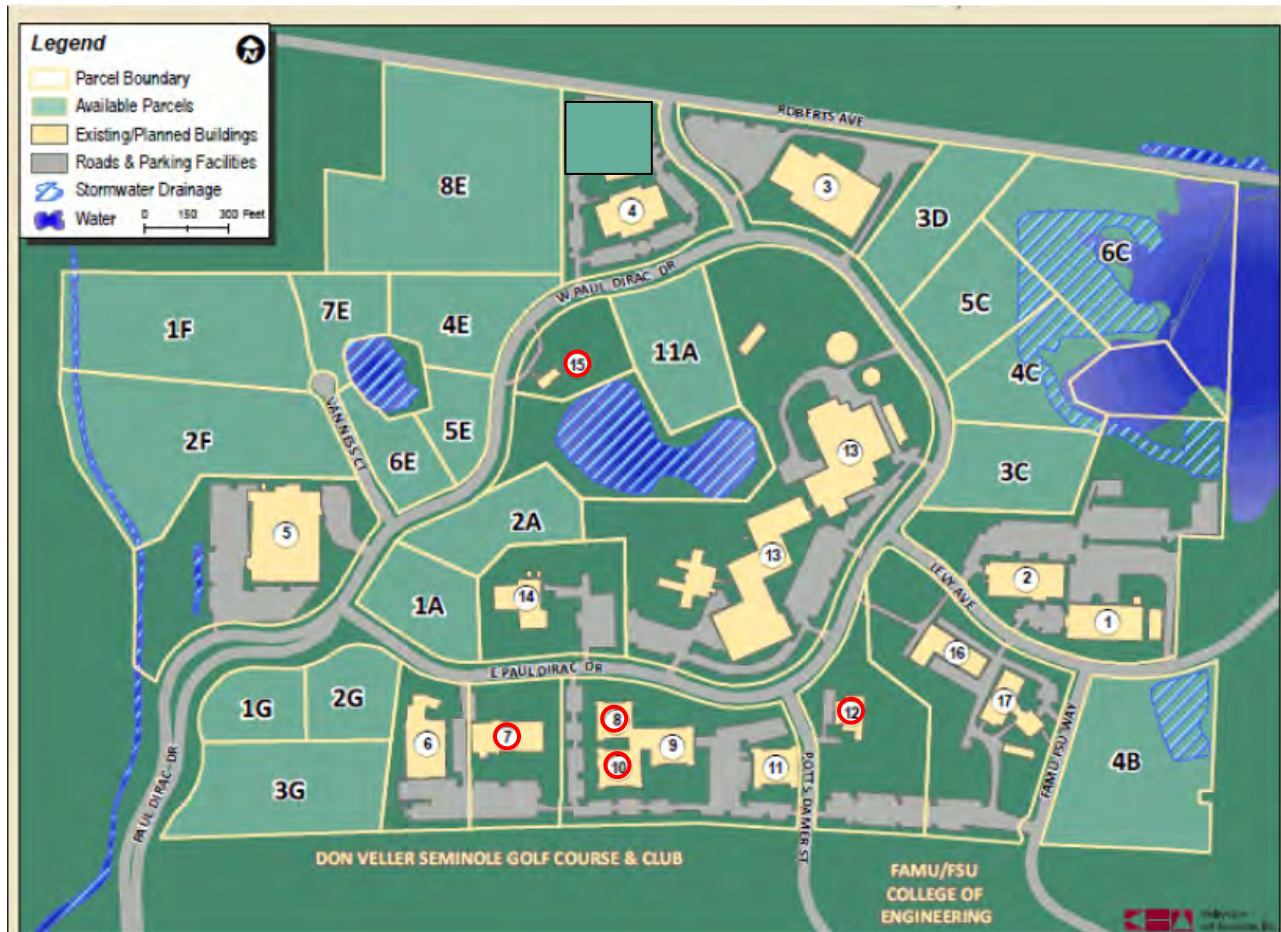
Witness: 

