

Hamblen County/Morristown Solid Waste Agenda

February 16, 2024

Hamblen County Health Department Conference Room

Meeting Called To Order-Tom Rush

Public Comment/General Public Forum:

Approval of Board Minutes:

Financial Report-Amy Hemminger

1. Review financials

Manager's Report-Dennis Barnes

1. TDEC Inspection

Engineer's Report-Steve Bostic

1. Landfill Project's Progress

Unfinished Business-Tim Horner, Tom Rush

1. Update and approval of PDS pending contract
2. Update on GFL PSA (Land Purchase)

New Business-Tom Rush

1. Review and approval of Class I expansion contractor bid
2. Review and approval of Elavon 2024 contract revisions
3. Review and approval of Rodefer Moss 2024-2026 contract proposal

Adjournment-Tom Rush

Hamblen County/Morristown Solid Waste Board of Directors Meeting

Minutes: January 19, 2024 Postponed
January 26, 2024 Rescheduled

Hamblen County Health Department Conference Room

Board Members Present: Tom Rush-Chairman, Keith Jackson-Vice Chairman, Bill Brittain- (Ex-Officio/County Mayor), Dennis Barnes-(Ex-Officio/Director), Mike Bell, Bob Garrett, Tim Horner, Matt Lacy, Pat McGuffin.

Absent: Ventrus Norfolk

Others Present: Amy Hemminger-PCCSC, Steve Bostic, Jim Albert, Jimmy Albert, Reuben Robertson-LDA, Curtis Morrison, Hee Ying Loy-Rodefer Moss, Stephanie Clonce and Public.

Meeting Called To Order: Tom Rush

Mr. Rush called the meeting to order at 9:00 a.m. Mr. Rush stated that Mr. Norfolk was absent because of his brother's passing and to please remember him in your prayers.

Public Comment/General Public Forum: Linda Noe and Gwen Holden

Ms. Noe thanked Ms. Clonce for sending her an email to let her know that the meeting had been postponed last Friday. Ms. Noe also asked that the board consider putting their agenda and minutes on the front page instead of having to look under the tab for the board meetings.

Ms. Holden thanked Ms. Clonce for sending her an email to let her know that the meeting had been postponed last Friday for the weather.

Approval of Minutes: Tom Rush

Mr. Lacy made the motion to approve the December 15, 2023 minutes, and Mr. Bell seconded the motion with all board members in favor.

Financial Report: Amy Hemminger and Tom Rush

1. Review of December Financials-Ms. Hemminger stated that some adjustments to the financial statement related to the bonds will be made after the audit is approved. Mr. Morrison has reversed the numbers, and our office will do the same. On the statement of revenue, capital expenditures other expense of approximately \$17,000 consisted

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primarily of \$11,500 in closing costs for the shredder and \$6,000 was for an expansion fee. We show a loss due to the capital expenditures and bond interest.

2. Ms. Hemminger stated that our auditors are here from Rodefer Moss to go over our audit today.
3. Mr. Rush stated that the interest at First Horizon is at 2.15%, and the LGIP rate has gone down some to 5.38%.

Manager's Report: Dennis Barnes

1. The TDEC inspection for the Class I was good, and the Class III has a well loose, will have to be stabilized by welding and having anchors attached to it when weather permits.

Engineer's Report: Steve Bostic, Rueben Robertson, Jim Albert, and Jimmy Albert

Mr. Bostic updated the board on the engineering projects going on at the Landfill (see attachment).

Mr. Bostic asked what the correct legal name of our facility is. He needs it for the public notice we will be putting in the paper for TDEC. Mr. Capps had stated to us that our name is Hamblen County-Morristown Solid Waste Disposal System and that is the name he would use.

Mr. Jimmy Albert presented the drone flyover to the board that was done last month showing that more airspace was found for around 200,000 tons of garbage. This will allow for up to 3 or more years left in our current airspace being used, however, some of it will be hard to get to. This will give us more time for getting the expansion approved by TDEC.

After some discussion about the sludge and the trouble we are having getting it up the slopes to spread, Mr. McGuffin stated that he could bring us some sawdust to mix with it to help dry it up and see if that would work. Mr. Barnes told him to bring it and they would try it.

Mr. Robertson went over the expansion for Class I. Mr. Robertson stated that they have up to four contractors that are interested in the bid. The mandatory pre-bid meeting is scheduled for February 1, 2024 at the HCMSW site for questions and information regarding the expansion. The bids will be opened on February 13, 2024 at the HCMSW site and will be gone through for errors, corrected, and presented to the board for the February 16, 2024 meeting for approval. Also, the updated quotes for the expansion will be presented to the board.

Hamblen County/Morristown Solid Waste Board of Directors Meeting

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Hamblen County Health Department Conference Room

Unfinished Business: Tom Rush

1. Mr. Rush stated that Mr. Horner had been working with Mr. Sargent at PDS trying to get the contract worked out so that all involved would be satisfied. We have not gotten anything settled and are still working on the confidentiality and liability clauses. Hopefully, we can have something by the next board meeting.
2. Mr. Rush stated that he had been in contact with Mr. Capps about the GFL Land Purchase and we are still waiting for GFL attorney Mr. Reams to give us a closing date. TDEC has sent a letter stating that they are ready to transfer the permit to us, and we are just waiting for the land purchase to take place.

New Business: Curtis Morrison, Amy Hemminger and Tom Rush

1. Mr. Morrison went over some of the audit with the board and stated that Rodefer Moss had issued an unmodified opinion in the audit. Also, there were no findings in our internal control and compliance report. The Statement of Net Position shows an increase from \$5.5 million to \$6.8 million in investments and other current assets. Operating revenues were up \$300,000 and operating expenses were down. The new standard regarding Subscription-Based Information Technology Arrangements (SBITAs) had no impact.
Ms. Hemminger assured the board that the audit had been thoroughly reviewed and discussed with Rodefer Moss to make changes and adjustments. It is a clean report. Mr. Lacy made a motion to approve the June 30, 2023 audit and send it to the State of Tennessee. Mr. McGuffin seconded the motion with all board members attending in favor.
2. Mr. Rush discussed the Director's salary, stating that he would like to entertain a motion to increase Mr. Barnes' annual salary from \$75,000 to \$80,000, which would be a \$5,000 increase for the year. Mr. Jackson made a motion to approve the proposed increase in salary of \$5,000 a year to total salary to \$80,000 a year, and Mr. Garrett seconded the motion with all board members attending in favor. Mr. Jackson then made a motion to amend the previous motion to start the raise as of January 1, 2024. Mr. Lacy seconded the motion with all board members attending in favor of the amendment.
3. Mr. Lacy asked how the shredder was doing and if it had any problems. Mr. Barnes stated that one tooth had broken off, but we fixed it. Mr. Bell asked how many days we were using it and Mr. Barnes stated that we use it a couple of days a week.

Hamblen County/Morristown Solid Waste Board of Directors Meeting

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January 26, 2024 Rescheduled

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Adjournment: Tom Rush

Mr. Rush adjourned the meeting at 10:05 a.m.

Tom Rush-Chairman

Bill Brittain

Morristown-Hamblen County Solid Waste Board

01/18/2024 2:20 PM

Register: 11130 - Operating Account

From 01/18/2024 through 01/18/2024

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
01/18/2024	9095	CANON SOLUTIO...	21100 - Accounts Paya...		75.42		154,519.37
01/18/2024	9096	CAPPS & BYRD, L...	21100 - Accounts Paya...		30.00		154,489.37
01/18/2024	9097	CITY OF MORRIST...	21100 - Accounts Paya...		962.52		153,526.85
01/18/2024	9098	DAVID BERRY TR...	21100 - Accounts Paya...		1,650.00		151,876.85
01/18/2024	9099	KAZMIER & ASSO...	21100 - Accounts Paya...		900.00		150,976.85
01/18/2024	9100	LDA ENGINEERIN...	21100 - Accounts Paya...		62,002.50		88,974.35
01/18/2024	9101	LIBERTY TIRE RE...	21100 - Accounts Paya...		737.10		88,237.25
01/18/2024	9102	LIVINGOOD EQUI...	21100 - Accounts Paya...		7,070.08		81,167.17
01/18/2024	9103	MORRISTOWN UT...	21100 - Accounts Paya...	004561-022128	3,408.84		77,758.33
01/18/2024	9104	NAPA AUTO PARTS	21100 - Accounts Paya...		112.90		77,645.43
01/18/2024	9105	OFFICE DEPOT BU...	21100 - Accounts Paya...		329.32		77,316.11
01/18/2024	9106	PIONEER PETROL...	21100 - Accounts Paya...		4,902.90		72,413.21
01/18/2024	9107	PURKEY,CARTER,...	21100 - Accounts Paya...		2,755.00		69,658.21
01/18/2024	9108	STATE OF TENNES...	21100 - Accounts Paya...		17,238.17		52,420.04
01/18/2024	9109	STRATE INSURAN...	21100 - Accounts Paya...		2,986.97		49,433.07
01/18/2024	9110	TMS INTERNATIO...	21100 - Accounts Paya...		2,235.57		47,197.50
01/18/2024	9111	VERIZON WIRELE...	21100 - Accounts Paya...		185.77		47,011.73

75.42 +
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 62,002.50 +
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 17,238.17 +
 2,986.97 +
 2,235.57 +
 185.77 +
 107,543.10 +

