

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, is made and entered into on the ___ day of _____, 2012, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to KRS Chapter 67A (hereinafter "Government") on behalf of its Department of Public Safety (hereinafter "Sponsor"), and **LEXINGTON-FAYETTE ANIMAL CARE AND CONTROL, LLC**, a Kentucky limited liability company (hereinafter "Organization"), with offices located at 1600 Old Frankfort Pike, Lexington, Kentucky 40504;

W I T N E S S E T H:

That for and in consideration of the mutual promises and covenants herein expressed, Government and Organization agree as follows:

1. Government hereby employs Organization for the period beginning on July 1, 2012, and continuing for a period of twelve (12) months from that date.
2. Government shall pay Organization the sum of One Million Ninety-Five Thousand Nine Hundred Eighty Dollars (\$1,095,980.00) for the services required by this Agreement, said services being more particularly described in the Addendum attached hereto and incorporated herein by reference, one-twelfth (1/12) of which shall be payable on or before the fifteenth day of each month, July to June, inclusive.
3. Government shall lease up to twelve (12) vehicles to Organization as further consideration for the services required by this Agreement. Said vehicles shall only be used for purposes of animal control, shall be leased to Organization for use during the term and for the purposes authorized by this Agreement and shall be subject to the additional terms

of a lease agreement between the parties.

4. Organization shall perform all duties and services included in the Addendum attached hereto faithfully and satisfactorily at the time, place and for the duration prescribed herein.

5. Organization shall keep itself informed of all national and state laws and all municipal ordinances and regulations in any manner affecting the work or performance of this Agreement, and shall at all times observe and comply with such laws, ordinances and regulations, whether or not such laws, ordinances or regulations are mentioned herein, and shall indemnify Government, its officers, agents and employees against any claim or liability arising from and based on the violations of any such laws, ordinances or regulations.

6. Organization represents that it has filed federal, state and local income tax returns required by law in the legally prescribed time and manner. Upon request, Organization will provide copies of all of the executed originals of the aforementioned tax returns filed for Organization's most recent or current tax year.

7. Organization shall, at the end of each month and by no later than the tenth (10th) working day of the succeeding month, on such forms as the Sponsor shall provide, submit to Sponsor: a report containing, for each of the services enumerated in the Addendum attached hereto, which were provided in the preceding month, (a) a description of the services provided, including the quantity of the services provided, and (b) any monies collected on behalf of the Urban County Government with an invoice requesting payment. Any and all provisions of this Agreement to the contrary notwithstanding, the compensation of Organization for each month of the Agreement shall

not be paid unless and until Organization submits the monthly report and invoice required hereunder.

8. Books of accounts related to this Agreement shall be kept by Organization and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of Organization. The books of accounts, together with all bonds, notes, bills, letters and other writings belonging to Organization, shall be maintained at the principal place of business of Organization set forth in this Agreement. Government shall have free and complete access to the books, papers and affairs of Organization at all reasonable times and, if it desires, it may have the books and papers of Organization audited and examined by auditors, accountants or attorneys. Any examination shall be at the expense of the Government.

9. Government may designate such persons as may be necessary to monitor and evaluate the services rendered by Organization. Government shall have reasonable access to all places where or in which the services required hereunder are being carried on and conducted. Inspection and monitoring of the work by these authorities shall in no manner be presumed to relieve in any degree the responsibility or obligations of Organization, or to constitute Organization an agent of the Government.

10. Organization shall provide equal opportunity in employment for all qualified persons, shall prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation or gender identity, or handicap, and shall promote equal opportunity in employment through a positive, continuing program of equal opportunity employment. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

11. Organization shall adopt a written sexual harassment policy, which shall, at a minimum, contain a statement of current law; a list of prohibited behaviors; a complaint process; and a procedure that provides for a confidential investigation of all complaints. The policy shall be given to all employees and shall be posted at all locations where Organization conducts business. The policy shall be submitted to the Commissioner of the Department of Public Safety for review within thirty (30) days of the execution of this Agreement.

12. Unless either party, not less than ninety (90) days prior to June 30, 2013, gives the other party notice in writing that this Agreement shall not be extended, the Agreement shall automatically be extended for successive periods of three (3) months each upon the expiration of each period, upon the same terms and conditions as are contained herein, unless either party shall, not less than ninety (90) days next preceding the termination of any period, give the other party notice in writing that this Agreement shall not be so extended.

13. This instrument and the Addendum incorporated herein contain the entire agreement between the parties and no statement, promise or inducement made by either party or agent of either party that is not contained in this written Agreement shall be valid and binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed thereon.

14. Organization agrees that it shall apply all funds received by it from Government in accordance with the following investment policy guidelines:

- A. Objectives--Capital preservation with surety of income. Reasonable competitive income consistent with high investment quality and purpose of funds. All investments shall conform with state and local

law and regulations and these Policies.

B. Investment Funds Management--The governing board may elect to either:

(1) manage its investment through its president where the size or complexity of funds to be managed is deemed by the board to be within the training, expertise and/or available time capacity of the president and the operating staff;

-or-

(2) utilize the professional investment management facilities of a local bank trust department acting in a fiduciary capacity within the same approved investment policies and federal, state, local and trust laws and regulations. The trust department may utilize its regular short-term 100% U.S. Treasury Fund for daily funds investment. The election of option 1 or 2 should be made consistent with the relative cost incurred and in the case of option 2 the cost shall be competitive among local trust departments.