Witness: _____

EXHIBIT A: PHYSICAL DESCRIPTION

Begin at an old concrete monument marking the Southwest corner of the East half of the Northwest quarter of Section 3, Township 1 South, Range 1 West, Leon County, Florida, and run North 00 degrees 25 minutes 51 seconds West along the West boundary of the East half of the Northwest quarter of said Section 3 a distance of 662.86 feet to the Southerly right of way boundary of Roberts Avenue, thence run South 82 degrees 06 minutes 50 seconds East along said Southerly right of way boundary of Roberts Avenue 2431.02 feet to the Easterly boundary of a powerline easement recorded in Deed Book 30, Page 262 of the Public Records of Leon County, Florida, thence run South 01 degrees 50 minutes 55 seconds West along said Easterly boundary of a powerline easement 2172.37 feet, thence run North 88 degrees 41 minutes 49 seconds West 40.26 feet, thence run South 01 degrees 18 minutes 11 seconds West 44.00 feet, thence run South 88 degrees 41 minutes 49 seconds East 39.84 feet to said Easterly boundary of a powerline easement, thence run South 01 degrees 50 minutes 55 seconds West along said Easterly boundary of a powerline easement 172.26 feet, thence run North 86 degrees 27 minutes 46 seconds West along the Southerly boundary of said powerline easement and a projection thereof 1879.32 feet, thence run South 88 degrees 54 minutes 57 seconds West along said Southerly boundary of a powerline easement 2069.65 feet to a concrete monument on the West side of a ditch, thence run Northerly along the West side of said ditch as follows:
North 15 degrees 45 minutes 28 seconds East 240.68 feet, thence North 10 degrees 56 minutes 35 seconds East 173.77 feet, thence North 01 degrees 10 minutes 11 seconds East 399.58 feet, thence North 00 degrees 56 minutes 36 seconds West 203.45 feet, thence North 27 degrees 41 minutes 18 seconds West 407.50 feet, thence North 10 degrees 13 minutes 03 seconds West 221.38 feet, thence North 01 degrees 29 minutes 20 seconds West 397.40 feet to a concrete monument, thence leaving said West bank of a ditch run North 89 degrees 59 minutes 41 seconds East 434.95 feet to an old terra cotta monument marking the Southwest corner of the Southwest quarter of the Northwest quarter of said Section 3, thence run North 89 degrees 59 minutes 41 seconds East along the South boundary of the Northwest quarter of said Section 3 a distance of 1319.87 feet to the Point of Beginning, containing 207.92 acres, more or less.
The above described property being subject to a powerline easement recorded in Deed Book 30, Page 262 of the Public Records of Leon County, Florida.

EXHIBIT B: LOCATIONS



Bldg #	PROPERTY NAME	PROPERTY ADDRESS	SQUARE FEET
8	Morgan	2035 E Paul Dirac Dr.	32,528
10	Johnson	2035 E Paul Dirac Dr.	39,337
7	Collins	2051 E Paul Dirac Dr.	24,900
12	Phipps	2007 E. Paul Dirac Dr.	14,661
15	Knight	1736 W Paul Dirac Dr.	2,800
Undeveloped Lots: 4E-6E, 8E (wooded) Central & West Stormwater Ponds Ground leases: Lots 1F, 7E Ground leases—no maintenance: Bldg's 3 & 4			

EXHIBIT C: INTERNAL CONTROLS AND OPERATING PROCEDURES

A. Internal Controls Procedures

- 1) Accounts receivable reports are reviewed periodically throughout each month for any delinquent receivables. Any delinquent receivables will be followed up on immediately with the tenant by the property manager.
- 2) Agent has a year-end closing procedure in place and reconciles all balance sheet accounts prior to year-end closing.
- 3) Personnel independent of the check writing process receives all bank statements unopened and inspect contents for any unexpected or unusual transactions. This person reviews all payments and inspects signatures.
- 4) Bank reconciliations are performed and reviewed within 20 days of each month end.
- 5) A review of the bank reconciliations for any unusual reconciling items, old checks or deposits, and for agreement to the general ledger is performed by personnel independent of the check writing process.
- 6) The aged receivables and payables are reviewed on a monthly basis for accounts requiring additional follow-up action due to age and/or balance. This is done by someone outside of accounting.
- 7) Adjustments to AR or AP are approved by the Executive Director or Board Treasurer prior to removal. Any adjustments to such accounts are printed monthly to be included in the monthly reports for review by the Executive Director for any unauthorized transactions
- 8) All purchases shall be made in accordance with Purchasing Policy 11-03.
- 9) Checks are cut by one person and signed by Board members and management who do not have access to change accounting records. As provided by the Bylaws of the Authority, the Chair and Treasurer must co-sign checks greater than \$10,000; the Chair, Treasurer, or Executive Director shall sign checks \$10,000 or less; the Vice Chair shall sign for the Chair or Treasurer in their absence. An independent person (not one of the people who cuts or signs checks) reviews the bank statement each month for any unusual items.
- 10) A budget comparison report is included in each monthly report. Any significant variation from budget is explained in a variation report provided by the property manager.
- 11) All reports are reviewed and reconciled to the general ledger before being distributed.
- 12) Banking stock is kept in a locked drawer when not in use and not accessible by check signers.
- 13) No signature stamps are used.
- 14) Monthly transactions are entered as soon as reasonably possible in the general ledger. Written policies and procedures are currently in place regarding the reconciliation process and will be updated for any changes made as soon as possible after such change is made.
- 15) All mail is opened by someone outside of accounting and stamped as to date received. These are then received by accounting with another date stamp and passed onto property management for coding and approval.
- 16) Payments for rent are received into the accounting software as soon as deposited (daily). The software keeps track of balances due/owed which are reflected on the aged receivable detail that is monitored carefully each month. No cash payments are accepted.
- 17) Voided checks are maintained in a monthly folder. All checks are numerical in order and tracked by number.
- 18) The personnel who will create new vendors in the system must receive a W9 and insurance certificates before creating a new vendor. This person is a different person than the person who cuts checks each month.
- 19) All journal entries are printed and reviewed monthly by the Treasurer and another independent party with Agent.
- 20) Billing for maintenance and other reimbursable costs is performed monthly.
- 21) There is currently an accounting policies and procedures manual in place at agent's office. This will be maintained and updated as needed to comply with the Authority's policies and procedures.
- 22) A formal disaster recovery plan is currently in place. This will be updated as needed to comply with the Authority's policy.
- 23) An IT policy is currently in place. This will be updated as needed to comply with the Authority's policy.

