

Amendment No. 3 to Operating Agreement

THIS AMENDMENT No. 3 (the “**Amendment**”), is entered into this ___ day of April, 2024 by and between **Augusta, Georgia**, a consolidated government, with offices at 535 Telfair Street, Augusta, GA 30901 (“**County**”) and **Aramark Correctional Services, LLC**, a Delaware limited liability company, having its principal place of business located at 2400 Market Street, Philadelphia, Pennsylvania 19103 (“**Aramark**”). The County and Aramark are sometimes herein jointly referred to as the “**Parties**” and sometimes individually referred to as a “**Party**”.

WITNESSETH:

WHEREAS, the County and Aramark entered into an Operating Agreement – Food Service dated August 1, 2019, for the management of the food service operation at the Richmond County Sheriff’s Office Detention Center (as amended, the “**Agreement**”), which was extended by mutual agreement until December 31, 2023, and pursuant to which Aramark was granted the exclusive right to provide food service for the County’s inmates, staff and visitors at the Richmond County Sheriff’s Office Detention Center, located at 1941 Phinizy Road, Augusta, GA 30906 (the “**Facility**”);

WHEREAS, the County and Aramark now desire to amend the Agreement to, among other things, further extend the term, adjust the price per meal rate, provide for a capital investment and other financial considerations, as more particularly described herein; and

WHEREAS, the County and Aramark desire to amend the provisions of the Agreement as follows, effective January 1, 2024 (the “**Effective Date**”), unless otherwise noted herein.

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. **Extension of Term:** The Parties mutually agree to extend the term of the Agreement through December 31, 2029. Accordingly, Section 6 of the Agreement (Term of Agreement) is hereby deleted and replaced with the following:

“6. **TERM OF AGREEMENT**: The term of this Agreement shall commence on August 1, 2019, and shall continue through December 31, 2029. 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 each extension period, have been mutually agreed upon by the County and Aramark.”

2. **2024 Pricing:** The Parties mutually agree that effective January 1, 2024, through December 31, 2024, the price per meal for inmate, therapeutic, trustee and staff/vendor/visitor meals shall be as set forth on Attachment A, attached hereto and shall supersede in all respects the price per meal set forth in Attachment A of the Agreement or in any other prior agreements between the Parties.

3. **Price Adjustments:** The Parties mutually agree that Section 3.B of the Agreement (Price Adjustments) is hereby deleted in its entirety and replaced with the following:

B. Price Adjustments: Unless as otherwise stated below, per meal prices shall be increased on each January 1, by an amount to be mutually agreed upon and set forth in an amendment to this Agreement; 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 facilities covered by this Agreement (the “**Client Menu**”). The period for determining CPI-FAH and Market Basket of Products increases shall be February of the immediately preceding year to February of the then-current year (the “**Base Period**”).

A client statement 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 categories of food items (each, a “**Menu Category**”): beverage (composed of juice and non-alcoholic drinks other than milk); baked goods; produce (composed of fruits and vegetables); dairy; meat; and grocery items (composed of the food items in the 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 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 to be multiplied by the Category Weightings are (1) Beverage, All Urban Consumers, U.S. City Average; (2) Baked Goods, All Urban Consumers, U.S. City Average; (3) Produce, All Urban Consumers, U.S. City Average; (4) Dairy, All Urban Consumers, U.S. City Average; (5) Meat, All Urban Consumers, U.S. City Average; and (6) Food, All Urban Consumers, U.S. City Average. 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, the parties agree to negotiate a mutually agreeable modification to the appropriate Market Basket of Products category or categories or the methodology described above. 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 or facilities covered by this Agreement. The Market Basket of Products is an estimate of food costs only and actual costs may vary. While the Menu Categories attempt to approximate the products served at the facility or facilities covered by this Agreement, they may not precisely parallel actual usage or the BLS categories listed above.

i. 2025 Price Adjustment: Notwithstanding the foregoing, effective January 1, 2025, the price per meal shall be increased by the greater of the (a) yearly percentage

change in CPI-FAH, published by the U.S. Department of Labor and (b) the yearly percentage change in the Market Basket of Products, PLUS Seven and One-Tenth Percent (7.1%) (the “**2025 Price Adjustment Percentage**”). The period for determining CPI-FAH and Market Basket for the 2025 Price Adjustment Percentage shall be February 2023 to February 2024 (the “**2025 Base Period**”) which is 4.5%.

