AGREEMENT EXERCISING THE FIRST OPTION TO RENEW THE CONTRACT FOR COSMETOLOGY AND BARBERING EQUIPMENT AND INSTALLATION AND MAINTENANCE SERVICES

[Veeco Manufacturing Co., Inc.]

This AGREEMENT EXERCISING THE FIRST OPTION TO RENEW THE CONTRACT FOR COSMETOLOGY AND BARBERING EQUIPMENT AND INSTALLATION AND MAINTENANCE SERVICES ("First Renewal Agreement") is effective as of the first day of September, 2016 ("Effective Date"), and is entered into by and between the Board of Education of the City of Chicago, a body politic and corporate, commonly known as the Chicago Public Schools (the "Board" or "CPS") and Veeco Manufacturing Co., Inc. ("Vendor").

RECITALS

- A. Pursuant to Bid Solicitation 14-250026, the Board and Vendor entered into that certain AGREEMENT FOR COSMETOLOGY AND BARBERING EQUIPMENT AND INSTALLATION AND MAINTENANCE SERVICES with a commencement date of September 1, 2014, and ending August 31, 2016 (the "Original Agreement"), with two (2) options to renew for a period of one (1) year each upon the same terms and conditions as the Original Agreement, in accordance with Board Report No. 14-0827-PR1; and
- B. The Board desires to exercise the first option to renew the term of the Original Agreement by entering into this First Renewal Agreement for the period commencing on the Effective Date and ending August 31, 2017, on the terms and conditions set forth below; and
- C. The term "Agreement" shall mean and shall consist of the Original Agreement, as renewed and amended by this First Renewal Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties hereby agree as follows:

- 1. <u>Incorporation of Recitals</u>. The matters recited above are hereby incorporated into and made a part of this First Renewal Agreement.
- 2. <u>Definitions</u>. All capitalized terms contained in this First Renewal Agreement, and not defined herein, shall have the definition as set forth in the Original Agreement unless the context clearly requires otherwise.
- 3. <u>First Renewal Term</u>. The Term of the Original Agreement is hereby renewed for the period commencing September 1, 2016 and continuing through August 31, 2017 ("First Renewal Term"), unless terminated sooner as provided in the Agreement. There is one (1) remaining option to renew for a period of twelve (12) months.
 - 4. <u>Scope of Products</u>. Vendor agrees to continue providing the Products and related Services as defined and described in the Original Agreement, and made a part hereof. "Scope of Services" means, collectively, the products, deliverables, duties and responsibilities described in such ARTICLE IV of the Original Agreement and any and all work necessary to complete them, or, carry them out fully and to the standard of performance required in the Original Agreement. The Board retains final authority with respect to all Products and Services-related decisions. The Board may, from time

to time, request changes in the Products or the Scope of Services. Any such changes shall be documented by a written amendment, signed by both parties and the Board's General Counsel.

5. <u>Maximum Compensation</u>. For the First Renewal Term, the total maximum compensation payable to Vendor shall not exceed the sum of Seventy-Five Thousand and 00/100 Dollars (\$75,000.00) ("Total Maximum Compensation") without the prior approval of the Board and a written amendment to this Agreement. Compensation for Products and Services during the First Renewal Term shall be payable on the same terms and conditions as set forth in the Original Agreement, and such compensation will not include any expenses. For avoidance of doubt, the Vendor's rates and prices shall be the same as the Prices defined and described in ARTICLE VII, "Bid Tabulation Pages," of the Original Agreement.

It is understood and agreed that the Total Maximum Compensation Amount referenced above is a 'not-to-exceed amount' and is not a guaranteed payment. Compensation shall be based on actual Services provided and Products delivered during the First Renewal Term, and the Board shall not be obligated to pay for any Products or Services not in compliance with this Agreement. In the event that the Agreement is terminated early, the Board shall only be obligated to pay the fees incurred up to the effective date of termination and Vendor shall promptly refund to the Board any payments received for Services and Products and provided.

6. <u>Amendment to Article II, Section 12(H) of the Original Agreement</u>. Article II, Section 12(H) of the Original Agreement is deleted in its entirety and replaced with the following:

"Criminal History Records Search. Vendor represents and warrants that, at its own cost and expense, it shall have a complete fingerprint-based criminal history records check conducted on all employees, agents, volunteers and subcontractors who may have contact with CPS students (individually and collectively "Staff") in accordance with the Illinois School Code (105 ILCS 5/34-18.5); the Sex Offender and Child Murderer Community Notification Law (730 ILCS 152/101 et seq.); and the Murderer and Violent Offender Against Youth Registration Act (730 ILCS 154/1 et seq.) ("Records Check"). It is understood and acknowledged that contact via text messages, live chats, emails or through any other means shall be considered "contact" for the purposes of this Section. A complete Records Check includes the following:

- (a) Fingerprint-based checks through the Illinois State Police and the FBI;
- (b) A check of the Illinois Sex Offender Registry; and
- (c) A check of the Violent Offender Against Youth Database.

The purpose of the Records Check is to confirm that none of these persons have been convicted of any of the criminal or drug offenses enumerated in subsection (c) of 105 ILCS 5/34-18.5 or any offenses enumerated under the Sex Offender and Child Murderer Community Notification Law or the Murderer and Violent Offender Against Youth Registration Act, or have been convicted within the past seven (7) years of any other felony under the laws of Illinois or of any offense committed or attempted in any other state or against the laws of the United States that, if committed or attempted in the State of Illinois, would have been punishable as a felony under the laws of Illinois.