- 24) Background and reference checks are done on all employees prior to hiring. All detail is kept in each employee file.
- 25) A records retention system is currently in place. This will be updated as needed to comply with the Authority's policy.
- 26) An inventory will be done on all fixed assets at Innovation Park prior to October 1 each year.
- 27) Agent will assist in evaluating the current insurance coverage in place and any need to modify.
- 28) Employee files will be kept for each Authority employee that records any and all leave time used, approval of such time, and leave balances.

B. Mail Processing and Payable Processing

- 1) Mail is opened by designated personnel and stamped with date received.
- 2) Invoices delivered to accounting and stamped with accounting date received and then placed in appropriate property manager folder for approval.
- 3) Once approved, given to accounting department for entry into system.
- 4) Accounting scans in payable aging detail and invoices in order.
- 5) Payable Aging Detail and invoices are emailed to the Executive Director of the Authority or Board Treasurer for approval of payment with a blind carbon copy to each of the Executive Committee members. Upon approval, Accounting Director cuts the checks, and the runner delivers them for signatures. Two Board officer signatures are required for check amounts greater than \$10,000, while check amounts less than or equal to \$10,000 may be signed by the Executive Director; The Executive Director and officers of the Board (Chair, Vice-Chair and Treasurer) have signature authority.
- 6) Once the checks are received back from the Authority for payment; the runner checks the list for any missing invoices and/or checks and makes sure the appropriate signatures are there.
- 7) The runner copies all the checks and then mails out. Invoices are then filed in the appropriate folders with check copies.

C. Check Deposits and Invoice Transmittals

- 1) Mail is opened by designated personnel and stamped with date received.
- 2) Checks are copied and endorsed for deposit.
- 3) A deposit transmittal is created and saved on the agent's computer a folder dedicated to the Authority. This folder is password protected and cannot be accessed outside of certain accounting personnel and certain property managers.
- 4) Checks are written up on a deposit slip and taken to the bank by the runner.
- 5) Deposits slips are given to designated personnel for recording in the Excel checkbook.
- 6) Deposit slip is given back to accounting for entry into the accounting system.
- 7) Once entered into accounting system, the deposit slip is attached to invoice transmittal and check copies and given to Accounting Director for filing.

D. Tenant Invoices

- 1) Updated Rent Roll is created, and charges made by the 25th of each month.
- 2) List of tenant contacts printed out and invoice numbers assigned to each tenant.
- 3) Create invoices using assigned numbers and give to another member of accounting to review.
- 4) Once reviewed, invoices are mailed or emailed to each tenant as specified on the contact list.
- 5) If a tenant is more than 30 days delinquent, a reminder invoice will be sent, and the property manager will contact the tenant by email and/or telephone.
- 6) If a tenant is more than 45 days delinquent, the property manager will again follow-up by email and telephone.
- 7) At 60 days delinquent, tenants will be given 3 days' notice of eviction for non-payment.
- 8) If the above efforts to collect fail, a collection agency may be utilized.

E. Financial Statement Preparation Procedures

- 1) Investment Statement information is received from the Authority.
- 2) Bank statements are received from the bank for the month just ended. Original bank statements are sent directly from the bank to the Chairman of the Audit Committee.

- 3) Journal entries are made in the accounting system for any needed adjustments such as bank fees/interest income/depreciation/amortization, etc. All journal entries are verified in-house by someone independent of the accounting process and also by the Treasurer of the Board.
- 4) All bank accounts are reconciled to the general ledger.
- 5) All balances are verified. All receivables are double checked; all payables verified. The trial balance is gone through thoroughly to make sure all balances agree.
- 6) Budget comparisons are printed and given to the Property Manager to review and clarify any differences from budget to actual.
- 7) All reports are printed as preliminary (pending any adjustments above) and submitted to the Board Treasurer for review.
- 8) Once the budget comparison explanations are received from the Property Manager, all reports are printed to Adobe PDF and assembled into report format. The report is then sent to the Executive Director and the Treasurer of the Board for presentation at the monthly Board of Governors Meeting.

