

## OPERATING AGREEMENT - FOOD SERVICE

THIS OPERATING AGREEMENT (the “**Agreement**”) is made as of July 1, 2024, (the “**Effective Date**”) by and between the Lexington-Fayette Urban County Government with offices at 200 East Main Street, Lexington, Kentucky 40380 (the “**County**”), and Aramark Correctional Services, LLC, a Delaware limited liability company, having a place of business at 2400 Market Street, Philadelphia, Pennsylvania 19103 (“**Aramark**”).

### WITNESSETH:

1. **GRANT:** The County hereby grants to Aramark the exclusive right to provide food service (excluding vending machine operation) for the County’s inmates, staff and visitors at the County’s Division of Community Corrections, located at 600 Old Frankfort Circle, Lexington, Kentucky 40510 (the “**Facility**”). Aramark hereby agrees to furnish nutritious, wholesome, and palatable food to such inmates, staff and visitors, as applicable, in accordance with this Agreement. The food service shall meet all current standards as established by:

- A. The American Correctional Association.
- B. The Food and Nutritional Board of the National Academy of Sciences as prescribed for inmates.
- C. The Commonwealth of Kentucky.

2. **OPERATIONAL RESPONSIBILITIES:**

A. **Facilities And Equipment:** The County shall, at its expense, provide Aramark with adequate preparation kitchen, office and storage facilities at the Facility, completely equipped and ready to operate, together with such heat, refrigeration and utilities services (including telephone and internet service) as may be reasonably required for Aramark’s efficient performance of the Agreement.

The County shall furnish building maintenance services for the Facility and shall provide preventive maintenance and equipment repairs and replacements for the County-owned equipment. The County shall furnish and maintain an adequate inventory of serviceware, thermal tray and delivery equipment, pots, pans, beverage containers and utensils at the Facility.

Should the County fail to provide the equipment, repair, maintenance and replacement services or supplies described in this Section, after written notice from Aramark to do so, Aramark may, in its discretion and at its option, choose to provide, and bill the County for, such equipment, repair, maintenance and replacement services or supplies. In that event, the County shall pay for such equipment, repair, maintenance and replacement services or supplies at the prices billed by Aramark. Such prices shall be competitive with the cost of obtaining such products or services from an independent source in the open market.

**B. Emergency Plan:** Aramark shall submit a contingency emergency plan to provide for food service in the event of a Force Majeure (hereinafter defined) within 60 days after the commencement of operations. In the event of a Force Majeure, the County shall assist Aramark by permitting reasonable variations in Aramark's menu cycle, Product offerings and service methods. However, Aramark shall not be relieved of its responsibility to provide meal service under the terms of this Agreement. Additional costs, if any, incurred in providing service in the event of a Force Majeure shall be borne by the County. The term "**Force Majeure**" means any war, riot, terrorism, warlike action (whether actual, impending or expected, and whether de jure or de facto), or other disorder, strike or other work stoppage, fire, explosion, earthquake, severe weather, landslides, sinkholes, lightning, hurricanes, storms, floods, washouts, earthquake, tornado, flood, acts of God or other natural disaster, or other casualty, or other restraint of government (civil or military), blockades, insurrections, acts of terrorists or vandals, epidemics, pandemics, civil commotion, any material interruption of the Facility utility systems, confiscation or seizure by any government or public authority, laws, rules and regulations of governmental authorities, or nuclear reaction or radiation, radioactive contamination, or other similar condition not within the reasonable control of the party whose performance is interfered with, and which, by reasonable diligence, such party is unable to prevent.

**C. Meal Delivery:** Inmate labor shall receive meals at the County kitchen, shall transport such meals to appropriate areas, and shall return all trays and delivery equipment to Aramark at the County kitchen, in a timely manner.