Morristown-Hamblen County Solid Waste Board

01/31/2024 9:21 AM

Register: 11130 · Operating Account

From 01/24/2024 through 01/24/2024

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
01/24/2024			-split-	Deposit		1,048.90	235,749.92
01/24/2024	9112	NAPA AUTO PARTS	21100 · Accounts Paya...		100.68		235,649.24

Morristown-Hamblen County Solid Waste Board


01/31/2024 9:21 AM

Register: 11130 - Operating Account
 From 02/01/2024 through 02/01/2024
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
02/01/2024	9113	A-Z OFFICE RESO...	21100 - Accounts Paya...	PO# STEPH	75.00		241,689.18
02/01/2024	9114	AFLAC	21100 - Accounts Paya...		492.69		241,196.49
02/01/2024	9115	BANKCARD CENT...	21100 - Accounts Paya...		1,103.07		240,093.42
02/01/2024	9116	BOB GARRETT	21100 - Accounts Paya...		200.00		239,893.42
02/01/2024	9117	CHARTER COMM...	21100 - Accounts Paya...		237.39		239,656.03
02/01/2024	9118	CINTAS	21100 - Accounts Paya...		327.44		239,328.59
02/01/2024	9119	DAVID BERRY TR...	21100 - Accounts Paya...		880.00		238,448.59
02/01/2024	9120	HAMBLEN COUNT...	21100 - Accounts Paya...		2,655.23		235,793.36
02/01/2024	9121	KEITH JACKSON	21100 - Accounts Paya...		200.00		235,593.36
02/01/2024	9122	LIBERTY NATION...	21100 - Accounts Paya...		66.97		235,526.39
02/01/2024	9123	LIBERTY TIRE RE...	21100 - Accounts Paya...		109.90		235,416.49
02/01/2024	9124	MATT LACY-V	21100 - Accounts Paya...		200.00		235,216.49
02/01/2024	9125	MIKE BELL	21100 - Accounts Paya...		200.00		235,016.49
02/01/2024	9126	PATRICK MCGUFF...	21100 - Accounts Paya...		200.00		234,816.49
02/01/2024	9127	PIONEER PETROL...	21100 - Accounts Paya...		5,011.51		229,804.98
02/01/2024	9128	RODEFER MOSS &...	21100 - Accounts Paya...		2,000.00		227,804.98
02/01/2024	9129	SFP MORRISTOWN	21100 - Accounts Paya...		69.14		227,735.84
02/01/2024	9130	TIMOTHY L. HOR...	21100 - Accounts Paya...		200.00		227,535.84
02/01/2024	9131	TMS INTERNATIO...	21100 - Accounts Paya...		620.76		226,915.08
02/01/2024	9132	TOM RUSH	21100 - Accounts Paya...		200.00		226,715.08
02/01/2024	9133	WESTROCK KNOX...	21100 - Accounts Paya...	NOVEMBER 23	2,250.00		224,465.08
02/01/2024	9134	WITT UTILITY DIS...	21100 - Accounts Paya...		300.00		224,165.08

75.00
 492.69
 1,103.07
 200.00
 237.39
 327.44
 880.00
 2,655.23
 200.00
 66.97
 109.90
 200.00
 200.00
 200.00
 5,011.51
 2,000.00
 69.14
 200.00
 2,250.00
 300.00

520.76
 200.00
 2,250.00
 300.00
 17,548.10



Morristown-Hamblen County Solid Waste Board

02/07/2024 7:40 AM

Register: 11130 - Operating Account

From 02/08/2024 through 02/08/2024

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
02/08/2024	9136	APPALACHIAN EL...	21100 - Accounts Paya...		2,022.34		224,265.40
02/08/2024	9137	CITIZEN TRIBUNE...	21100 - Accounts Paya...	po#7401	27.17		224,238.23
02/08/2024	9138	FUELMAN	21100 - Accounts Paya...		196.36		224,041.87
02/08/2024	9139	LOWE'S CREDIT S...	21100 - Accounts Paya...	978443 & 978...	581.85		223,460.02
02/08/2024	9140	NAPA AUTO PARTS	21100 - Accounts Paya...		239.85		223,220.17
02/08/2024	9141	SFP MORRISTOWN	21100 - Accounts Paya...		218.29		223,001.88
02/08/2024	9142	STERICYCLE, INC.	21100 - Accounts Paya...		81.52		222,920.36
02/08/2024	9143	STOWERS MACHL...	21100 - Accounts Paya...	PO#7393	416.25		222,504.11

2,022.34 -
 27.17 -
 196.36 -
 581.85 -
 239.85 -
 218.29 -
 81.52 -
 416.25 -
 3,783.63 *

BankCard Center Card Statement

JAN 30 2024



Account Number XXXX XXXX XXXX 0792

Statement for Period: December 25, 2023 to January 24, 2024

CARDHOLDER SUMMARY

DENNIS R BARNES XXXX XXXX XXXX 0792	Previous Balance	Purchases And + Other Debits	Cash + Advances	Finance + Charges	- Credits	- Payments =	New Balance
CardHolder Totals	\$506.62	\$1,103.07	\$0.00	\$0.00	\$0.00	\$506.62	\$1,103.07

FINANCE CHARGE SUMMARY

	Average Daily Balance	Monthly Periodic Rate	Corresponding Annual Percentage Rate	Periodic Finance Charge
PURCHASES (V) = Variable Rate	\$0.00	1.200%(V)	14.40% (V)	\$0.00

GRACE PERIOD
To Avoid a Finance Charge On Purchases, Pay Entire New Balance by Payment Due Date Each Billing Period. Finance Charge Accrues on Cash Advances Until Paid And Will Be Billed On Your Next Statement.

STATEMENT MESSAGES

Important Notice
Payments will be posted and credited to your account on the day they are received, subject to applicable payment processes and cutoff times. However, in order to protect against fraud and to allow for necessary payment verification and settlement, it may take up to 5 business days from receipt of payment for adjustments to be made to your available credit line.

CUSTOMER SERVICE CALL 1-800-382-5465	ACCOUNT NUMBER XXXX XXXX XXXX 0792		ACCOUNT SUMMARY	
	STATEMENT DATE 01/24/24		PREVIOUS BALANCE	\$506.62
LOST/STOLEN CARDS CALL 1-800-382-5465	CREDIT LIMIT	\$5,000.00	PURCHASES & OTHER CHARGES	\$1,103.07
	AVAILABLE CREDIT*	\$3,896.00	CASH ADVANCES	\$0.00
SEND BILLING INQUIRIES TO BANKCARD CENTER P.O. BOX 1545 MEMPHIS, TN 38101-1545	PAST DUE	\$0.00	CASH ADVANCE FEES	\$0.00
	OVERLIMIT	\$0.00	LATE PAYMENT CHARGE	\$0.00
	DISPUTED AMOUNT	\$0.00	FINANCE CHARGE	\$0.00
	AMOUNT DUE	\$55.00	CREDITS	\$0.00
	PAYMENT DUE DATE	02/18/24	PAYMENTS	\$506.62
			NEW BALANCE	\$1,103.07

* Amount reflected in whole dollars only

1122 0001 GSH 001 7 24 240124 0 PAGE 1 of 2 10 4015 9000 CM02 4672

↑PLEASE DETACH HERE AND RETURN WITH PAYMENT

BANKCARD CENTER
P.O. BOX 1545
MEMPHIS TN 38101-1545

HAMBLÉN CO/

ACCOUNT NUMBER	XXXX XXXX XXXX 0792
PAYMENT DUE DATE	02-18-24
AMOUNT DUE	\$55.00
NEW BALANCE	\$1,103.07

|||||
BANKCARD CENTER
P.O. BOX 385
MEMPHIS TN 38101-0385

AMOUNT ENCLOSED
\$

|||||
DENNIS R BARNES 4672
MORRISTOWN SOLID WASTE N212
3849 SUBLETT RD
MORRISTOWN TN 37813-3734

4798494100200792 0005500 0110307

DENNIS R BARNES		4798-4941-0020-0792			
Statement Date	01/24/24	Credit Limit	\$5,000.00	Cash Advance Balance	\$0.00
Payment Due Date	02/18/24	Available Credit	\$3,896.00	Amount Due	\$55.00
New Balance	\$1,103.07				

Post Date	Tran Date	Transaction Description	Amount
12-26	12-25	RTK MOBILE HTTPSRTKMOBIL UT	\$25.00
12-31	12-31	Amazon.com*2Z5EX50F3 Amzn.com/bill WA	\$146.29
01-07	01-05	INTUIT *QuickBooks CL.INTUIT.COM CA	\$931.78
01-09	01-09	PAYMENT - THANK YOU MEMPHIS TN	-\$506.62 PY