**Leon County R&D Authority
RFP 18-03 Property Management & Accounting
Financial Summary
July 16, 2018**

Company	Annual Increase (a.)	Year 1			Year 2			Year 3			3 Year Total		Grand Total
		PM	Acct	Total	PM	Acct	Total	PM	Acct	Total	PM	Acct	
Beck Partners	0.00%	39,000	19,800	58,800	39,000	19,800	58,800	39,000	19,800	58,800	117,000	59,400	176,400
NAI Talcor-Revised	2.50%	58,800	25,200	84,000	60,270	25,830	86,100	61,777	26,476	88,253	180,847	77,506	258,353
Difference				25,200			27,300			29,453			81,953
NAI Talcor-Original	2.50%	60,900	28,980	89,880	62,423	29,705	92,127	63,983	30,447	94,430	187,306	89,132	276,437
Current contract: 2017-18		58,349	28,008	86,357									

Additional Maintenance Service Rates (b.):

Company	Annual Increase	Normal Hours	After Hours/ Holidays
Beck Partners		40.00	55.00
NAI Talcor	2.50%	45.00	67.50

Notes:

a. RFP annual price increase provision: "**At the discretion of the Authority.** price adjustments may be negotiated annually beginning with the first extension period. Any price adjustment shall not exceed changes in the Consumer Price Index for all Consumers (CPI-U) for the twelve (12) month period prior to the contract extension."

- Beck confirmed flat fee with no increases based on current buildings

- NAI Talcor proposed a fixed annual increase of 2.5%

b. Dollar impact of rate differences cannot be determined as LCRDA has not been charged for Additional Maintenance Services during the current contract term.

c. NAI Talcor agreed to lower its proposal to eliminate increase related to additional administrative costs previously paid separately by LCRDA and now included in contract price.

- NAI Talcor has also agreed to work in good faith to market the park through the "UrbanTallahassee.com" website at no cost to the Authority

- NAI Talcor has committed to continue to provide a \$1,000 sponsorship for the TechGrant

Director of Entrepreneurship Report

- Finalized REACH grant with FAMU (\$15k/yr., three years)
- Seeking another FAMU grant to merge TCAP with the Park's "mini" I-Corps (\$15k/yr.)
- EEP fall class is coming together
 - Secured AMTC at TCC for the venue
 - Start date – Oct 2nd
 - Secured most speakers
 - Working on training components
- Prepared slide deck on financing the new incubator for the Aug. 2nd BoG meeting
- New incubator development
 - Received rendering of new building by an architect
 - Created an equipment and machinery list
 - Working on a schematic for the layout of the facility
 - Created PowerPoint presentation for an "ask" to universities
 - Reviewed ARPC CEDS for economic info for EDA grant
 - EDA update:
 - Submitted ED-900P, 425, and 425C forms on grants.gov (\$8.5M)
 - Spoke to EDA rep to identify appropriate language for grant

Director of Programs and Communications Report- BOG 8.2.18

EEP

Michael has is slated to begin October 2nd, so helping with the promotion of the program

E-Club

-Roast of Larry Lynch took place on June 18th with ~35 attendees.

TechTopics

- Next TechTopics is slated to take place on Wednesday, August 29th at the MagLab
 - Confirmed Speaker: Jeremy Owens with the MagLab discussing rocks and understanding environmental conditions and how the impacted the matter on the earth
 - Potential Speakers: SEAC Representative, FSU Dept. of Anthropology

Innovation Hunt Event

- Instagram based scavenger hunt being hosted at Innovation Park on September 29th
- 25-50 teams (2 people, max of 4), target audience: 18-35 years old
- Teams must answer minimum 15 riddles of 34 in order to be entered for the grand prize.
- Riddles will be answered via Instagram on a public account using #InnovationHunt TLH2018, @Innovation_Park and geotag: Innovation Park. Images will also require 1 of the teammates to be in the photo to avoid other teams copying another's photo for their own.
- Grand prize: 2 VR Oculus Go headsets? Still deciding

Monthly Newsletters

- Creating Monthly public newsletter and posting to website
- Creating bi-monthly newsletter specifically for BOG only
 - Did you receive it?
 - Was it helpful for you?

Social Media/ SEO

-Continuing with the creation of month social media calendars. Posts are being scheduled for Facebook/Twitter, and weekly posting on Instagram and LinkedIn.

Social Media Stats (changes since April meeting): Facebook- 220 (+3), Twitter- 419 (+6), Instagram- 260 (+40), LinkedIn- 25

Other

- In the process of creating a STEM Outreach section on the Innovation Park website to provide information about what the organizations in Innovation Park offer in regards to STEM outreach for K-12, Undergrad and Grad.
- Will be creating a market research analysis report that will be a comprehensive analysis of what other similar research parks in the United States are doing to market their Park. This report will be used to help create a marketing plan for Innovation Park moving forward.