**D. Food Products And Cleaning Supplies:** Aramark shall purchase and pay for all food products and kitchen cleaning supplies, which purchases will be made through Aramark's purchasing programs. Products purchased for use in the food service operation shall be the property of Aramark. Aramark reserves the right, in its sole discretion, to determine specific brands, product lines and other purchasing decisions, subject to compliance with the standards for the services as set forth in this Agreement. Aramark may receive certain discounts, rebates, allowances and other payments from its manufacturers, suppliers and distributors (individually and collectively, the "**Vendors**"). County acknowledges and agrees that any prompt payment or 'cash' discounts, as well as all other discounts, rebates, allowances or other payments that Aramark receives from its Vendors shall be retained by Aramark. Aramark shall purchase all food products from USDA inspected plants that are approved as strictly complying with food safety standards. All food products purchased have a manufacturer's and distributor's assurance of safe handling. Food products are reviewed and approved by Aramark's registered dietitians to ensure that the food products meet resident acceptability and nutritional standards. The County shall be responsible for providing maintenance supplies and for maintaining kitchen appliances and equipment at the County's expense.

**E. Portion Size Requirements:** All entrée portions listed on the menu that are purchased fully cooked, within the manufacturer's tolerance specifications, are based on weight measurements prior to reheating. Casserole portions and entrée portions made from scratch are based upon weight measurements after the food has been cooked according to standardized recipes.

**F. Menu:** The menu served at the Facility may be modified in any way by mutual agreement of the parties.

**G. Sanitation:** Aramark shall be responsible for daily cleaning and housekeeping in the kitchen facilities, including, food preparation, service, receiving and storage areas, and shall, on a continuing basis, maintain high standards for sanitation. The County shall provide janitorial services outside such kitchen facilities provided to Aramark. The County shall clean the vents and ductwork leading to the roof from food preparation areas. The County shall be responsible for extermination services and the removal of trash and garbage from the designated food service area. In the event the County fails to provide sufficient extermination services that meet the requirements of the Local, State and FDA Food Code regulations for Pest Management, Aramark determines appropriate for food service, Aramark shall have the right, upon five (5) days' notice to the County, to hire an extermination company to perform the necessary services, at the County's expense.

**H. Personnel:** Aramark shall provide on-site management and supervisory personnel, and from its regional and headquarters locations, administrative, dietetic, purchasing, equipment consulting and personnel advice and supervision. The County shall provide inmate workers at the Facility kitchen. The number of inmates required shall be determined by the County liaison and Aramark's district manager prior to the commencement of operations pursuant to this Agreement. Such inmates shall be assigned duties in the food service operation that may include sanitation, food preparation and production, and storeroom functions. Inmates shall not be considered civilian employees of Aramark, shall not be part of any work release program where such inmates would have employee rights, and shall not receive wages from Aramark.

The County acknowledges that Aramark has invested considerable amounts of time and money in training its management and supervisory employees in systems, procedures, methods, forms, reports, formulas, computer programs, recipes, menus, plans, techniques and other valuable information which is proprietary and unique to Aramark's manner of conducting its business and that such information is available, on a confidential basis, to Aramark's management and supervisory employees. Therefore, the County agrees that management and supervisory employees of Aramark shall neither be hired by the County for the term of this Agreement and twelve (12) months thereafter, nor shall the County permit management and supervisory employees of Aramark to be employed on the County's premises for a period of twelve (12) months subsequent to the termination of this Agreement (unless such employees were formerly employees of the County). For the purpose of this prohibition, "management and supervisory employees" shall be defined as those persons who have directly or indirectly performed management or professional services at the Facility at any time during the twelve (12) month period immediately preceding termination of this Agreement.

In addition, the County agrees that if it violates the conditions set forth in the immediately preceding paragraph, then the County shall pay to Aramark, and Aramark shall accept as liquidated damages and not as a penalty for such breach, an amount equal to two times the annual

salary of each Aramark management or supervisory employee hired by the County or allowed to work on the County's premises in violation of the terms of this Agreement.

The County retains the right to thoroughly investigate any current or prospective employees assigned to the Facility, subject to applicable Federal, state and local laws and regulations, including but not limited to, the Federal Polygraph Protection Act, as amended. If Aramark incurs any costs, including legal fees, retroactive wages and damages, as a result of any personnel action taken by the County or by Aramark at the direction of the County, which Aramark would not have taken but for the County's direction, the County shall reimburse Aramark for such costs.