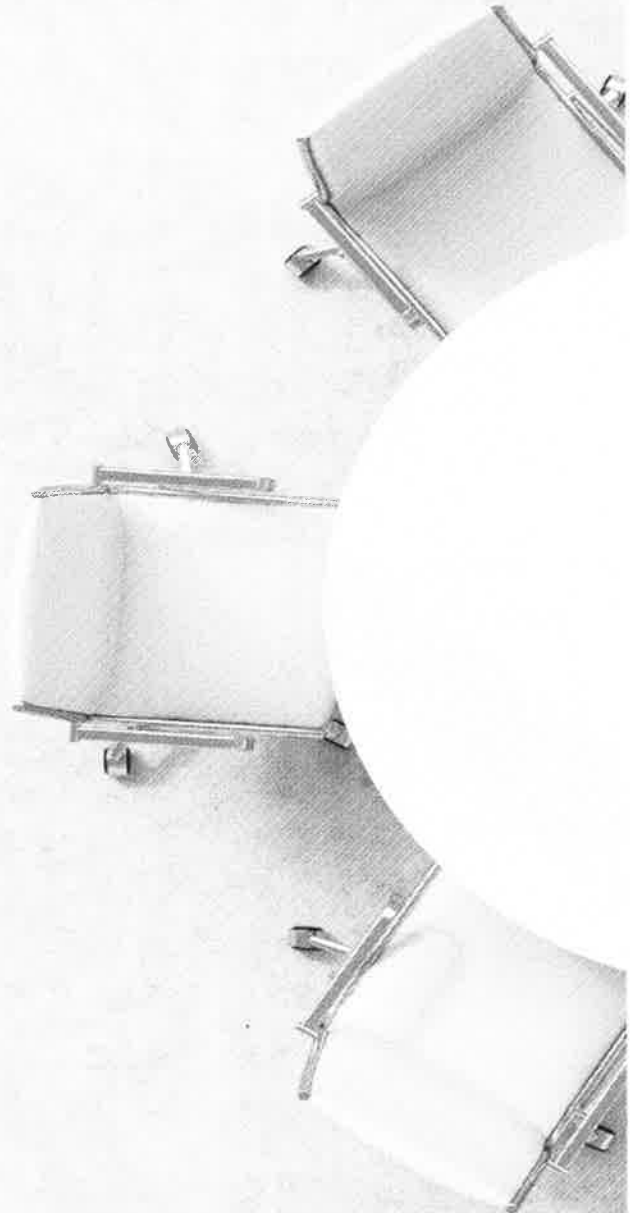




Managed Services Agreement



Providing Technology Solutions



This document is confidential and the proprietary property of PDS LLC. It shall not be disclosed or duplicated, in whole or in part, without the express prior written consent of PDS.



Managed Services Agreement Terms

Your Managed Services Plan

MONITOR Managed Services – Provides Monitoring Systems and Proactive Services			
REMOTE Managed Services – Remote Support			
COMPLETE Managed Services – Onsite and Remote Complete Support			
MANAGED SERVICES	MONITOR 8x5⁴	REMOTE 8x5	COMPLETE 8x5
Workstation & 24/7 Server Monitoring*	✓	✓	✓
Workstation & Server Monitoring, Maintenance, & Patching*	✓	✓	✓
Endpoint Protection/AV w/ 24/7 SOC Monitoring & Response*, ⁴	✓	✓	✓
Security Threat Detection & Remediation Initial Response*, ⁴	✓	✓	✓
Access Control Management for User Software Installs*, ⁴	✓	✓	✓
Unlimited Automated Support	✓	✓	✓
8x5 Workstation and Server Support*, ⁴		✓	✓
Physical & Virtual Server Management w/ 24/7 Monitoring*, ⁴		✓	✓
Network, Internet, & VPN Management & Support*, ⁴		✓	✓
Remote Office Support*, ⁴		✓	✓
Security Threat Detection & Remediation*, ^{1,4}		✓	✓
Support for Subscription Services (Email Security, DNS Protection, etc.)*, ⁴		✓	✓
Printer Management Support (non-leased)*, ^{3,4}		✓	✓
Microsoft Office 365 Support w/ MFA Management*, ^{2,4}		✓	✓
OneDrive File Sync & SharePoint Support*, ^{2,4}		✓	✓
Work at Home/Remote Users Support (Limited)*, ⁴		✓	✓
Remote Response 8x5 is Provided*,^{4,5} (Onsite Hourly Rates)		✓	
Remote & Onsite 8x5 Response is Provided*,^{4,5}			✓
Remote & Onsite Response is Billed at Hourly Rates*,^{4,5}	✓		
<p>* Services and support restricted to covered systems ¹ Restricted to first hour ² Requires PDS M365 agreement ³ Leased equipment requires vendor support and is billable at published rates ⁴ 8x5 support is Monday – Friday during published normal business hours; After-hours and Holiday support billable at published rates ⁵ New systems, projects, software implementations etc. are not covered for initial implementation</p>			

PDS provides comprehensive hardware sales support for all your IT needs. This includes desktops, servers, firewalls, network switches, printers, and any other equipment that you may need for your environment.



Managed Services Agreement Terms

By signing this Agreement, PDS and Client hereto agree to all terms and conditions contained herein and represent that each party is authorized to make such decisions for their respective organizations. The parties acknowledge that this is a legally binding Agreement, that they have each accepted this Agreement of their own free will, and that their signature is not the result of coercion or duress. The parties further acknowledge that prior to signing this Agreement, each party has sought and received, or had the opportunity to seek and receive independent legal advice.

PDS Representative Name (Print)

Client Representative Name (Print)

PDS Representative Signature

Client Representative Signature

Date

Date

By signing below, Client agrees that they have been notified of the importance, benefits, and risks of cyber-security insurance. Client understands that PDS highly recommends that Client obtain cyber-security insurance. Client further understands that by failing to obtain cyber-security insurance, Client waives any associated liability and Client alone is fully responsible in the event of a cyber-security breach.

Client Representative Name (Print)

Client Representative Signature

Date

This Managed Services Agreement (hereinafter referred to as "Agreement"), executed on _____, is made between _____ (hereinafter referred to as "Client"), with its registered office located at _____

_____ and PDS LLC (hereinafter referred to as "PDS"), a Tennessee limited liability company, having its principal office at 1924 Morningside Drive, Morristown, TN 37814. The parties desire that this Agreement outline the terms and conditions between them relating to the services and products provided by PDS to Client. The parties agree as follows.

- 1. **BEGIN DATE.** Services begin on the install date and are prorated until the end of the first initial month. This agreement is for one (1) year plus the prorated initial first month.
- 2. **END DATE.** Services will continue until _____ and are automatically renewed unless Client provides notice in accordance with this agreement.



Managed Services Agreement Terms

3. TERM OF AGREEMENT. This Agreement and the Master Terms & Services Agreement collectively form the "Agreement" for purposes of this Agreement. This Agreement is effective on the date signed and **shall remain in force for the term stated**. The Agreement automatically renews, unless Client provides sixty (60) days prior written notice of their intent not to renew.

4. PURPOSE. The purpose of this Agreement stems from Client's desire to retain PDS, who is in the business of providing customized managed service solutions for its clients, to implement and provide such customized managed service solutions, along with any equipment and services required in association therewith.

5. DEFINITIONS.

- a. **8x5** – PDS' published normal business hours. Normal published business hours are subject to change.
- b. **Afterhours** – Hours outside of PDS' normal published business hours. Holidays are afterhours.
- c. **Authorized Users** – Employees or representatives approved by Client.
- d. **Holidays** – Any day that PDS designates as a company holiday. Holidays are subject to change based on designated company holiday schedules.
- e. **Multifactor Authentication** – "MFA" is a security technology that requires multiple authentication methods from independent categories of credentials to verify a user's identity for a login or other transaction.
- f. **Timely Manner** – Within seven (7) business days of the service performance date.

6. MANAGED SERVICES. Subject to the terms of this Agreement, PDS shall provide the services, equipment, software, and other managed services as set forth above. The following are additional terms, conditions, and restrictions that Client accepts hereunder.

- a. **General Requirements.** PDS and Client shall provide each other with the name and contact information for the designated administrator(s) who shall be available to discuss issues or questions related to the managed services. The Client will also provide emergency contact information to PDS.
- b. **Conditions.** Client acknowledges that PDS' obligations are expressly conditioned upon Client:
 - i. Providing adequate access, where applicable, to all facilities, knowledgeable personnel, background information, content, computer systems, software, technical matter, passwords, and data required for PDS to provide the managed services. If access to facilities is denied, Client understands that PDS may be unable to perform their duties adequately. In such event, Client agrees to hold PDS harmless for any loss of data, property, equipment, profits, or breach of this Agreement.
 - ii. Completing all tasks Client has agreed to perform in a timely manner, and
 - iii. Rendering timely assistance to PDS as reasonably requested to facilitate performance of the managed services.
 - iv. Client providing PDS with contact information for one or more contacts for after-hours emergency situations.
- c. **Restrictions.** The rights granted to Client by this Agreement are subject to the following restrictions:
 - i. Client's use of managed services shall be limited to authorized users only,
 - ii. Client shall always keep all parts of the managed services in its sole possession or the sole possession of an authorized user,
 - iii. Any service(s) provided by PDS in this Agreement must be managed by PDS. PDS is not responsible for any service(s) that PDS cannot manage directly or becomes unable to manage directly due to Client or a third-party's interference.
 - iv. Client shall keep and maintain the equipment and software free and clear of all liens, charges, and encumbrances,
 - v. Client shall not license, sell, rent, lease, transfer, assign, distribute, host, outsource, disclose, or otherwise commercially exploit or make any part of the managed services or its documentation available to any third-party other than an authorized user,



Managed Services Agreement Terms

- vi. Client shall not modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the managed services or its documentation,
- vii. Except as expressly stated herein, no part of the managed services may be copied, reproduced, distributed, republished, downloaded, displayed, posted, or transmitted in any form or by any medium, and
- viii. Client agrees that PDS shall own all right, title, and interest in and to all intellectual property rights (including all derivatives or improvements thereof) in the managed services, as well as any suggestions, enhancement requests, feedback, recommendations, or other information provided by Client or any of Client's users relating to the managed services.