**NAI Talcor Property Manager's Report to the
Leon County R&D Authority Board of Governors
6/1/2018-7/31/2018**

Attachment J
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Occupancy:

Building	Leasable Square Feet	Vacant Square Feet	% Vacant
Phipps	14,661	0	0%
Morgan	23,240	985	4%
Johnson	28,385	0	0%
Collins	24,900	22,974	92%
Knight	3,060	0	0%
Total	94,246	23,814	25%

Non-Routine Repairs & Maintenance:

Building	Completed Since Last Report	In Process	Deferred/To Do
Phipps	<ul style="list-style-type: none"> • Replaced door handle assembly with lock located at the rear door. • Repaired drain pump under kitchen sink. • Cleared HVAC drains. 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • The irrigation system is not connected and has no backflow.
Morgan	<ul style="list-style-type: none"> • Touch up painting of the interior in various areas as needed in the former SBDC space. • VAV box (Variable Air Volume) has been bypassed, allowing maintenance to balance the building manually. • Replaced several receptacles. • Trim all trees away from the building and parking lots. 	<ul style="list-style-type: none"> • Change out two vents located in room 225D. • Touch up paint in hallway. • Replace insulation around ducting located in the HVAC room, second floor. • Retro fit 3 pedestal lights along walkways. • Repair metal door frame located in office 236. • Repair ceiling from prior roof leak in the Southwest stairwell. 	<ul style="list-style-type: none"> • Common areas - Carpet cleaning. Cleaning of tile in bathrooms and the interior of entrance ways is scheduled to be completed when bathroom remodel takes place.

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Building	Completed Since Last Report	In Process	Deferred/To Do
Johnson	<ul style="list-style-type: none"> • Steam cleaned all tile in lobby and restrooms. • Roof repair • Repaired elevator fan. • Replaced three ballasts. • Sealed windows on first floor in the SEAC space. • Sealed insulation around HVAC ducts in the FSU Anthropology space. • Trim all trees away from the building and parking lots. • Installed "Johnson Building Parking Only" signs in the parking lot. 	<ul style="list-style-type: none"> • Replacement of insulation on duct work located on second floor SEAC. • Humidity issue in library of National Park Service. 	<ul style="list-style-type: none"> • Missing up light on right side of Johnson building is missing. Management is in the process of finding a replacement.
Collins	<ul style="list-style-type: none"> • Repaired door to kitchen. • Installed exterior light. • Trimmed all trees away from the building, the back drive located to the rear of the building along with all trees in the parking area. 	<ul style="list-style-type: none"> • Maintenance continues to balance the HVAC in the building. 	<ul style="list-style-type: none"> • Pending renovation: ceiling tiles need replaced • Replace compressor in HVAC unit 3 • One full HVAC complete system change out.
Knight	<ul style="list-style-type: none"> • Installed a sweep on the front door. • Cleaned all window tracks. • Alarm system re programmed, repaired sensors at the sliding doors in conference room and room 113. • Tightened all connections to the sink in the kitchen. • Trimmed trees in the parking areas. 	<ul style="list-style-type: none"> • Replace approximately 2 window screens. 	<ul style="list-style-type: none"> • Back deck in need of repair. Wood rot is visible and deck needs paint. • Exterior paint • Carpet cleaning • Interior paint of common areas.

**NAI Talcro Property Manager's Report to the
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Completed Since Last Report			
Building		In Process	Deferred/To Do
Fuqua	<ul style="list-style-type: none"> • 4 restrooms have been remodeled. • Repaired pedestal light. 	<ul style="list-style-type: none"> • Two up lights at the front entrance in the flower bed located at the entrance are not functioning. • Painting interior of elevator. • Pressure washing. 	<ul style="list-style-type: none"> • Cracks in walk ways in need of being repaired. • Irrigation repair to the flower beds in the atrium areas. • Planting of flowers in flower beds to be planted once irrigation repairs have been completed in the spring.
Common	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Maintenance continues to straighten and clean all signs. Some signs are being hit by trucks or busses causing them to lean, bending the metal sign posts. • Maintain the smoking area near the Collins building along with the eating area near the food trucks. This requires cleaning of the tables, picking trash, emptying trash and cigarettes urns, making sure there are no pests in the area and that it remains safe for people to use. 	<ul style="list-style-type: none"> • Irrigation repairs around entrance monument signs. • Plants and flowers around entrance monument signs.

Accounts Receivable Past Due as of Report Date (30+days):

Tenant	Invoice Date	Invoice Amount	Last Contact Date	Tenant Response/Date to be Paid/Comments
Florida State University, NWRDC	7/1/2018	4,836.96	7/24/18	Payment for July has been sent per the tenant, but it has not been received yet.

Tenant Issues Encountered, Status of Other Outstanding Issues, Contract Procurements, Projects, Accounting issues, etc.:

1. The bid for the Morgan building renovations has been awarded to Mullinax Construction.
2. The contract for Janitorial services has been awarded to USSI.