ii. 2026-2029 Price Adjustments: Per meal pricing for the periods of (1) January 1, 2026, through December 31, 2026; (2) January 1, 2027, through December 31, 2027; (3) January 1, 2028, through December 31, 2028; and (4) January 1, 2029, through December 31, 2029, shall be adjusted in accordance with Section 3.B (Price Adjustments), above.”

4. **Micro-Market:** Aramark will install and operate a micromarket concept within the staff dining area of the Facility (the “**Micromarket**”), upon mutual agreement regarding the equipment components to be installed by Aramark as part of the Micromarket and any improvements to the location(s) required for installation of the Micromarket. Aramark will stock the Micromarket on a regular basis with a selection of pre-packaged beverages, snacks, and other grab-and-go items. The Micromarket will be available to the County’s staff to purchase products using credit or debit cards. Aramark will provide all equipment necessary to provide the Micromarket concept at the Facility. Aramark is and will remain the owner of all such equipment and will, at its own expense, make all necessary repairs to the equipment in order to maintain it in reasonable working order and appearance, except where such repairs are required due to the negligent or willful acts or omissions of the County. Also, should Aramark suffer a loss due to vandalism, riot, or forcible entry at a Facility, then the County shall be responsible for the total amount of any such loss (including cash, value of product inventory, and cost of equipment repairs and/or replacement). Unless otherwise expressly provided herein, upon termination or expiration of this Agreement for any reason whatsoever, the County immediately will return to Aramark, or allow Aramark to remove, all of the Micromarket equipment. The County agrees to provide all utilities necessary for Aramark to provide the Micromarket including a high-speed internet connection to be used for payment processing and security monitoring. The County will be responsible for paying the cost of such utilities. All products consumed or used in connection with the Micromarket equipment will be stocked by and purchased from Aramark. The Micromarket products shall be sold to County staff at retail cost. All receipts from the Micromarket will belong to Aramark. All Micromarket equipment is Aramark’s and Aramark will maintain the same. Aramark will price competitively as compared to local convenience stores.

5. **Food Service Improvement Grant:** Beginning January 1, 2025, Aramark shall make a restricted grant to County in an amount up to two hundred fifty thousand dollars (\$250,000.00) (the “**Food Service Improvement Grant**”). The County agrees to invest the Food Service Improvement Grant in new kitchen equipment and to be used at and other improvements to the Facility’s kitchen. The Food Service Improvement Grant shall be amortized on a straight-line basis over a period of sixty (60) months, beginning January 1, 2025. Upon expiration or termination of the Agreement by either party for any reason whatsoever prior to the complete amortization of the Food Service Improvement Grant, the County shall reimburse Aramark for the unamortized balance of the Food Service Improvement Grant as of the date of expiration or termination, plus all accrued but unbilled interest as of the date of expiration or termination. Such interest shall accrue from the date Aramark provided the Food Service Improvement Grant at the Prime Rate plus two (2) percentage points per annum, computed each

accounting period on the declining balance. In the event such amounts owing to Aramark are not paid to Aramark within thirty (30) 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, until the date paid. The right of Aramark to charge interest for late payment shall not be construed as a waived of Aramark's right to receive payment of invoices within thirty (30) days of invoice date.

6. 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. 3 to be signed by their duly authorized representatives the day and year first written above.

Aramark Correctional Services, LLC

Augusta, Georgia

By: _____
Name: Stephen Yarsinsky
Title: Vice President, Finance

By: _____
Name:
Title:

Attachment A

**Richmond County Sheriff's Office Detention Center
Augusta, GA**

Effective January 1, 2024 through December 31, 2024

Type of Meal	Price per Meal*
Inmate Meals	\$1.192
Therapeutic Meals	\$1.192
Trustee Meals	\$1.789
Staff/Vendor/Visitor Meals	\$2.08

*The price per meal is based on the County's 28-day Cycle Menu