7. SERVICES PROVIDED. The services provided under this Agreement are as stated above and are limited to those services unless Client later adds additional services. Any additional services are governed by this Agreement.

8. TERMS UNIQUE TO THIS AGREEMENT. Above, in the Agreement Terms and Pricing Section are terms that Client and PDS, through fair negotiation, specifically and expressly requested be included in this Agreement. These terms are unique to this Agreement. They supersede any conflicting language contained within this Agreement, unless otherwise stated above in the same section.

9. EXCLUSIONS AND ADDITIONAL SERVICES.

- a. Additional services excluded from this Agreement include backup services, new implementations of services and hardware, and replacement of existing equipment. Further, any equipment reallocation, termination, or surplus, is not covered by this Agreement, as well as any other new or reconfigured services or equipment.
- b. User based subscription services, including Microsoft 365 subscription services are additional.
- c. Any services not explicitly stated above are additional and billable at published rates.

10. RESPONSE AND RESOLUTION.

- a. **Contact Methods.** PDS provides 24/7 service to Client. However, only 8x5 support is included in the pricing for this Agreement. Afterhours support is billed at additional published rates unless this Agreement states otherwise.
 - i. **Normal Business Hours.** Should any problems arise during published normal business hours, Client can call our help desk at (423) 318-0888 for assistance or submit an IT Ticket, through the portal or by emailing help@pdsconsulting.com.
 - ii. **Afterhours Emergency.** If an emergency arises afterhours, Client should call our help desk at (423) 318-0888, select the emergency hours prompt, and leave a detailed message about the issue and a good return phone number. A PDS team member will respond as soon as possible. **Additional rates may apply.**
 - iii. **Afterhours Non-Emergency.** If a non-emergency occurs afterhours, Client should email help@pdsconsulting.com (preferred contact method), or call (423) 318-0888 and select the non-emergency option. Non-emergency issues are reviewed the next business day.
- b. **Response Time.** PDS makes the best possible effort to respond as quickly as possible. However, response times depend on priority, which is based on each client's individual needs.

11. MINIMUM STANDARDS. For the purposes of this Agreement, the minimum standard terms mirror those stated in the Master Terms & Services Agreement. In addition to those terms, Client shall also maintain the minimum requirements as follows.

- a. **Hardware Requirements.**
 - i. **Computers.** Client shall only utilize desktops and laptops less than five (5) years old, in good functioning condition.
 - b. **Backup Services.** If Client requires backup services, they shall maintain a separate comprehensive backup services agreement with PDS.

12. COVERAGE HOURS. Hours of coverage may be limited based on the coverage stated in Section 7.



Managed Services Agreement Terms

13. EQUIPMENT. This Agreement includes no equipment owned or provided by PDS.

a. Client Equipment. Client retains title and ownership in all of Client's owned equipment utilized by PDS.

b. Warranty. Client agrees to maintain equipment warranties, extended warranties, and serviceability on all equipment, except for desktop, laptop, and printer warranties beyond the initial warranty. The equipment or warranty vendor, not PDS, provides hardware warranties. All vendor warranties are provided at the vendor's discretion. PDS has no control over these warranties or the vendor's performance in fulfilling any warranty obligations. PDS reserves the right to refuse to support equipment with an expired or lacking warranty.

c. Right to Refuse or End Support. PDS reserves the right to refuse or end support for noncompliant equipment and equipment unreasonably beyond repair.

14. FEES AND PAYMENT.

a. Managed Services Fees. In consideration of PDS providing managed services, Client shall pay PDS, the above stated monthly fees and reimburse PDS for those certain expenses set forth above, or as otherwise described in this Agreement.

b. Invoicing. Client will be invoiced on the first of every month. The only exception is for the term following the install date in which PDS will invoice Client from the install date to the last day of the month.

c. Adjustments. Adjustments for additional licenses, services, and equipment will be applied in a prorated manner on the next billing cycle throughout the Agreement. Monthly fees are subject to change, based on client additions throughout the agreement period. Any additional services shall be purchased under the terms of this Agreement. At PDS' discretion, a new agreement may be initiated.

d. Annual Fee Increase. Fees are subject to an increase of up to 9.5% per year.

15. REMOTE ACCESS.

a. PDS Remote Access. Client approves installation of PDS' agent for remote access to access the necessary server(s) and computer(s). This agent will provide remote access, remote monitoring, end point protection, and other services.

b. Client Remote Access. If Client must transition to home or alternative networks, PDS will make all best efforts to make connections and serviceability. However, home and alternative networks may not have adequate internet connectivity or equipment to work effectively. PDS is not responsible for inadequacies in those home or alternative networks, or to secure those connections. Home equipment may not be as secure and may not have PDS' software and security features. PDS is not responsible for the security of the home or alternative networks. Work on a home or alternative network, unless otherwise included above, is outside the scope of this Agreement and PDS may charge its then hourly rate for work on these networks. PDS will charge for additional software installed at home or alternative networks as needed.

16. SECURITY. PDS provides services and applications that help to protect Client's systems, networks, and data. However, security is ultimately Client and its employee's responsibility. At the end of the day, PDS' services and applications can only do so much and do not protect against wrongful or irresponsible use. In such event, Client agrees to hold PDS harmless for any security breach whatsoever, arising from all wrongful or irresponsible use of Client's systems, networks, and data.

17. CLIENT AND THIRD-PARTIES. Client shall not bring in or allow any donor or third-party, whatsoever, to perform any work that interferes with the network(s), server(s), or managed services in any way.

18. OWNERSHIP OF DATA. All data or information owned by Client remains Client's sole property. All data or information owned by PDS remains PDS' sole property. Any data or information shared between parties shall remain confidential and shall not be shared with any third-party.

19. WARRANTIES. PDS warrants that it will perform the work in accordance with industry standards and reasonable customary practices prevailing at the time. Nothing in this Section is meant to imply that PDS warrants equipment beyond the manufacturer's warranty, unless explicitly stated in writing.

20. TERMINATION. For the purposes of this Agreement, the termination terms mirror those stated in the Master Terms & Services Agreement, unless otherwise explicitly agreed in writing.



Managed Services Agreement Terms

21. SURVIVAL. All provisions within this Agreement are intended to survive and continue upon termination, cancellation, or expiration of this Agreement.

22. CONFLICTS BETWEEN AGREEMENTS. This Agreement and the Master Terms & Services Agreement collectively form the "Agreement" for purposes of this Agreement. This Agreement is to be read in conjunction with the then current Master Terms & Services Agreement located at <https://pdsconsulting.com/terms/pdsterms.pdf>. Both agreements are binding on Client with respect to Client's use of or access to the offerings set forth herein. Any conflict or inconsistency between this Agreement and the Master Terms & Services Agreement shall be resolved in favor of this Agreement, and the terms of this agreement shall control in that event.

23. CONFIDENTIALITY. THE TERMS AND CONDITIONS OF THIS AGREEMENT ARE STRICTLY CONFIDENTIAL INFORMATION. CLIENT AGREES TO KEEP THE TERMS AND CONDITIONS OF THE AGREEMENT, INCLUDING ANY PAYMENTS MADE HEREUNDER, STRICTLY CONFIDENTIAL. CLIENT FURTHER AGREES NOT TO DISCLOSE ANY TERMS OR CONDITIONS IN ANY MANNER WHATSOEVER. If client discloses any subject matter, in any way, contained within this Agreement, such action will constitute a breach of this Agreement and PDS will be entitled to legal remedies including injunctive relief, damages, and reasonable attorney fees. The arbitration clause contained herein shall not apply in the event of a breach of confidentiality.

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This Master Terms & Services Agreement (hereinafter referred to as "Agreement"), executed on _____, is made between _____ (hereinafter referred to as "Client"), with its registered office located at _____

_____ and PDS LLC (hereinafter referred to as "PDS"), a Tennessee limited liability company, having its principal office at 1924 Morningside Drive, Morristown, TN 37814. The parties desire that this Agreement outline the terms and conditions between them relating to the services and products provided by PDS to Client. The parties agree as follows.

1. PARTIES BOUND. This Agreement shall be binding on and inure to the benefit of the parties hereto and each of their respective successors and assigns. If Client or its company merges, consolidates, divests, restructures, reorganizes, dissolves, or otherwise sells or transfers some or all of its assets or stock, this agreement remains enforceable against Client or Client's successor or assign in accordance with its terms and conditions. However, PDS in such event may elect to terminate this Agreement, for any reason, on thirty (30) days' notice.

2. TERM OF AGREEMENT. This Agreement is effective on the date signed and shall remain in force for the term stated in the corresponding agreement.

3. GOVERNING LAW. This Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the laws of the State of Tennessee.

4. REFERENCE TO AGREEMENT. Use of the words "herein," "hereof," "hereto," and the like in this Agreement shall be construed as references to this Agreement as a whole and not to any particular article, section, or provision of this Agreement, unless otherwise stated.