**NAI Talcor Property Manager's Report to the
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3. Per contract it is required to paint the exterior of the Phipps building. Management is acquiring bids. This item will be included in the 2018-2019 budget.
4. There are several areas in the Johnson and Morgan buildings that have sections of HVAC ducts that are leaking. Management is getting pricing on removing old insulation, sealing air ducts, and wrapping with new insulation.
5. Pressure washing of Fuqua Center, Morgan, and Johnson, buildings is scheduled for August 25th and 26th.

Management is working on the following projects:

1. The Fuqua Center bathroom remodel has been completed.
2. Management has begun the process of preparing the 2018-2019 budget.
3. There is a high humidity issue in the National Park Service Library. Management and maintenance have been working diligently to figure out why. After much trouble shooting we have found that there are small gaps in the efis (stucco) at the base of the building. When the HVAC is turned off it creates a type of vacuum pulling the outside air in. We believe we can install foam to fill the gaps and stop air from entering. Management is in the process of receiving a bid to repair from Fleck Exteriors.

**Leon County Research and Development Authority
Executive Director's Report to the Board of Governors
August 2, 2018**

Attachment K
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1. We will be a leading creator of companies and jobs through innovation, collaboration, and commercialization.

Objective		Completed (current items in bold)	To Do
a.	Create commercialization space in the Collins Building if not leased	<ul style="list-style-type: none"> • Jump Start/A&E Study Completed • Board approved \$1.8 million renovation • Worked with prospect on tenant improvement plans/decided not to proceed • Reviewed procurement statutes with counsel • Drafted RFQ—needs specs • Worked with prospect to draft specs for Phase I (lab) improvements • Met with Talcot/contractor to get Phase I bids • After getting bids, could not meet prospect specs and timing; moving back to original “Plan B” • Presented Design-Build procurement options to Executive Committee for direction based on options in statute. New “To Do” items reflect that direction. 	<ul style="list-style-type: none"> • Plan B: Labs/Offices/Shell and Core • RFQ/Proposal for Architect to draft Design Criteria Package • RFQ from DB firms to bid based on design criteria package • Solicit competitive proposal pursuant to design criteria package from 3 qualified firms • Consultation with architect concerning evaluation of responses or bids, supervision or approval of detailed working drawings, and evaluation of the compliance of the project construction with the design criteria package
b.	Create a business incubator/ accelerator in Innovation Park	<ul style="list-style-type: none"> • Hired/on-board Director of Entrepreneurship (DE) • Introduction meetings with stakeholders • OEV Incubator Study completed • Communications with EDA regarding funding <ul style="list-style-type: none"> ◦ Submitted requested information to EDA • Working with counsel on creating 501(c)(3) organization creating documents • Worked with counsel on understanding sunshine requirements for non-profit • EDA preliminary submission • EDA funding/matching fundraising/pitch deck/setup meetings • Recruited potential 501(c)(3) board member 	<ul style="list-style-type: none"> • Finish 501(c)3 organization creation/ Application • EDA funding/matching fundraising follow up • Concept (current/short/long-term) • Action plan/timing
c.	Develop business attraction capabilities for Innovation Park either through hiring, contracting, or partnering	<ul style="list-style-type: none"> • IA approved OEV marketing program manager and contract lead generator • Magnetics Task Force—Michael participated in meeting 	<ul style="list-style-type: none"> • Working with OEV as part of its strategic plan

Objective		Completed (current items in bold)	To Do
			<ul style="list-style-type: none"> Follow up after new OEV hire/RFP awarded—OEV did not receive adequate applications and re-advertised job.
d.	Develop partnership with airport for business attraction	<ul style="list-style-type: none"> Met with Interim Airport Director (IAD) to discuss collaboration opportunities Placed Innovation Park marketing rack cards at Airport Provided Innovation Park brochure to IAD for use in its marketing efforts 	<ul style="list-style-type: none"> Airport staff orientation meeting at IP ED behind the scenes tour of Airport Identify specific collaboration opportunities in marketing land
e.	Develop cluster mapping	<ul style="list-style-type: none"> OEV conducted cluster analysis/Targeted Industry Study 	
f.	Develop programs for startups	<ul style="list-style-type: none"> Existing Tech Grant/Tech Topics Acquired Entrepreneurial Excellence program Started e-Club for EEP grads/grant winners Hired Director of Entrepreneurship Met with SBDC Director/LCRDA Board member to clarify small business service gaps/opportunities for LCRDA to fill DE developed programs: <ul style="list-style-type: none"> SBIR/STTR training I-Corp training DE conducted FSU SBIR/STTR Training program Completed FAMU SBIR/STTR training grant subaward agreement for \$15k per year DE Conducted first i-Corp training class DE applied for FAST Grant—did not receive required support letter from Governor 	<ul style="list-style-type: none"> DE conduct FAMU SBIR/STTR Training DE to take over conducting EEP DE working on additional grant funding opportunities