Vendor shall not allow any of its Staff to have contact with a CPS student until a Records Check has been conducted for that person and the results of the Records Check satisfy the requirements of 105 ILCS 5/34-18.5 and the requirements of all other Acts and Laws referenced in this Section, as may be amended. Within fifteen (15) business days before any Staff has contact with any CPS students and on or before the Agreement's anniversary date(s) during the Term and any Renewal Term, Vendor shall submit a written report to CPS's Chief Officer of Safety & Security and/or its Deputy Chief of Network Security ("CPS Safety Officer"). The report shall include at least the following information:

- (a) the specific method of completing the Records Check;
- (b) the names of each Staff member who satisfactorily passed the Records Check within the quarter before s/he has any contact with a CPS student; and
- (c) the procedure to update each Staff member's Records Check through the Term of the Agreement, including any Renewal Terms (intervals between each Staff member's updates shall not be less than annually).

On a quarterly basis thereafter, Vendor shall: (i) periodically check the Illinois Violent Offender Against Youth Registry and the Illinois Sex Offender Registry for each Staff member who has contact with students and shall immediately remove any Staff member who may be identified on either registry; (ii) provide a written report to CPS's Safety Officer listing the names of all new Staff members who have contact with CPS students and certifying that Records Checks were satisfactorily completed for those individuals before s/he had any contact with CPS students; and (iii) provide any other information requested by the Board.

If Vendor fails to comply with this Section, in whole or in part, then, in addition to the Remedies set forth in this Agreement, the Board may exercise additional remedies, including but not limited to: (i) withholding payments due under this Agreement and any others that Vendor may have with the Board; or (ii) immediately terminating this Agreement, in whole or in part, without any further obligation by the Board of any kind."

7. Minimum Wage. Vendor must comply with the Board's Minimum Wage Resolution (14-1217-RS2) and any applicable regulations issued by the Board's CPO. The Board's resolution adopts Chicago Mayoral Executive Order 2014-1. As of December 17, 2014 the minimum wage to be paid pursuant to the Resolution is \$13.00 per hour (the "Minimum Wage"). A copy of the Mayoral Order may be downloaded from the Chicago City Clerk's website at: http://chicityclerk.com/wpcontent/uploads/2014/09/Executive-Order-No.-2014-1.pdf; the Board's Resolution may be downloaded from the Chicago Public School's website at: http://www.cpsboe.org/content/actions/2014_12/14-1217-RS2.pdf. in the event of any discrepancy between the summary below and the Resolution and Order, the Resolution and Order shall control.

Vendor must: (i) pay its employees no less than the Minimum Wage for work performed under the Agreement; and (ii) require any subcontractors, sublicensees, or subtenants, to pay their employees no less than the Minimum Wage for work performed under the Agreement.

The Minimum Wage must be paid to: 1) All employees regularly performing work on property owned or controlled by the Board or at a Board jobsite and 2) All employees whose regular work entails performing a service for the Board under a Board contract.

Beginning on July 1, 2015, and every July 1 thereafter, the Minimum Wage shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor, and shall remain in effect until any subsequent adjustment is made.

The Minimum Wage is not required to be paid to employees whose work is performed in general support of Vendor's operations, does not directly relate to the services provided to the Board under the Agreement, and is included in the contract price as overhead, unless that employee's regularly assigned work location is on property owned or controlled by the Board or at a Board. Employers that are 501(c)(3) not-for-profits are exempt from the Board's Resolution however, they are subject to City of Chicago Minimum Wage Ordinance. The City's ordinance raises the hourly minimum wage effective as of July 1 each year as follows: \$10.50 in 2016, \$11 in 2017, \$12 in 2018, and \$13 in 2019, indexed annually to the Consumer Price Index (CPI) after 2019.

The term 'employee' as used herein does not include persons subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law, 820 ILCS 105/1 et seq., in force as of the date of this Agreement or as amended. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

The Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by the Board's Resolution, if that collective bargaining agreement was in force prior to December 17, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the Resolution.

If the payment of a prevailing wage is required and the prevailing wage is higher than the Minimum Wage, then the Vendor must pay the prevailing wage.

- 8. Entire Agreement and Amendment. This First Renewal Agreement, including all exhibits attached to it and incorporated into it, constitutes the entire agreement of the parties with respect to the matters contained herein. No modification of or amendment to the First Renewal Agreement shall be effective unless such modification or amendment is in writing and signed by both parties hereto. Any prior agreements or representations, either written or oral, relating to the subject matter of this First Renewal Agreement are of no force or effect.
- 9. <u>Counterparts and Facsimiles</u>. This First Renewal Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be considered binding for both parties.
- 10. <u>Original Agreement</u>. Except as expressly provided in this First Renewal Agreement, all terms and conditions of the Original Agreement are and shall remain in full force and effect during the First Renewal Term.

Signatures begin on the following page.

IN WITNESS WHEREOF, the parties hereto have caused this First Renewal Agreement to be executed by their duly authorized representatives as of the date first written above.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

VEECO MANUFACTURING CO., INC.

Ву;

Vame:

Title: PERSIDENT

Ву:

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Joyathan Maples,

Chief Procurement Officer

Approved as to legal forms

Douglas Henning,

Acting General Counsel

PBID No: 16-0901-PBID1-1