5. DEFINITIONS.

a. Confidential Information – Any of PDS' information that Client may access or be exposed to, including trade secrets, defined below, that is not public knowledge and is made available only through contact with PDS. This may include but is not limited to standard operating procedures, business methods, technical know-how, technical information, design blueprints, specialized tools, strategies including marketing strategies, product specifications, test results, costs and pricing, training information and materials, software, vendors, and examples of confidential information.

b. Timely Manner – Within seven (7) business days of the service performance date.

c. Trade Secret – Intellectual property that has economic value precisely because this information isn't public knowledge. Trade secrets can include everything from formulas, recipes, and processes to practices, designs, and instruments.

6. REPRESENTATIONS.

a. PDS hereby represents to Client that:

i. PDS is a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Tennessee, with full power and authority to execute and deliver this Agreement and perform its obligations hereunder.

ii. The execution, delivery and performance of this Agreement are duly authorized by all necessary PDS limited liability company representatives and this Agreement constitutes a valid and binding obligation for PDS, enforceable against PDS in accordance with its terms and conditions, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other similar laws now or hereafter in effect affecting enforcement of creditors' rights.

iii. The consent of no other entity or person is required for PDS to fully perform its obligations herein.

iv. There is no pending, or to PDS' actual knowledge, threatened litigation against PDS which may affect the legality, validity, or enforceability of this Agreement, any of the services contemplated herein, or PDS' ability to fully perform its stated obligations or services.

- b. Client hereby represents the following to PDS:
 - i. The designated client representative entering this Agreement is fully authorized with all necessary power and authority to execute and deliver this Agreement and perform its obligations hereunder.
 - ii. Client's execution, delivery, and performance of this Agreement have been duly authorized by any necessary action on Client's part, and this Agreement constitutes a valid and binding obligation for Client, enforceable against Client in accordance with its terms and conditions, except as enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws now or hereafter in effect affecting enforcement of creditors' rights.
 - iii. The consent of no other entity or person is required for Client to fully perform its obligations herein.
 - iv. There is no pending, or to Client's actual knowledge, threatened litigation against Client which may affect the legality, validity, or enforceability of this Agreement, any of the services contemplated herein, or Client's ability to fully perform its obligations.

7. MANAGEMENT. Client agrees to:

- a. Make all management decisions and perform any management functions.
- b. Designate an administrator(s) to oversee the services performed by PDS and communicate the name and contact details of such administrator(s) to PDS.
- c. Evaluate the sufficiency and acceptability of services performed by PDS and communicate concerns, if any, with PDS management directly, in a timely manner.
- d. Be responsible for establishing, maintaining, and monitoring internal controls surrounding any areas addressed by PDS. Should any breach of security or damage to equipment occur due to Client's lack of management over internal controls of areas addressed by PDS, Client agrees to hold PDS harmless for any harm occurring from such breach or damage.

8. MINIMUM STANDARDS. Client agrees to maintain the minimum standards required to deliver services, which may include requirements for operating systems, applications and their versions, patches, updates, equipment, and hardware states, among others. Failure to maintain the minimum standards creates an unnecessary security risk for Client and PDS. Clients that are out of compliance with these standards will incur additional fees. PDS reserves the right to cancel this Agreement with thirty (30) days' notice if Client fails to maintain the minimum standards. Client agrees to hold PDS harmless for any loss of data, property, equipment, profits, or breach of this Agreement resulting from Client's failure to maintain the minimum standards. The minimum requirements for this Agreement are as follows.

a. Hardware Requirements.

- i. **Servers.** Client must replace each server within six (6) years after the manufacture date. Client must also maintain server warranties. If Client does not renew the server warranty and it expires, PDS is relieved of this Agreement and its corresponding support expectations of such systems.
- ii. **Operating Systems.** This agreement only covers vendor supported operating systems. While unsupported vendor operating systems may be backed up, PDS is not liable for operating system failure or any other issues within the backup process or with any other PDS services arising from an unsupported operating system. This includes but is not limited to missing or corrupted data and upload/download errors.
- iii. **Network.** Client shall only utilize equipment approved by PDS, unless PDS otherwise agrees. Client shall maintain all network equipment warranties and licenses. Client shall also regularly replace network equipment every five (5) years. Service failures and interruptions can occur when equipment is not regularly replaced or when no longer supported by its manufacturer. PDS is not responsible for any equipment, or the failure of any services on equipment that Client fails to regularly replace or that is no longer supported by its manufacturer. Further, Client must always maintain a minimum network speed of 1000 Mbps.

iv. Bandwidth. Client must have a minimum upload bandwidth of 10 Mbps to ensure timely off-site data synchronization, among other services. PDS recommends a minimum upload speed of 50 Mbps to ensure proper and adequate cloud uploads. PDS is not responsible for upload or other service failures due to inadequate internet service or internal network equipment.

b. Insurance Requirements. Cyber-security insurance is highly recommended. Client is solely responsible for finding, securing, and paying for any cyber-security insurance policy. PDS does not provide cyber-security insurance. If Client fails to carry cyber-security insurance, PDS is not liable, and Client agrees to hold PDS harmless for any cyber-security breach, and resulting harm, including but not limited to any business interruption, loss of equipment, systems, or data, costs associated with recovering compromised data or repairing damaged systems, program failures, loss of profits, business, and reputation, litigation expenses, fines, cyber extortion, forensic investigations, or any harm, whatsoever, arising from a cyber security breach.

c. Multifactor Authentication (MFA). Client shall implement MFA to all Microsoft 365 products and other systems and solutions, where available and deemed necessary by PDS. PDS recommends utilizing its advanced MFA services for best protection across all compatible services and applications.

d. Security and Service Solutions. Client agrees to maintain the minimum solutions provided in this Agreement.

9. SERVICES. The services provided throughout the term of and covered by this Agreement shall be those deemed necessary by PDS to implement projects, tasks, or processes requested by Client and as accepted by PDS, in writing. Provided, that Client may make oral requests for support and is responsible for payment of such support, according to the payment terms set forth herein, even if no written request for services was made. Actual performance of services by PDS and delivery of software or equipment contemplated by this Agreement shall commence on execution of this Agreement unless parties mutually agreed otherwise in writing. Client understands and acknowledges that all given dates for performance of services are estimates and based on PDS' prompt receipt of all necessary information and assistance from Client. **PDS SHALL NOT BE RESPONSIBLE FOR FAILURE TO PROVIDE SERVICES IF CLIENT'S NETWORK RESOURCES INTERFERE WITH THE SERVICES, CLIENT MAKES ANY NETWORK, HARDWARE, OR OTHER SYSTEM CHANGES NOT COMMUNICATED TO PDS, CLIENT'S INTERNET CONNECTIVITY IS LOST FOR ANY REASON, OR CLIENT ACTS CONTRARY TO OR FAILS TO ACT IN ACCORDANCE WITH PDS' OR OTHER IT RECCOMENDATIONS.** In the event that estimated dates for performance are not actual dates of performance, Client agrees to hold PDS harmless, especially if due to Client delay.

10. RATES. Rates for services provided by PDS shall be the hourly rates as stated in the relevant quote or agreement. Services shall be billed in quarter-hour increments. Rates are subject to change. Products and subscriptions provided under these services shall be invoiced for the quantity and rate as stated in the relevant quote or agreement. Changes in quantity are governed by the relevant quote or agreement, except where other or secondary agreements are required, or if stated otherwise. Rates for services, products, and subscriptions are subject to change. PDS is not required to provide notice before implementing rate changes.

11. EXPENSES. Client shall reimburse PDS for documented expenses, reasonably incurred by PDS in the rendition of services under this Agreement. Such expenses may include airfare, lodging costs, mileage, meal per diems, Microsoft incident support, etc. Reimbursement will be due within ten (10) business days after Client's receipt of each invoice, unless otherwise mutually agreed in writing.

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12. FEES AND PAYMENT. Services and products provided to Client by PDS hereunder will be invoiced, at PDS' option, either on delivery, or at regular intervals. The interval shall be no more frequent than weekly. If Client is invoiced annually, full payment for any additional services is expected at the time of purchase. Some products and services require a 100% deposit. Payment of any deposit is due on execution of this Agreement unless parties mutually agreed otherwise in writing. Payment is due on receipt of invoice, unless otherwise mutually agreed in writing. Payment shall be made in USD, by check, credit card, or ACH. Past due balances may accrue finance charges at the rate stated in the relevant quote or agreement and will be reflected on Client's monthly statement. PDS reserves the right to delay or suspend provision of products or services to past due clients. Client purchase orders are accepted for purposes of this Section and binding only when evidenced by a writing from PDS clearly accepting such purchase order.

13. INDEPENDENT CONTRACTOR. The relationship between the parties is that of an independent contractor for all purposes, and the parties acknowledge and agree that neither shall be involved in the management or operations of the other. Neither shall have the power or authority to control the activities of the other. Nothing contained herein shall be construed as evidencing a partnership or any other fiduciary relationship between the parties. Because of PDS' status as independent contractor, no federal, state, or local income, unemployment, FICA, or payroll tax of any kind will be withheld or paid by Client on PDS' behalf. PDS shall be responsible for obtaining any applicable workers' compensation insurance on behalf of its own employees.