**I. Equal Employment Opportunity:** Aramark and the County mutually agree that they shall not discriminate against any employee or applicant for employment or on any matter directly or indirectly related to employment, because of race, color, religion, sex, sexual preference, national origin, physical or mental handicap where not relevant to the job, height, weight, age, marital status, or other criteria made illegal by state or federal law or the County policy. In addition, Aramark agrees to take affirmative steps to ensure that applicants are employed, and that employees are treated, during employment, without regard to the criteria listed above.

**J. Insurance and Indemnification:** Aramark shall provide and maintain the following insurance coverage:

Worker's Compensation insurance as required by law.

Comprehensive General (Public) Liability to include (but not be limited to) the following: Premises/operation; independent contractors; bodily injury; products/completed operation; contractual liability with a combined single limit for bodily injury and property damage of \$1,000,000.00 per occurrence. Aramark may satisfy these requirements through a combination of primary and excess coverage.

The County and Aramark waive any and all right of recovery from each other for property damage or loss of use thereof, howsoever occurring. This waiver shall include, but not be limited to, losses covered by policies of fire, extended coverage, boiler explosion and sprinkler leakage. This waiver shall not apply to claims for personal injury or death.

Aramark agrees to defend, indemnify and hold harmless the County, its officers, employees, agents and servants for claims for death, bodily injury and damage to tangible property caused by the sole negligence or a wrongful act of Aramark in its performance of the services defined in this Agreement, and to pay all claims, damages, judgments, legal costs, adjuster fees and attorney fees related thereto. However, it is expressly understood that Aramark shall not be responsible for damages, injuries, losses or claims caused by inmates or the County, its officers, employees, agents, servants or other independent contractors. Neither any of the County's officers, employees, agents, servants or contractors, nor any inmates, are or will be deemed to be agents or

employees of Aramark and no liability is or will be incurred by Aramark to such persons, except for bodily injury to such persons caused by Aramark's sole negligence. The County agrees to defend, indemnify and hold Aramark harmless from any liability claim by or through such persons against Aramark. Each party shall promptly notify the other of any claim for which indemnity is sought, and shall cooperate with the other party in the defense of such claim. The indemnifying party shall have the sole discretion to defend and settle such claim.

Any insurance coverage (additional insured or otherwise) that Aramark provides for the County, its officers, employees, agents and servants shall only cover liability assumed by Aramark in this Agreement; such insurance coverage shall not cover liability in connection with or arising out of the wrongful or negligent acts or omissions of the County or its officers, employees, agents and servants.

**K. Hazardous Substances; Pre-Existing Conditions.** Aramark has no duty to investigate, detect, prevent, handle, encapsulate, remove, or dispose of, and will have no responsibility to the County or others for any exposure of persons or property to, asbestos, lead, fuel storage tanks or contents, indoor air pollutants or contaminants, poor air quality, or hazardous, toxic, or regulated waste substances, mold, fungi, mildew, pollutants, or contaminants (collectively, the "**Hazardous Substances**") at the Facility or the surrounding premises. The County will comply with all applicable federal, state, and local laws and regulations, which have been or will be enacted during the term of this Agreement, regarding such Hazardous Substances on the County's premises. The County will inform Aramark of the presence of such Hazardous Substances and acknowledges that Aramark employees will not be required to work in any location where they could be exposed to such Hazardous Substances. Aramark has advised the County that it does not provide or assume any responsibility to monitor or remediate mold, fungi, mildew, indoor air quality or any similar conditions, and that all determinations and corrective actions regarding mold, fungi, mildew, indoor air quality and any similar conditions shall be made by the County or a third party retained by the County. In no case will any Aramark employee act in the capacity of a "Designated Person" (within the meaning of the Asbestos Hazard Emergency Response Act, "AHERA"), which duties remain solely with the County.

Aramark will not be responsible for any conditions that existed in, on, or upon the Facility before the commencement date of this Agreement ("**Pre-Existing Conditions**"), including, without limitation, environmental impairments, and other conditions. Notwithstanding the general indemnity provision contained above in Section J the County shall indemnify and hold harmless Aramark, its subsidiaries and affiliated companies, and their respective directors, officers and employees, against any liability related to, or arising out of, any defective condition or the presence of Hazardous Substances or Pre-Existing Conditions on or at the Facility or the surrounding premises, or the claimed or actual release or threatened release or disposal of Hazardous Substances from or at the Facility, to the extent not caused by the willful misconduct or grossly negligent acts or omissions of Aramark, its employees or subcontractors, including, without limitation, fines, penalties, clean-up costs, or costs of other environmental remediation measures.