2. Innovation Park will be an inviting place to live, work and play.

Objective		Completed (current items in bold)	To Do
a.	Create mixed use development for grad student/post-doc housing and/or extended stay, retail, office, meeting and collaboration space, etc.	<ul style="list-style-type: none"> Met with bank to review debt issue opportunities for future projects 	<ul style="list-style-type: none"> Follow up with private company to explore ideas—will be explored in conjunction with incubator development

Objective		Completed (current items in bold)	To Do
		<ul style="list-style-type: none"> • Thru intermediary identified private company specializing in these developments to explore concepts • Researched Public Private Partnership statutory requirements (FS 255.065) • Conference call with private company to explore ideas—intermediary contact is facilitating Will be explored in conjunction with incubator development 	
b.	Establish walking trails throughout Innovation Park	<ul style="list-style-type: none"> • Contract with Leon County to manage the \$184,000, 0.6-mile crushed shell trail around the Central Pond (subject to Board ratification) • Design/engineering contract awarded • Researched easement issues • Conducted meeting with FSU, MagLab, NWRDC, County, Engineer to consider issues impacting properties • Worked with County and engineers and surveyors to walk and layout the trail • Working with engineers to obtain Cultural Resources Survey • 60% Design draft due end of July 	<ul style="list-style-type: none"> • Contractor to finalize surveys, and complete design, engineering and permits by November • Construction bids complete in November • Expected to take two months to complete • Construction complete by 4/5/19
c.	Improve signage throughout Innovation Park	<ul style="list-style-type: none"> • Grant applications (Florida Job Growth) • Monument sign contracts awarded (paint and graphics) • Entry monument signs--work completed • Talcor continues to work on straightening existing signposts 	<ul style="list-style-type: none"> • Get quotes to paint and upgrade graphics on other entry signs • Look for funding opportunities for upgrades to remaining signage
d.	Explore alternative uses for Knight Administrative Building	<ul style="list-style-type: none"> • Concept developed for relocation to Collins and creation of a food option at Knight 	<ul style="list-style-type: none"> • Move Knight offices to Collins when completed • Following Collins RFQ progress, issue RFI for Knight building amenities

Objective		Completed (current items in bold)	To Do
e.	Make land and building development process easier to access and understand	<ul style="list-style-type: none"> Created site plan review checklist for DRC OEV applied for grant funds to address master plan, stormwater, and entry road widening 	<ul style="list-style-type: none"> Drafted changes to C&R; need to complete Need to amend PUD to make cluster development parameters more clear Improve site plan review instructions to developers
f.	Create events to engage more Innovation Park members and other community members	<ul style="list-style-type: none"> DPC has had conversations with MagLab and others regarding different opportunities to collaboration on events. DPC developed plan for Innovation Scavenger Hunt to be held in September 	<ul style="list-style-type: none"> DPC working on Innovation Scavenger Hunt Other ideas, 5k run in conjunction with MagLab open house (dependent on obtaining sponsor funding), "Boot Camp" Training, Kona Ice event, lab crawl event with local brewery
	Not included in strategic plan	<ul style="list-style-type: none"> Blueprint Gateway District Project: Spoke at IA meeting in support, and coordinated Board member participation; communicated with FSU and Blueprint regarding community input Advised OEV and Blueprint of desire to work on cobranding opportunities and naming Innovation Parkway—they will advise when the ideas move forward 	<ul style="list-style-type: none"> Continue to work with Blueprint and others on future plans/street naming as Innovation Parkway Work with Maglab and Blueprint on cobranding of any new signage

3. We will be a creative, proactive, and adaptive organization marketing and promoting the Authority's mission, vision, and value proposition

Objective		Completed (current items in bold)	To Do
a.	Create a comprehensive marketing plan	<ul style="list-style-type: none"> Hired marketing talent! 	<ul style="list-style-type: none"> DPC has taken a first swing, but need to coordinate with evolving OEV strategy DPC to research strategies employed by other parks in preparation for next round of strategic planning
b.	Identify and dedicate resources for marketing	<ul style="list-style-type: none"> Current budget has marketing dollars for the first time in at least 5 years—Sponsoring Discovery on Parade 	<ul style="list-style-type: none"> Do more in 2018-19

Objective		Completed (current items in bold)	To Do
		<ul style="list-style-type: none"> Sponsorship "Welcome Tallahassee U" event for new university faculty—will distribute Innovation Park rack card and Innovation Hunt information 	
c.	Merge two brands into one with descriptive tag line	<ul style="list-style-type: none"> DPC focused on doing this with all new materials including business cards, name badges, etc. 	<ul style="list-style-type: none"> Focusing on Innovation Park brand with all collateral and website Develop branded folder for distributing print materials
d.	Redevelop two websites into one	<ul style="list-style-type: none"> Completed 	
e.	Increase community engagement for Board members	<ul style="list-style-type: none"> Board members engaged in Airport Gateway Project support DPC developed board member engagement newsletter 	<ul style="list-style-type: none"> Get more board participation at Tech Topics and Tech Grant Events

