MEMORANDUM

TO: Airport Board
FROM: Patrick Dame, C.M., Executive Director
DATE: December 22, 2020
RE: Office Pride of Rapid City Addendum #2

The agreement with Office Pride for airport custodial services expires on December 31, 2020.

As previously discussed with the Board during the 2021 budget approval process, we are in the process of creating a Landside/Terminal Maintenance Department with the intention of bringing the terminal custodial services inhouse. We anticipate a full phase in of the new department by May 31, 2021.

Office Pride and Airport staff have agreed to work together for a smooth transition of services. This will entail a gradual reduction of staffing provided by Office Pride as Airport staff is employed, trained and put to work. Therefore, rather than prepaying a set monthly fee to Office Pride, this addendum provides for a set hourly fee to be paid based on total number of hours worked.

STAFF RECOMMENDATION: Staff recommends approval of Addendum #2 as presented for Office Pride of Rapid City.
ADDENDUM #2
CUSTODIAL SERVICES AGREEMENT BETWEEN RAPID CITY REGIONAL AIRPORT BOARD AND OFFICE PRIDE OF RAPID CITY

The City of Rapid City, South Dakota, by and through the Rapid City Regional Airport Board, (Board) and Office Pride of Rapid City, (Contractor) entered into an Agreement to provide Custodial Services on October 9, 2018, amended on June 11, 2019, (collectively referred to as the “Agreement”). The Parties agree that the Agreement remains in full force and effect, except as specifically modified by this Addendum.

WHEREAS, the Agreement expires on December 31, 2020; and

WHEREAS, the Board intends to implement a Terminal/Landside Maintenance Department to cover custodial services in the terminal in 2021; and

WHEREAS, the Parties desire to work together to ensure a smooth transition of the custodial services.

NOW THEREFORE, be it agreed by the Parties as follows:

1. The Agreement will remain in effect on a month to month basis until on or before May 31, 2021. The Parties will meet at least once monthly to discuss and evaluate the transition. Either Party may cancel the Agreement with a thirty (30) day written notice to the other Party. The Agreement may be cancelled without thirty (30) day written notice upon mutual written agreement of the Parties. The Agreement may be extended past May 31, 2021, with written approval from both Parties.

2. The Parties agree to work together to transition the custodial services from the Contractor to the Board. The Contractor will provide training to Board staff and will phase out its contracted level of staffing as needed, upon approval of the Board, by and through the Airport Executive Director. The Parties agree that Board may consider Contractor employees for employment by the Board, but is not obligated to retain any Contractor employees.

3. As per the Agreement, Contractor provides four staff members for a total of 30 hours per day for $18,778.92 each month, with a two percent (2%) prepay discount of $375.58 for a net monthly compensation of $18,403.34.

4. Beginning February 1, 2021, the compensation paid to the Contractor will be based on actual hours worked at a rate of $20.58 per hour, per employee. Hours worked will be billed after completion with no expectation of a prepay discount. Board will continue to pay for said services upon timely receipt of an invoice through its normal payment schedule.
IN WITNESS WHEREOF, the Parties execute this Addendum this 22\textsuperscript{nd} day of December, 2020.

ATTEST:

_______________________________ Darren Haar, Board President
Shawn Gab, Board Secretary

RAPID CITY REGIONAL AIRPORT BOARD

OFFICE PRIDE OF RAPID CITY

Andre Truitt, Owner