**L. Damages:** Aramark's liability hereunder shall not under any circumstances exceed the greater of (a) two (2) percent of the net revenue received by Aramark pursuant to this Agreement during the twelve (12) months prior to the applicable claim or (b) the actual proceeds of insurance (not to exceed the maximum limits of insurance required by Section 2.J.), less any applicable deductible. In no event will either party be liable to the other party for any loss of business, business interruption, consequential, special, indirect or punitive damages.

**M. Compliance With Laws:** Each party hereto shall comply with all statutes, lawful ordinances, regulations and requirements, federal, state, and local applicable to their activities hereunder. The County shall provide reasonable and adequate physical security at all times for Aramark employees, suppliers, management and other authorized visitors.

**N. License, Fees, Permits, And Taxes:** Aramark shall secure and pay for all federal, state and local licenses, permits and fees required for the food service operation. The County represents and warrants that it is a tax-exempt entity and, further, agrees to provide evidence of its tax-exempt status to Aramark upon request. The County further agrees to notify Aramark promptly in the event of a change in its tax-exempt status. In the event that a determination is made by a government authority that any sales, purchases, payments or use of property made to or by Aramark under this Agreement, either in whole or in part, is subject to any sales, use, gross receipts, property or any similar tax which tax was not contemplated by the parties at the commencement of operations hereunder, the full amount of any such tax liability, together with any interest paid by Aramark, shall be invoiced by Aramark and shall be reimbursed by the County, notwithstanding the fact that this Agreement may have expired or been terminated for any reason by either party prior to the date of such determination.

### **3. FINANCIAL AND ACCOUNTING ARRANGEMENTS:**

**A. Meal Service and Prices:** Aramark shall provide meals to the County's inmates, staff and visitors at the per meal prices set forth in Attachment A. Aramark will provide all medical, religious (lacto-ovo vegetarian and/or vegan diet only), gluten-free, and other special diets (the "Special Diets") for ten percent (10%) or less of the total resident population at no additional cost. Special Diets for greater than ten percent (10%) of the total resident population and/or religious diets other than a lacto-ovo vegetarian and/or vegan diet meals, such as prepackaged meals, shall be charged to the County at a mutually agreed upon price. All Special Diets must be approved by the County's nursing service or religious authority, as applicable. Aramark will work with the County's nursing service for appropriate diabetic diets and snacks, as needed. All Special Diets made by the County will be reviewed and approved by Aramark no later than five (5) days after the request. The County shall notify Aramark of the actual number of all meals ordered each day, including Special Diets, at a mutually agreed upon time prior to meal service, and the County shall make additions or deletions to such order within a mutually agreed upon time prior to meal service. When the initial notice of meals ordered is not given timely, Aramark shall prepare and will be paid for the same number of meals as prepared for the previous day.

**B. Price Adjustments:** The per meal prices stated in this Agreement are firm for the period beginning on the Effective Date and ending on June 30, 2029. Per meal prices for each subsequent 12-month period shall be increased on each anniversary of the Effective Date by an amount to be mutually agreed upon and set forth in an amendment to this Agreement in the form attached hereto as Attachment B; provided, however, that in the event no agreement is reached with respect to such increase, per meal prices shall be increased as further set forth below by the greater of the (a) yearly percentage change in the Consumer Price Index, All Urban Consumers, U.S. City Average, Food Away From Home Index (“**CPI-FAH**”), published by the U.S. Department of Labor and (b) the yearly percentage change in the Market Basket of Products (as defined below) which approximate the products served at the Facility (the “**Client Menu**”). The period for determining CPI-FAH and Market Basket of Products increases shall be April of the immediately preceding year to April of the then-current year (the “**Base Period**”).