14. TAXES. Sales tax is charged as required by law. Client shall be solely responsible for any applicable taxes or similar charges arising out of this Agreement, including all applicable Federal, State, or local sales taxes, customs, duties, use taxes, value-added taxes, excise charges, brokerage fees, or permits associated with the provision of products and services to Client. If Client is tax exempt, it is Client's responsibility to provide adequate documentation. Without adequate documentation, Client will be billed sales tax. PDS will refund sales tax for up to sixty (60) days. If documentation is not presented before sixty (60) days, Client will be billed sales tax. If Client fails to pay any tax, Client agrees to pay all reasonably incurred costs of collection, including attorney's fees, pre and post judgment, at an interest at the rate of 1.5% per month or the maximum rate permitted by applicable law if less, and all other additional costs of collection whatsoever.

15. FORCE MAJEURE. Neither party shall be liable for any failure or delay in performance of its obligations under this Agreement to the extent that such failure or delay is due to circumstances beyond its reasonable control. This includes, without limitation, acts of God, acts of a public enemy, pandemics, fires, floods, wars, civil disturbances, sabotage, accidents, insurrections, terrorism, blockades, embargoes, storms, power failure, venter services failures, telecommunications and/or internet interruptions, the failure or closure of a financial institution, computer malfunctions, explosions, labor disputes (whether or not the employees' demands are reasonable and within the party's power to satisfy), acts of any governmental body, failure or delay of third-parties or governmental bodies from whom approvals, authorizations, licenses, franchises or permits must be obtained, inability to obtain labor, materials, equipment, transportation, illness of PDS' staff, or any other failure, interruption, or error not directly caused, or reasonably anticipated, by PDS (collectively referred to herein as "Force Majeure"). Each party shall use reasonable efforts to minimize the duration and consequences of any failure or delay in performance resulting from a Force Majeure event. In the event of a Force Majeure, PDS is not required to have technicians work during periods or at places where their safety or health could be in jeopardy, and in any event will not require technicians to go onsite. If Client's work is substantially changed due to a Force Majeure event, PDS will evaluate the need for change to Client's IT services. Recognizing that there are ongoing expenses for PDS to maintain backups, remote monitoring, vendor support software/licensing, and availability of technicians to service ongoing needs, PDS will review Client's need for fee changes as well, if any.

16. DISCLAIMER OF WARRANTY. PDS makes, and Client receives no warranties. **PDS HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, CONTINUOUS USE, DESIGN, COMPLIANCE WITH APPLICABLE LAW, PERFORMANCE, OR ERROR-FREE OPERATION** with respect to any products, including any hardware or software provided by PDS to Client, or any services rendered to or for Client, pursuant to this Agreement or otherwise.

17. LIMITATION OF LIABILITY. PDS SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNATIVE DAMAGES OR LOST PROFITS, LOST SAVINGS, VALUE, OR SALES, arising from lost or corrupted data or software, loss of system(s) or network(s), use or recovery of any such data, system(s), or network(s), any failure of any product provided or sold by PDS, or loss of business opportunity, goodwill, or reputation, whatsoever, whether in an action for contract, negligence, or other tortious action, arising from or related to this Agreement, even if PDS has been advised and made aware of its possibility. Notwithstanding anything to the contrary set forth in this Agreement, PDS' total liability to Client for all claims arising from this Agreement shall not exceed the total amount Client paid to PDS hereunder or in connection herewith. These limitations and exclusions apply to the maximum extent permitted by law, even if the remedy does not fully compensate Client, fails of its essential purpose, or PDS knew or should have known of the possibility of the damages. If applicable law prohibits any limitation on liability herein, parties agree that such limitation shall be automatically modified, but only to the extent required to make the limitation compliant with applicable law.

18. THIRD-PARTY VENDORS. PDS' provision or transfer of any computer software to Client in connection with this Agreement shall be on a non-exclusive license basis and in accordance with the provisions of the third-party vendor's license agreement, not with PDS. If any defects in third-party vendor software provided to PDS exist which delay or in any way affect PDS' ability to provide services pursuant hereto, or otherwise causes any detrimental consequence, **CLIENT ACKNOWLEDGES AND AGREES THAT ANY REMEDY IT MAY HAVE SHALL BE SOLELY AGAINST THE THIRD-PARTY SOFTWARE VENDOR AND NOT PDS, EXCEPT FOR GROSS NEGLIGENCE ONLY ON PDS' BEHALF.** PDS will reasonably assist Client in resolving manufacturer defects and any services rendered in providing such assistance are billable pursuant to the terms hereof.

~~**19. DISPUTE RESOLUTION AND BINDING ARBITRATION.** In the event of any dispute between PDS and Client arising hereunder, other than a breach of confidentiality, or the unauthorized use of intellectual property, the parties agree that the dispute will be submitted to Rule 31 mediation within thirty (30) days of either party giving notice to the other that the dispute requires mediation. If mediation does not resolve the dispute, it will be submitted to binding arbitration with an arbitration service associated with and qualified by the American Arbitration Association. Both parties waive any right to litigate any dispute arising under this agreement other than a breach of the terms of confidentiality or regarding PDS' intellectual property rights.~~

20. TERMINATION.

Client may terminate the Agreement up to sixty (60) days after origination date. If terminated within 60 days the Client is responsible for payment of services up to the actual termination of the services by PDS. If Client terminates the agreement after sixty (60) days the Client agrees to pay the remaining balance of the Agreement. On termination, all outstanding balances and charges for hardware or software (including work-in-process) ordered for or delivered to Client shall be due and all charges for services rendered to Client shall be due and payable. PDS may terminate this Agreement for any reason with sixty (60) days' notice.

~~Client may terminate this Agreement with sixty (60) days' notice. In this event, Client agrees to pay the remaining balance of the Agreement and to return all equipment owned by PDS. On termination, all outstanding balances and charges for hardware or software (including work-in-process) ordered for or delivered to Client, up to the termination date, shall be due and all charges for services rendered to Client, through the termination date, shall also be due and payable. PDS may terminate this Agreement for any reason with thirty (30) sixty (60) days' notice.~~

a. Termination Services Offboarding. PDS will assist Client, in a good faith effort, in the orderly termination of services, including timely transfer of the services to another designated provider. ***This service will be at additional cost.*** Client hereby agrees to pay PDS the actual costs of rendering such assistance, due on invoice. This includes removing or transferring services, providing documentation, and other requests made by Client, their designee, or the new IT service organization. Client will not incur offboarding costs if PDS terminates the agreement and services

b. Returning Equipment. All equipment belonging to PDS must be forfeited to PDS on the termination date. Equipment not returned will incur a per day rental fee, determined by the equipment not returned.

21. SURVIVAL. All provisions of this Agreement shall survive and continue on termination, cancellation, or expiration of this Agreement.

22. NOTICES. All notices, requests, and demands required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, made, and received when sent by United States Mail, postage prepaid or by nationally recognized overnight carrier, addressed to the party set forth above. Either party may alter the address to which communications or copies are sent by giving notice. Notice of address change shall be effective only on receipt of such address change in conformity with the provisions of this Section for giving notice, i.e., notice of address change shall be effective only on receipt.

23. CONFIDENTIALITY. Each party recognizes that throughout performance of this Agreement, they may obtain confidential information from the other. The party obtaining such information shall always, both during the term of this Agreement and thereafter, keep all such confidential information in strictest confidence and trust. Confidential information does not include any information that is accessible from sources other than the providing party, like through the public domain or that becomes public information at any time in the future, as long as access through the alternate source is not of the accessing party's own making. If either party violates the terms of this Section, the other party shall be entitled to obtain injunctive relief to enforce this provision, it being agreed that damages alone will not constitute adequate remedy.

a. Return of Confidential Information. Each party agrees to return to the other any written, printed, or other materials embodying such confidential information given to or acquired by such party in connection with this Agreement.

b. Confidentiality Exceptions. The provisions of this Section shall not prevent any party obtaining confidential information from disclosing the same in connection with any legal process, including by subpoena. Further, PDS may have to share confidential information, including but not limited to, any collected passwords or documents with third-parties to fully perform under the terms of this Agreement. By signing this Agreement, Client authorizes PDS to take such action and waives the right to obtain permission or notification of the same.

c. Tennessee Open Records Act Exceptions. PDS provides this agreement with the intent that all parties will maintain confidentiality regarding all aspects of the relationship as stated in this section. However, entities obligated to abide by Tennessee Open Records Acts may be required to provide information protected by this section. Release of information that is reasonable and specifically stated under the Tennessee Open Records Act and/or where precedent has been set in relevant court opinion(s) is authorized; however, Client agrees that such information, related costs, will be shared for the term of the agreement as gross costs for Managed Services, and not include individual itemized item costs, unless ordered by a court or approved in writing by PDS. Additionally, any release of information pertaining to this agreement, related to the Tennessee Open Records Act, will require advanced notification to PDS. The advanced notification to PDS must be a reasonable timeframe to protect PDS's interest and desire to seek legal advice and/or petition for judicial review.

24. RIGHTS IN WORK PRODUCT. PDS agrees that all work product it produces within the scope of its engagement shall be considered "works made for hire" under Federal Copyright Law. PDS hereby assigns, sells, transfers, grants, and conveys all right, title, and interest in such work product to Client. During this Agreement, PDS may further develop its knowledge, skills, and experience. Nothing in this Agreement is intended to limit PDS' use of any knowledge, skills, experience, ideas, concepts, know-how, or techniques developed prior to or during this Agreement in the development, manufacturing, or marketing of products

and services for itself or other clients. PDS hereby acknowledges and agrees that any proprietary property of Client provided by Client to PDS in conjunction with the services to be performed under this Agreement shall remain Client's property.