C. Investment Policies--Safety and Prudence.

(1) Short-term liquidity funds shall be invested in "riskless" investments, i.e., deposits in Kentucky commercial banks or savings and loan associations that are fully federally insured or deposits collateralized by U.S. Treasury securities with a current market value of at least 100%, or in direct obligations of U.S. Treasury securities.

Investments shall be diversified according to maturity in order to meet projected cash flow needs.

Collateral pledged to secure uninsured deposits shall be held at a federal reserve bank with the receipt providing absolute control by the agency.

(2) Retirement funds, endowment funds, long-term capital reserve funds and any other special funds may be held and invested by a local bank trust department under investment objectives and diversification in accordance with the individual nature of the funds and pursuant to the "prudent man" investment rule as well as general trust law.

- (3) All investments shall be reviewed monthly by a finance or investment committee of the agency.
- (4) Local brokerage firms may hold and invest funds provided that investments are located within Kentucky and are fully insured.


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

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: _____
JIM GRAY, MAYOR

LEXINGTON-FAYETTE ANIMAL CARE
AND CONTROL, LLC

BY: LEXINGTON HUMANE SOCIETY,
ITS MEMBER

BY: 

SUSAN M. MALCOMB, PRESIDENT

BY: 

SUSAN POPE, CHAIRPERSON
BOARD OF DIRECTORS

5.13 POLICY ON SEXUAL HARASSMENT

As a part of the Lexington Humane Society's continuing compliance with the requirements of Title VII of the Civil Rights Act of 1964, as amended, and pursuant to the guidelines on sex discrimination issued by the United States Equal Employment Opportunity Commission, the Lexington Humane Society reaffirms the following policy.

1. It is illegal and against the policies of the Lexington Humane Society for any employee, male or female, to sexually harass another employee. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive environment.
2. Any employee who believes he or she has been the subject of sexual harassment by a supervisor or other employee or has been forced to work in an offensive environment should report the alleged problem to their supervisor and the Executive Director. If the alleged problem involves the Executive Director or member of the Board of Directors the employee should report the problem to the President of the board of directors. An investigation of all complaints will be undertaken immediately. Although it is encouraged that employees inform offensive persons of their concern, employees are not required to complain first to the person they allege is the cause of the problem. Confidentiality is critical for a fair and impartial investigation and determination. All matters will be treated with as much confidentiality as possible during the investigation.

If a voluntary personal or social relationship exists among Employees, involved persons may be asked to sign a waiver releasing the Humane Society and its agents and employees from any and all liabilities and responsibilities pertaining to sexual harassment.

Any supervisor or employee who has been found, after appropriate investigation, to have sexually harassed another employee will be subject to appropriate sanctions. Depending on the circumstances involved, an employee could receive a written warning, suspension, or termination.

The Lexington Humane Society is committed to the establishment of a pleasant work environment for all employees. First, sexually oriented materials have no place in the work environment. Supervisors shall ensure that no sexually oriented pictures, calendars, jokes, magazines, or similar materials are displayed in the common areas of any workstation or in individual offices.

Secondly, purely voluntary personal or social relationships between employees are not prohibited. Personal relationships between supervisors and any employee they supervise are strongly discouraged. Because it is sometimes difficult to determine whether a particular action or incident arose in a voluntary personal relationship or in a prohibited sexual harassment setting, the facts of each case must be examined carefully. Supervisors must realize, however, that their attention must be **welcomed** by the employee, not merely tolerated, in order to shield them from liability. Similarly, all employees must realize that this policy does not support false accusations, which can have a serious effect on innocent supervisors and fellow employees.

If you have any questions about this policy, please contact the Business Manager or a supervisor.

SEXUAL HARASSMENT DEFINED

In accordance with the above, unwelcome sexual advances; requests for sexual favors; sexual demands; or other verbal, physical, or visual conduct of a sexual nature will constitute harassment when:

Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment,

Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or

Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment also includes same-sex harassment, and harassment based on sexual orientation and gender identity. This policy applies to the Humane Society premises at all times, Humane Society social functions (either on or off premises), and business-related travel.

PROTECTION FROM HARASSMENT

For the purposes of this policy, harassment will be defined as behavior, which is not welcome, is personally offensive, debilitates morale, or interferes with work performance. The Humane Society desires to protect its employees from harassment by supervisory personnel, fellow employees, or non-employees such as vendors or customers.

MANAGEMENT'S RESPONSIBILITY

It is the responsibility of each member of management to ensure that discrimination in employment does not occur, and that employees are assured of a work environment free from harassment.

All managers are responsible for the implementation of this policy within their area; for ensuring that all employees are informed of this policy; and for properly handling incidents of harassment as soon as they are observed by management or reported by employees.

HARASSMENT RELIEF PROCEDURE

Employees who feel that they have been subjected to harassment or know of harassment existing in the workplace, must immediately contact their supervisor or the Executive Director and report the facts. All complaints of harassment will be promptly and thoroughly investigated. No adverse action will be taken against employees who report harassment, and retaliation of any kind against them will not be tolerated.

All harassment investigations will be handled in a highly confidential manner, and only those persons necessary for the investigation and resolution of the complaint will be given information regarding the case. After concluding the investigation, the Executive Director will contact the complaining employee to advise him/her that it has been resolved. The employee will be instructed to immediately report any recurrence of harassment or retaliation of any kind by the offender(s).

DISCIPLINARY ACTION

Any employee found guilty of harassment and/or retaliation will be disciplined based upon the seriousness of the infraction. Discipline will include one or more of the following: a written warning, unpaid suspension, relocation of the offender, or termination of employment.