4. We will be an economically sustainable organization.

Objective		Completed (current items in bold)	To Do
a.	Increase occupancy of Morgan Building to at least 80%	<ul style="list-style-type: none"> Expanded space occupied by NWRDC Worked with FSU to lease 11,000 sf for 1 year Amended FSU lease to add SBDC space (6/1) Leased 500sf Morgan lab (later terminated 8/18) 	<ul style="list-style-type: none"> All but 1,000sf leased Begin working on leasing space for after FSU lease terminates in 1 year
b.	Lease remaining portion of Johnson Building to National Park Service or move on to use of broker to attain at least 80% occupancy	<ul style="list-style-type: none"> FSU Department of Anthropology Lease 11,000 square feet Annual lease revenue \$180,000 	<ul style="list-style-type: none"> 100% leased
	Not in strategic plan	<ul style="list-style-type: none"> Knight Building 100% leased 	<ul style="list-style-type: none">

5. We will be a highly efficient and effective organization.

Objective		Completed (current items in bold)	To Do
a.	Add staff person to take over administrative duties allowing Director of PCA to focus on helping to execute strategies	<ul style="list-style-type: none"> Done 	

Objective		Completed (current items in bold)	To Do
b.	Executive Director will provide regular updates to the board on status of strategic plan objectives	<ul style="list-style-type: none"> Modified this report format to provide updates at each Board meeting 	<ul style="list-style-type: none"> Ongoing; more opportunities for board to be focused on strategic initiatives
c.	The Board will develop a board officer succession plan	<ul style="list-style-type: none"> Added Board Chair to Nominating Committee Required new private sector members to serve in future officer role Received commitments from current members regarding desired positions 	<ul style="list-style-type: none"> Done pending vote of the board
d.	The Board will develop a plan to recruit new board members	<ul style="list-style-type: none"> Completed changes for 2016 Worked with Board members whose terms are expiring to determine desire to be reappointed Advised County staff of open positions and members requesting reappointment Discussed Board position with new Board member prospect Worked with County on recruitment/application/nomination process Identified prospects with assistance of Board members Attended nominating committee meeting with vice chair to answer questions 	<ul style="list-style-type: none"> Done for 2 years
e.	The Board will evaluate the need for and if needed develop a staff bonus plan	<ul style="list-style-type: none"> DONE – determined that statute makes this difficult to implement, and cannot find examples of any other local government entities doing this Counsel researched to see if any local governments/special districts have since implemented a bonus plan—found an example 	<ul style="list-style-type: none"> Present findings to executive committee and determine next steps

Non-strategic plan completed activities

Leasing/Tenant Relations	Financial Oversight	Community Involvement/Events	General	Meetings
<ul style="list-style-type: none"> Worked with FSU and consultant for FSURF A CAPS building addition site plan review Worked with Talcor on SBDC moveout issues Met with prospective Morgan tenant and provided requested info—may be interested in a few months Renewed Nhu Energy Knight Building lease Worked with FSU ITS on plans for renovations and added parking 	<ul style="list-style-type: none"> Complete RFP processes <ul style="list-style-type: none"> Janitorial Property Mgmt/Acct Worked with Talcor to monitor Fuqua atrium restroom renovations Worked with Chair and Treasurer to transfer \$1.1 million from SPIA to FLPRIME to take advantage of rising interest rates As approved in last BOG meeting, worked with Counsel and Chair to finalize FAMU Subaward agreement Pest control contract 	<ul style="list-style-type: none"> Larry Lynch Roast 	<ul style="list-style-type: none"> Conducted DPC annual staff review Follow up with BOG members regarding filing financial disclosures OPPAGA Sales Tax Survey Met with City Utilities regarding cutting down trees in utility easement Vacation! 	<ul style="list-style-type: none"> Executive Committee Development Review Committee JABB Executive Committee, Board, Strategic Planning, Leon County Schools, Shark Bowl, Fundraising Alliance of Entrepreneur Resource Organizations OEV Talcor Tech Grant Winner Intergovernmental Agency Board member Prospect member

Current projects/activities other than strategic to-do items

<ul style="list-style-type: none"> Sunnyland lease expiration/removal of improvements 	<ul style="list-style-type: none"> 2018-19 Budget Policy development <ul style="list-style-type: none"> Project confidentiality Lobbying Auditor term limits Local mileage/other expenses reimbursement P&C Insurance bids 	<ul style="list-style-type: none"> Attend ARPC 2019 CEDS update meeting Attend Chamber Conference Attend Tallahassee Welcomes U event May apply to attend ACE event in Silicon Valley Support staff with Innovation Hunt 	<ul style="list-style-type: none"> Conduct 6-month DE staff review Facilitate Executive Director Review Survey 6 year anniversary with LCRDA August 7th! Setup Strategic Planning meeting/facilitator 	<ul style="list-style-type: none"> OEV Executive Committee AERO JABB Talcor Intergovernmental Agency
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