As set forth on the sample client statement attached as Attachment C, a copy of which shall be provided prior to implementing any price adjustments pursuant to this section, the “**Market Basket of Products**” represents categories or types of products that are generally used in the Client Menu. Such products are classified into the following six (6) categories of food and beverage items (each, a “**Menu Category**”): (i) cereals and bakery products; (ii) meats, poultry, fish and eggs; (iii) dairy and related products; (iv) fruits and vegetables; (v) nonalcoholic beverages and beverage materials (includes juice, coffee, tea and other non-alcoholic drinks other than milk); and (vi) other food at home (composed of the food items in the menu [*v. Client Menu?*] that are not otherwise included in one of the preceding categories). Each Menu Category will be ascribed a percentage (the “**Category Weighting**”) representing the proportion of the Client Menu that such Menu Category approximately represents based on purchasing levels during the Base Period. Each Category Weighting will then be multiplied by the percentage change in the corresponding Bureau of Labor Statistics (“**BLS**”) category compiled by the U.S. Department of Labor and published at [www.bls.gov](http://www.bls.gov) for the Base Period, and the results of each such calculation will be added together to arrive at the overall percentage change which will represent the Market Basket of Products. For the avoidance of doubt, the BLS categories from Table 2 Detailed Expense Category from CPI-FAH to be multiplied by the Category Weightings are (1) Cereals and Bakery Products; (2) Meats, Poultry, Fish and Eggs; (3) Dairy and Related Products; (4) Fruits and Vegetables; (5) Nonalcoholic Beverages and Beverage Materials; and (6) Other Food at Home. In the event that there are any changes in the method in which the BLS reports its annual statistics, including any changes or modifications to any of the applicable BLS categories, Aramark shall propose a modification to the appropriate Market Basket of Products category or categories or the methodology described above (the “**BLS Modification**”). The BLS Modification shall be subject to Client’s approval, which shall not be unreasonably, withheld, conditioned or delayed. If the parties do not agree on such a modification, Aramark shall have the right to terminate the Agreement upon 90 days’ prior written notice. The Market Basket of Products is designed to approximate price adjustments with product cost increases at the Facility. The Market Basket of Products is an estimate of food and beverage costs only and actual costs may vary. While the Menu Categories attempt to approximate the products served at the Facility, they may not precisely parallel actual usage or the BLS categories listed above.

Please refer to Attachment C for an example of the Market Basket of Products calculation.

**C. Additional Services:** Food, beverage and other services required or desired by the Facility outside the scope of this Agreement (including Fresh Favorites) shall be provided by Aramark upon written authorization by the County and/or Sheriff at mutually agreed upon prices for such services.

**D. Capital Investment:** Aramark will provide a capital investment in an amount of up to Two Hundred Twenty-Nine Thousand Dollars (\$229,000.00) (the "Capital Investment") to make improvements to be used by Aramark for the replacement of kitchen equipment and to enhance the food service operations provided by Aramark at the Facility. The Capital Investment may be disbursed in tranches and will be amortized on a straight-line, monthly basis, commencing on the applicable date of disbursement and ending on June 30, 2028. Any equipment purchased by Aramark on the County's behalf as part of the Capital Investment shall be purchased as a "sale-for-resale" to the County and the County shall hold title to all such equipment purchased using the Capital Investment (with the exception of those items which bear the name of Aramark, its logo or any of its logo, service marks or trademarks or any logo, service marks or trademarks of a third party) upon such resale. If the Agreement between Aramark and the County expires or is terminated by either party for any reason whatsoever prior to the full amortization of the Capital Investment, the County shall pay to Aramark the unamortized balance of the Capital Investment as of the date of such termination or expiration of the Agreement. In the event such amounts owing to Aramark within sixty (60) days of expiration or termination, the County agrees to pay interest on such amounts at the Prime Rate plus two (2) percentage points per annum, compounded monthly from the date of expiration or termination. The right of Aramark to charge interest for late payment shall not be construed as a waiver of Aramark's right to receive payment of invoices within thirty (30) days of the invoice date.

**E. Initial Four-Week Payment:** Prior to the commencement of operations hereunder, Aramark shall submit to the County an invoice for an amount equal to the estimate of Aramark's total meal billings for one (1) four-week accounting period (the "Initial Payment").