25. EMPLOYEES. Client agrees, acknowledges, and understands that PDS staff and employees have been provided with highly technical training and that PDS would suffer significant harm if Client or any of Client's affiliates were to employ any such staff member or employee during the term of this Agreement, or the two (2) years immediately thereafter. In recognition of such specialized harm, Client specifically agrees not to hire any PDS employee during the pendency, performance, or two-year (2) period after termination, expiration, or cancellation, of this Agreement.

26. ASSIGNMENT. Neither party may assign or transfer any of its rights and obligations hereunder without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. Client shall not subcontract, assign, subrogate, or transfer any interest, obligation, or right under this Agreement without prior written consent from PDS, and any such attempt shall be null and void. No permitted assignment shall relieve the assigning party of any liability hereunder unless mutually agreed in writing.

27. AMENDMENT. This Agreement may only be amended or modified by a writing signed by the parties hereto.

28. SEVERABILITY. The provisions of this Agreement are independent of and separable from each other. No provision shall be affected, rendered invalid, or unenforceable for any reason because any other provision(s) may be invalid or unenforceable in whole or part.

29. WAIVER. No failure or delay on the part of either party to exercise any right, remedy, or power of privilege under this Agreement shall operate as a waiver thereof. Nor shall any single or partial exercise of any right, remedy, power, or privilege preclude other or further exercises of the same right, or of any other right, remedy, power, or privilege. Any waiver by a party of a provision in this Agreement must be made in writing, signed by the waiving party.

30. ENTIRE AGREEMENT. This Agreement sets forth the entire understanding of the parties and supersedes all other representations, agreements, and understandings, both oral and written, between the parties with respect to the subject matter hereof.

31. COUNTERPARTS; FACSIMILE SIGNATURES. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall be deemed a completed document. Any signature page delivered by facsimile shall be valid and binding on the parties to the same extent as an original signature page. Any party who delivers a signature page by facsimile hereby agrees to later deliver an original counterpart to any party requesting the same.

32. REVISIONS. PDS may revise these terms at any time. PDS will be required to notify Client of any changes and will make a copy of the general Master Terms & Services Agreement, and any subsequent revisions, available for review at: <http://pdsconsulting.com/terms/pdsterms.pdf>. Client signed approved terms will apply to client at all times.

By signing this Agreement, PDS and Client hereto agree to all terms and conditions contained herein and represent that each party is authorized to make such decisions for their respective organizations. The parties acknowledge that this is a legally binding Agreement, that they have each accepted this Agreement of their own free will, and that their signature is not the result of coercion or duress. The parties further acknowledge that prior to signing this Agreement, each party has sought and received, or had the opportunity to seek and receive independent legal advice.

PDS Representative Name (Print)

Client Representative Name (Print)

PDS Representative Signature

Client Representative Signature

Date

Date

By signing below, Client agrees that they have been notified of the importance, benefits, and risks of cyber-security insurance. Client understands that PDS highly recommends that Client obtain cyber-security insurance. Client further understands that by failing to obtain cyber-security insurance, Client waives any associated liability and Client alone is fully responsible in the event of a cyber-security breach.

Client Representative Name (Print)

Client Representative Signature

Date

Heartland Title Services
ALTA Universal ID
1840 Country Club Drive
Morristown, TN 37814

File No./Escrow No.: 20230410414
Print Date & Time: February 12, 2024 at 02:34 PM
Officer/Escrow Officer: Amy D. Wesley
Settlement Location: 1840 Country Club Dr.
 Morristown, TN 37814

Property Address: 87 acres - Lot 2 of Lakeway Landco, LLC
 Morristown, TN 37814
Borrower: Hamblen County-Morristown Solid Waste Disposal System
Seller: Lakeway LandCo, LLC
Lender:
Settlement Date: February 14, 2024
Disbursement Date: February 14, 2024

Seller		Description	Borrower/Buyer	
Debit	Credit		Debit	Credit
Financial				
	\$ 700,000.00	Sale Price of Property	\$ 700,000.00	
Prorations/Adjustments				
\$ 227.58		County Taxes 01/01/24 to 02/15/24		\$ 227.58
Loan Charges to				
Other Loan Charges				
Impounds				
Title Charges & Escrow / Settlement Charges				
		Title - Owner's Title Insurance (optional) to Heartland Title Services Coverage: \$ 700,000.00 Premium: \$ 2,002.50	\$ 2,002.50	
		Title - Title Examination to Heartland Title Services	\$ 300.00	
\$ 200.00		Title - Closing Fee to Heartland Title Services	\$ 200.00	
\$ 100.00		Title - Document Preparation - Buyer to Heartland Title Services	\$ 100.00	

ALTA Settlement Statement Combined - Continued

Seller		Borrower/Buyer	
Debit	Credit	Debit	Credit
\$ 30.00		\$ 30.00	
	Title - Wire/Shipping/Handling	to Heartland Title Services	
Government Recording and Transfer Charges			
	Recording Fees	to Hamblen County Register of Deeds	\$ 28.00
	Deed:\$28.00 Mortgage:\$0.00 E Recording	to Hamblen County Register of Deeds	\$ 7.00
Payoffs			
Miscellaneous			
\$ 1,851.00		2023 County Taxes to Hamblen County Trustee	
\$ 2,408.58	\$ 700,000.00	Subtotals	\$ 702,667.50
\$ 697,591.42		Balance Due FROM	\$ 227.58
\$ 700,000.00	\$ 700,000.00	Balance Due TO	\$ 702,439.92
		TOTALS	\$ 702,667.50
			\$ 702,667.50

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Heartland Title Services to cause the funds to be disbursed in accordance with this statement.

Hamblen County-Morristown Solid Waste Disposal System

BY: _____
Thomas D. Rush, Jr.
Its: Board Chair

Lakeway LandCo, LLC

BY: _____
Travis Hitchcock
Its: Regional Vice President

Amy D. Wesley, Escrow Officer



FEB 05 2024

January 31, 2024

MID: 8028016361

*****AUTO**ALL FOR AADC 377 T58 P1 18090

Hamblen Morristown Solid Waste
3849 Sublett Rd
Morristown, TN 37813-3734



Dear Valued Customer,

To maintain our commitment to providing fast, reliable, and secure payment processing services, each year, we evaluate the rates and fees we charge our customers for our services. We review many factors, including the rising cost of payment data security and regulation changes the card brands (e.g. Visa and Mastercard) put in place for payment processors as well as businesses that accept card payments, among other industry drivers.

With these factors in mind, we wanted to let you know about changes to your pricing that will be effective beginning March 1, 2024.

Processing rate increase

Your acceptance rate for surcharged credit card transactions will increase to 3%, and your non-surcharged cards will change to:

- Regulated Debit: 0.85% + \$0.25
- Unregulated Consumer Debit: 1.75% + \$0.20
- Unregulated Commercial Debit: 2.75% + \$0.20

Batch Settlement fee: We'll increase your current batch settlement fee to \$0.40.

International Card Handling fee: Your International Card Handling fee will increase to 0.6% per international card payment you accept. This fee helps us account for the additional risk and expense that comes with processing and settling international card transactions for your business.

Monthly minimum fee: Your monthly minimum fee will increase to \$40.00 per month.

Your current processing rates and fees will stay in effect through your February 2024 billing statement. Please refer to your December 2023 statement to compare your current rates with these new rates and fees. Your March 2024 billing statement will reflect the changes listed above for comparable transactions.

We appreciate your business and look forward to continuing our partnership. If you have any questions, please contact customer service at 800.725.1243*.

Sincerely,

Joy Lyons
Senior Vice President, Customer Service

* We accept relay calls



A Proposal to Provide Financial and Compliance Audit Services to

HAMBLÉN COUNTY-MORRISTOWN SOLID WASTE DISPOSAL SYSTEM



Presented by:

Rodefer Moss & Co, PLLC
Curtis Morrison, CPA, CGMA, CCA

127 W Depot St, Ste 1
Greeneville, Tennessee 3743

Listening Better, Trying Harder, Caring More. ***That's Rodefer Moss.***

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We have prepared our proposal to be clear, concise and easy-to-follow.

Breadth and depth of the firm's governmental auditing experience.

An important factor in providing the highest quality services to you is our broad experience in auditing governmental and non-profit entities. For many years, Rodefer Moss has provided assurance and compliance services to organizations in the government sector. Because of our extensive experience with these entities, we are uniquely positioned to assist you in considering every aspect of the economic and financial challenges you face.

We are experienced with the reporting requirements in accordance with generally accepted audit standards adopted by the American Institute of Certified Public Accountants, and the standards adopted by the Comptroller of the Treasury of the United States, those prescribed by the Comptroller of the Treasury of the State of Tennessee, all guidelines as specified in Uniform Guidance, and any other applicable federal management circulars.