Prior to each anniversary of the commencement of operations hereunder, Aramark shall submit to the County an invoice in an amount equal to the increase, if any, or a credit memo for the decrease, if any, in such Initial Payment from the amount previously billed.

The foregoing payments shall be retained by Aramark and credited to the County at the time of the last billing made by Aramark to the County at the termination of this Agreement.

**F. Billing:** Aramark shall submit to the County on the first day of every week, for the preceding week an invoice for inmate/staff meals ordered or served, whichever is greater, and other goods or services provided by Aramark, if any. The invoice shall reflect the preceding week's food services detailing the greater of the number of meals served or ordered on a daily basis as follows:

1. Adult inmate meals



2. Staff/visitor meals
3. Any additional food, beverage or other services, as required

Aramark shall provide the County with a comprehensive monthly summary of meals, services and credits. This summary shall be forwarded to the County Administrator or his designee each month.

**G. Manner Of Payment:** Payment shall be made by check payable to Aramark Correctional Services, LLC within fifteen (15) days after the invoice date. All payments shall be made to the address listed on the invoice.

If any invoices are not paid within twenty-five (25) days of the invoice date, interest shall be charged on each invoice at the Prime Interest Rate plus two percentage points per annum on the unpaid balance (or in the event local law prohibits the charging of such rate, interest shall be charged at the maximum legal rate permitted), computed from the invoice date until the date paid. The term “**Prime Interest Rate**” shall mean the interest rate published in The Wall Street Journal as the base rate on corporate loans posted by at least Seventy-Five Percent (75%) of the thirty (30) largest U.S. commercial banks, such rate to be adjusted on the last day of each Aramark accounting period.

The right of Aramark to charge interest for late payment shall not be construed as a waiver of Aramark's right to receive payment of invoices within fifteen (15) days of the invoice date. In the event that Aramark incurs legal expense in enforcing its right to receive timely payment of invoices, the County agrees to pay reasonable attorney's fees and other costs.

**4. MATERIAL ADVERSE CHANGE:** The financial arrangements in this Agreement are based on conditions existing as of the Effective Date including any representations regarding existing and future conditions made by County in connection with the negotiation and execution of this Agreement. If such conditions change due to causes beyond Aramark’s control, including, but not limited to, a change in the scope of Aramark’s services; menu changes; a decrease in the Facility's inmate population or the availability of inmate labor; efforts to organize labor; increases in food, fuel, equipment, utilities, supply, and labor costs; Federal, State and local sales, and other taxes and other operation costs; a change in Federal, State and local standards, requirements recommendations, and regulations including any applicable Child Nutrition Programs; changes in phone service providers or a change in the way phone service is sold to inmates; or other unforeseen external market conditions outside Aramark’s control, then Aramark shall give County written notice of such increase or change, and within thirty (30) calendar days after such notice, Aramark and County shall mutually agree upon modification(s) to offset the impact of the increase or change, which modifications may include any or a combination of the following: an adjustment to Aramark’s price per meal or commission, modifications to the menu or Product offerings, changes to Product pricing or modifications to Aramark’s scope of services. The foregoing shall be in addition to, and without limitation, of the parties’ rights and obligations set forth herein in Section 2.B. with respect to continuation of services (and compensation for the same) in the event of a Force Majeure event, if applicable.

5. **ACCESS AND RECORDS:** Aramark will maintain accurate books and records in connection with the food service operation and shall retain such records for thirty-six (36) months after the close of the federal fiscal year (October 1, through September 30).

6. **TERM OF AGREEMENT:** The initial term of this Agreement shall commence on July 1, 2024, and shall continue through June 30, 2028. By mutual agreement, this Agreement may be renewed for three (3) additional one-year periods. Thereafter, the County and Aramark may extend this Agreement for additional periods of twelve (12) months each, provided that the services to be provided, and the prices thereof, for the extension period, have been mutually agreed upon by the County and Aramark.

7. **TERMINATION:**

A. **Termination For Convenience:** Either party may terminate this Agreement for convenience, at any time during the term or any renewal or extension, upon ninety (90) days notice to the other party.

B. **Termination For Default:** Either party may terminate this Agreement upon a breach or default of this Agreement by the other party, which is not cured within thirty (30) days after receipt by the defaulting party of a notice from the non-defaulting party, specifying the nature of such breach or default.

C. **Consequences Of Termination:** If this Agreement is terminated under any circumstances, the County shall pay Aramark for all inmate and staff meals, and other services, provided by Aramark to and including the date of termination, at the prices and within the payment periods set forth in this Agreement. The County's obligation to pay for meals and services provided shall survive the termination or expiration of this Agreement.

Upon the expiration or any termination of this Agreement, the County agrees, if requested by Aramark, to purchase Aramark's usable inventory of food and supplies. The purchase price for such inventory shall be Aramark's invoice cost.

8. **NOTICE:** All notices or other communication hereunder shall be deemed to be duly given when made in writing and delivered in person or deposited in the United States mail, postage prepaid, certified mail, return receipt requested and addressed to the party at its respective address first set forth above, or such other address as it may designate, by notice given as aforesaid.

9. **CONFLICTS OF INTEREST:** Aramark covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with performance of this Agreement and no person having any such interest shall be employed. In addition, no officer, agent or employee of the County and no member of its governing body shall participate in any decision relating to this Agreement which affects his/her personal interest or any corporation, partnership, association which he/she is directly or indirectly interested or has any personal or pecuniary interest.

10. **CONFIDENTIAL INFORMATION:** All financial, statistical, operating and personnel materials and information, including, but not limited to, software, technical manuals, recipes, menus and meal plans, policy and procedure manuals and computer programs relative to or utilized in Aramark's business (collectively, the “**Aramark Proprietary Information**”) are and shall remain confidential and the sole property of Aramark and constitute trade secrets of Aramark. The County shall keep all Aramark Proprietary Information confidential and shall use the Aramark Proprietary Information only for the purpose of fulfilling the terms of this Agreement. The County shall not photocopy or otherwise duplicate any materials containing any Aramark Proprietary Information without the prior written consent of Aramark. Upon the expiration or any termination of this Agreement, all materials containing any Aramark Proprietary Information shall be returned to Aramark.
11. **ASSIGNMENT:** Aramark may not assign this Agreement without the County’s prior written consent (not to be unreasonably withheld, conditioned or delayed), except that Aramark may assign this Agreement, in its sole discretion, to any of its affiliates without any consent being required. The term “**affiliate**” means any corporation, limited liability company or any other person controlling, controlled by or under common control with, Aramark.
12. **PRESS RELATIONS:** Aramark shall coordinate with the County Sheriff or Facility Administrator on any and all press or media releases.
13. **PUBLICITY RIGHTS:** Neither Aramark nor County shall disclose the terms of this Agreement to any other person or entity outside its organization other than as required by law. Neither County nor Aramark and its Affiliates shall, without the other Party’s consent, use the other Party’s name, logo, trademark or otherwise refer to or identify the other Party in any publicity matters relating to the Services. Notwithstanding the foregoing, both Parties and their respective Affiliates may, without prior consent of the other Party, use that Party’s name or logo and the existence of this Agreement in connection with earnings calls or similar matters with their respective investors or analysts as well as communications to prospective clients (if applicable) and for use in such Party’s marketing materials.
14. **ENTIRE AGREEMENT:** This Agreement represents the entire agreement and understanding between the County and Aramark and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the County and Aramark.
15. **SEVERABILITY:** If any provision hereof or the application thereof to any person or circumstance is held to any extent, to be void, invalid or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.
16. **WAIVER:** The failure of Aramark or the County to exercise any right or remedy available under this Agreement upon the other party’s breach of the terms, covenants and conditions of this Agreement or the failure to demand the prompt performance of any obligation under this

Agreement shall not be deemed a waiver of such right or remedy; or the requirement of punctual performance; or of any subsequent breach or default on the part of the other party.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed by their duly authorized representatives as of the day and year first above written.