Firm-wide, our client base consists of **hundreds of governmental units** throughout the southeastern United States. Below is a sampling of organizations Rodefer Moss has provided or currently provides services to in Tennessee:

Local Governments

- City of Bluff City
- Town of Erwin
- City of Wartburg
- Town of Surgoinsville

Utilities

- Knoxville Utilities Board
- Powell Valley Electric Cooperative
- Greeneville Energy Authority
- Chucky Utility District
- Bluff City Water
- Erwin Utilities Authority
- Cumberland Utility District
- East Tennessee Utility District
- Natural Gas Utility District
- Greeneville Water Commission

Government Agencies

- Tellico Reservoir Development Agency
- East TN Development District
- South Central Human Resource Agency
- Upper East TN Human Development Agency
- First Tennessee Development District
- First TN Human Resource Agency
- Areawide Development Corporation
- Economic Development Board of Unicoi County
- Unicoi County Emergency Medical Services
- Douglas Cherokee Economic Authority

Organization size and structure of the firm.

Rodefer Moss consists of 7 offices throughout Tennessee (Knoxville, Nashville, Greeneville, Johnson City and Kingsport), and Virginia (Norton and Greenville). Rodefer Moss has approximately 130 employees.



Each office location is managed by a local partner with responsibility for local office efficiency and coordination with other offices to assemble the best possible staffing and service available to each client. While we try to staff local jobs with local staff, we are always willing to pull from other locations to ensure that each client receives superb service.

Our client base consists of individuals, public and private companies, non-profit organizations and government entities. Our clients are not concentrated in any one industry; we have numerous governmental, not-for-profit, financial services, manufacturing, construction, public

utilities, and Securities Exchange Commission reporting clients with revenues up to \$1 billion.

Why Rodefer Moss?

Listening better, trying harder, and caring more. *This is our philosophy.* Our firm is governed by this simple but important declaration, both in our relationships with our clients and with our people. We are focused on the value and quality of the work we do for you. As our client you deserve, and will receive, service that meets the highest standards of the accounting profession. We listen carefully, work efficiently and creatively, and deliver more than you expect.

Rodefer Moss has developed alliances and network relationships to meet the ever-expanding needs of our clients. As such, we are an Independent Member of the BDO USA Alliance of Accounting and Consulting Firms. Through the Alliance, we have direct access to the same technical resources, industry specialists, and world-wide knowledge base utilized by BDO USA, LLP, one of the largest national accounting firms. At the same time, we have retained the local decision-making ability and agility enjoyed by a local accounting firm.

Qualifications of staff to be assigned to this audit. Education, position in the firm, and years and types of experience.

While we have worked hard to build a firm with a rich heritage, service-oriented culture, and a strong intellectual backbone, we realize that our working relationship is only as good as the individuals you interact with. For that reason, we have identified a team that possesses the requisite technical skills, dedication to customer service, and interpersonal skills that we feel certain you expect and deserve. Each member of our Government Team regularly obtains the required amount of governmental-specific CPE each calendar year. The team we have identified to serve you is summarized below:

Curtis Morrison, CPA, CGMA, CCA | Engagement Partner



Curtis has more than 28 years of experience in public accounting. He has served as engagement partner in numerous municipal engagements including **Hamblen County-Morristown Solid Waste Disposal System**. He has a focus in Government entities and *Governmental Auditing Standards*. He has performed hundreds of audits in accordance with *Government Auditing Standards* and in accordance with the Uniform Guidance.

Curtis will serve as the engagement partner and will be responsible for the overall quality of the audit. He is also the former Director of Assurance Quality Control for the firm and was responsible to implementation and design of our quality review process. This means you are getting one of the most experienced partners. Curtis is registered and licensed to practice as a certified public accountant in the State of Tennessee and serves as a member of the American Institute of Certified Public Accountants (AICPA) and the Tennessee Society of Certified Public Accountants (TSCPA).

Relevant Experience

Hamblen County-Morristown Solid Waste Disposal System
Knox County Government
Town of Erwin
Knoxville Utilities Board
Erwin Utilities

Unicoi County Gas Utility District
Natural Gas of Hawkins County
Greeneville/Greene County Landfill
Greeneville Energy Authority
Greeneville Water Commission

Education

B.A., Managerial Accounting; Tusculum University

Tonya Easley | Manager



Tonya is a Audit Manager at Rodefer Moss, and has 20 years of experience in public accounting. She has served as engagement partner in numerous municipal engagements including **Hamblen County-Morristown Solid Waste Disposal System**. She is very knowledgeable on the generally accepted auditing standards adopted by the American Institute of Certified Public Accountants, *Government Auditing Standards* adopted by the Comptroller General of the United States and the Comptroller of the Treasury of the State of Tennessee, as well as the guidelines specified in Uniform Guidance. She regularly obtains the required amount of governmental-specific CPE each calendar year, and is qualified under current GAO Government Auditing Standards.

Relevant Experience

Hamblen County - Morristown Solid Waste Disposal System
Town of Greeneville
Town of Unicoi
Johnson City Schools
Greeneville City Board of Education
Greene County Schools Activity Funds
Carter County Schools

Education

B.A., Managerial Accounting; Tusculum University

Engagement Staff

Upon the award of this engagement, we will evaluate our current audit staff members and assign the necessary individuals to this engagement. Rodefer Moss & Co, PLLC requires all professional staff members to obtain at least the minimum required continuing professional education hours per year, as well as at least the minimum required hours of governmental audit training every year. Experience levels of our staff range from one to five years, and you can be assured that selected individuals will also have previous experience working on governmental engagements.

Availability of the auditor to the agency for specialized consultation and support assistance on sensitive or highly specialized issues, specifically closure/post-closure costs.

We are convinced that the most successful organizations become that way by seeking out ongoing consultation, specialized consultation or support assistance for sensitive or highly specialized issues; therefore, it is likely that you will call upon us throughout the year for additional services. The way we handle these requests is that we will not "nickel and dime" you every time you pick up the phone with a question. You will not be charged for routine conversations or requests that result in members of our team giving you our "off the cuff" opinion on a matter.

Fees for other actual projects or additional services will be subject to your approval, negotiated up front (to the extent possible) and will be based upon our standard hourly billing rates.

Type and level of training provided to the firm's staff.

All members of your engagement team have met the specific continuing professional education requirements as set forth by *Government Auditing Standards* (Yellow Book) issued by the U.S. Government Accountability Office. The Firm typically attends the State of Tennessee Government Auditors training course held annually which provides 16 hours of government auditing training. Rodefer Moss also provides additional training during its annual retreat for all employees. In addition, Rodefer Moss frequently attends training in government audit standards provided by BDO's leading government audit partner.

To maintain and build a top 300 accounting practice in the nation, Rodefer Moss conducts a vigorous recruiting program to hire both outstanding college graduates and experienced professionals with partnership potential. We invest in continuing professional education for all professionals. Our accounting professionals have superior technical skills in their specialty and broad-based general awareness, which leads to helpful suggestions and solutions for client issues.

Training is a major component of Rodefer Moss's professional life, generally far exceeding minimum continuing education requirements. We take advantage of national training seminars, including those conducted by BDO. Additionally, we conduct in-house training seminars throughout the year.

Rodefer Moss has designed a quality control system to provide assurance that we adhere to the independence, integrity, objectivity rules, regulations, interpretations, and rulings of the American Institute of Certified Public Accountants (AICPA), the Public Company Accounting Oversight Board (PCAOB), and other regulatory agencies. Our system ensures that our engagements are properly planned, performed, supervised, reviewed, documented, and communicated in accordance with the requirements of professional standards, regulatory authorities, and client expectations.

To supplement the close supervision of work that occurs during an engagement, our practice is to have a firm partner perform a pre-issuance review on all reports. We also periodically perform internal inspections of our quality control system. Finally, we participate in the AICPA peer review program in addition to being subject to the PCAOB inspection process.

Our most recent peer report was a pass with no comments. In addition, Rodefer Moss has been selected by the PCAOB for inspection on five separate occasions. The reports from those inspections, none of which contain deficiencies, are publicly available on the PCAOB website.

Fees

As you do with your own business relationships, Rodefer Moss professionals work hard to make our services mutually profitable. Consistent with this goal, our fee structure is designed to provide a fair return for superior, responsive services. We value a long-term relationship with you, and have made every effort to provide a reasonable schedule for our fees.

We are willing to enter a three-year contract with you for the 2024, 2025 and 2026 audits, and present an **annual all-inclusive fee of \$15,000 per year** for the audit services required, including incidental expenses, such as travel and supplies. The only additional fees would be related to a uniform audit if you were to expend \$750 thousand or more in federal awards in a single year. If a Uniform Audit is required, additional fees of \$3,500 per major program will be charged.

Conclusion

Throughout this proposal we have talked about what we believe are the reasons we should be chosen as the auditors for you. The benefits of this partnership are:

- You are an important client to Rodefer Moss and will receive the attention you deserve. Our relationship is based on the personal integrity and professionalism of our partners, directors, managers, and staff.
- We have a multitude of experience with governmental entities of all sizes and have a proven track record of providing excellent service over the years to entities like you.
- You will receive service that meets the highest standards of the accounting profession. We are prepared, proactive, knowledgeable, and focused on the value and quality of the work we do for you.
- As our partner, you deserve, and will receive, service that meets the highest standards of the accounting profession.
- We listen carefully, work efficiently and creatively, and deliver more than you expect. You couldn't ask for more and shouldn't settle for less.
- We are ready to begin.

Rodefer Moss & Co, PLLC