**Aramark Correctional Services, LLC**

**Lexington Fayette Urban County Government  
Commonwealth of Kentucky**

By: \_\_\_\_\_  
**Stephen Yarsinsky**  
Vice President, Finance

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

**Attachment A**

**Lexington-Fayette Urban County Government**

**Effective July 1, 2024 through June 30, 2029**

**Attachment B**

**FORM OF AMENDMENT FOR IMPLEMENTING MARKET BASKET INCREASES**

**Amendment No. \_\_ to Operating Agreement**

**THIS AMENDMENT NO. \_\_** (the “**Amendment**”), is entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_, with offices at \_\_\_\_\_ (“\_\_\_\_\_”), and **Aramark Correctional Services, LLC**, a Delaware limited liability company, having its principal place of business located at the Aramark Tower, 2400 Market Street, Philadelphia PA 19103 (“**Aramark**”).

**WHEREAS**, \_\_\_\_\_ and Aramark entered into an \_\_\_\_\_ dated \_\_\_\_\_ for the management of the food service operation at \_\_\_\_\_ (as amended, the “**Agreement**”);

**WHEREAS**, the parties acknowledge the need to address volatility in the cost of food commodities; and

**WHEREAS**, the parties desire to amend the provisions of the Agreement as follows, effective \_\_\_\_\_.

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below. Capitalized terms used but not defined in this Amendment have the meanings ascribed to such terms in the Agreement.

1. **Price Adjustment:** In accordance with [*Paragraph \_\_ of Amendment No. \_\_ to the Agreement*][*Paragraph \_\_ of the Agreement*], the parties agree that the price per meal charged to \_\_\_\_\_ by Aramark shall be changed as set forth on [Schedule 1] hereto as a result of [*changes in the Consumer Price Index*][*changes in the Market Basket of Products*][*mutual agreement of the parties*]. This price shall be effective from \_\_\_\_\_, 20\_\_ through \_\_\_\_\_, 20\_\_. , and shall supersede in all respects the price per meal set forth in [Paragraph [\_\_] of the Agreement][and Attachment A of the Agreement] or in any other prior agreements between the parties.

2. **Release:** The methodology used to determine the price increase described above has been reviewed and accepted by the parties. By their execution of this Amendment, each party hereby waives and releases any and all claims it may have based upon or arising out of any such methodology (including the elements thereof) used to calculate the price per meal as set forth in this Amendment, and further agrees not to bring any action, suit or proceeding challenging such methodology or calculation.

3. **Ratification:** Except as specifically set forth herein, all other terms and provisions of the Agreement shall remain unaffected by this Amendment and continue in full force and effect

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment No. \_\_ to be signed by their duly authorized representatives the day and year first written above.

**Aramark Correctional Services, LLC**

[\_\_\_\_\_]

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
By: \_\_\_\_\_  
Name:  
Title:

Attachment C

**Sample Client Statement - Market Basket of Products Calculation**

**[INSERT CLIENT NAME] Exhibit**

**Sample Market Basket Price Redetermination Statement**

<b>(All)</b>			
<b>Market Basket Price Redetermination Statement</b>			
<b>CATEGORY</b>	<b>Market Basket Weighting</b>	<b>August BLS Market Basket CPI Index</b>	<b>Weighted CPI %</b>
Cereals and Bakery Products	10.48%	5.99%	0.63%
Meats, Poultry, Fish and Eggs	20.41%	0.02%	0.00%
Dairy and Related Products	10.40%	0.31%	0.03%
Fruits and Vegetables	13.23%	2.10%	0.28%
Non-Alcoholic Beverages and Beverage Materials	5.41%	5.80%	0.31%
Other Food at Home	40.07%	4.49%	1.80%
<b>TOTAL</b>	<b>100.00%</b>		<b>3.06%</b>
<b>August FY 2023 CPI Food Away from Home Index</b>			<b>6.54%</b>
<b>Greater of Market Basket to August CPI - Food Away from Home</b>			<b>6.54%</b>

**Notes**

- \* This category includes all menu items that are not otherwise included in another Menu Category. ARAMARK applies the BLS CPI Food index to the "Grocery" Menu Category for the calculation. The "Food" index encompasses the items in all Menu Categories in addition to food items not used at the facility or facilities covered by this Agreement.