# ADDENDUM II GREENWAVE CONTRACT

For the Department:

Tustin Farris, OCI Administrator

3402 Martin Luther King Ave.

Oklahoma City, OK 73111-4219

DATED THIS A DAY OF July, 2018

For the Customer:

Danny Jester, Managing Partner

Greenwave Concepts, LLC

(a Texas Limited Liability Company)

3523 McKinney Avenue. Suite 511

Dallas, Texas 75204

DATED THIS 9 DAY OF July, 2018

# GREENWAVE CONTRACT ADDENDUM

Now on this 3rd day of July, 2017, all parties agree, Greenwave will begin operations at the OCI sites, Mabel Bassett Correctional Center and Joseph Harp Correctional Center by February 1, 2017. The labor rate is standard \$7.25 after training. Greenwave must employ and maintain 45 fulltime inmates at Mabel Bassett Correctional Center and 40 fulltime inmates at Joseph Harp Correctional Center by August 1, 2017.

For the Department:

Justin Farris,

OCI Administrator

3402 Martin Luther King Ave. Oklahoma City, OK 73111-4219

DATED THIS 3rd DAY OF July, 2017

For the Customer:

Danny Jester, Meaging Partner

Greenwave Concepts, LLC (a Texas Limited Liability Company)

3523 McKinney Avenue. Suite 511

Dallas, Texas 75204

DATED THIS 03 DAY OF July \_\_, 2017

## PRIVATE INDUSTRIES CONTRACT

On the <u>Jl</u> day of <u>Decume</u>, 2016, this Contract is entered into by and is between the Oklahoma Department of Corrections, ("DOC"), and Greenwave Concepts, LLC (a Texas Limited Liability Company) ("Contractor").

This contract is authorized by Title 57 O.S. Sections 546-549, Private Prison Industries. The purpose of the contract is to provide a working relationship between the parties for their mutual benefit.

Now, therefore, for, and in consideration of the mutual promises, covenants, conditions, and terms as hereinafter set forth, the parties mutually agree as follows:

## 1. DOC Agrees To:

- a. Provide space at the Lexington Correctional Center, Jess Dunn Correctional Center, and James Crabtree Correctional Center as sites known therein as the Greenwave Concepts, LLC Sites, which sites are located within the security boundaries of the correctional centers.
- b. Provide Independent heating /air conditioning with its own controls for use by the contractor.
- c. Provide work stations and chairs to the Contractor and provide for repair of such office furniture.
- d. Provide a secured closet for storage of Contractor's tools and a keyed storage closet for supplies.
- e. Provide access by Contractor, its duly authorized agents, business invitees, and employees to the private prison industry location, subject to the security requirements of the center.
- f. Provide electricity, water, and gas utilities, and the mechanical systems using such utilities, including maintenance thereof, at no expense to Contractor.
- g. Provide for disposal of waste materials, trash hauling, and ground maintenance at no expense to Contractor.
- h. Provide training and orientation to the Contractor, its agents, and employees, regarding security procedures, including the security procedures for a tool control and inventory system that meets the Department's security requirements.

 Refer qualified offenders for employment by Contractor in accordance with procedures specified in OP-060107, Systems of Incarceration and OP-030103, inmate Job and Program Assignments.

### 2. Contractor Agrees To:

- a. Be responsible for all costs associated with the operating of his business and not relating to the facilities as discussed in Section 1-i, including any cost associated with office supplies and reproduction services essential for daily business needs.
- b. Operate a telemarketing business whose purpose is selling products and services to the small business market and customers. The Contractor shall provide training in performing this business. These services will not include the manufacturing of any tangible product. There will be a minimum of 45 inmates at LCC, 50 at JDCC and 60 inmates at JCCC.
- c. Provide and maintain a telephone system and connectivity services at its expense.
- d. Maintain the working area in a clean, neat, and orderly appearance.
- e. Not make any improvements, alterations, or renovations to the site without prior written approval of the Coordinator and OCI Administrator. All costs and allocation of the costs of such improvements, alterations, or renovations shall be as mutually agreed by the parties, in writing.
- f. Comply with all federal and state laws and Department policies and regulations otherwise applicable, for offender workers and complying with the security procedures of the center.
- g. Be solely responsible for any and all loss or damages to its private or business personal property arising from natural acts, and may purchase adequate insurance coverage for such natural disasters, if so desired.
- h. Along with its agents, employees, and business invitees expressly agree and hereby consent to reasonable vehicle and personal searches upon entering and leaving the correctional center by Department personnel. Any violations of applicable state law shall subject such violator to criminal prosecution or exclusion or both.
- The Contractor agrees to comply with all applicable laws concerning marketing its product in a non-discriminatory manner.

### 3. DOC and Contractor Agree:

a. All private personal property of Contractor, its agents, and employees, and all personal business property, equipment, tools, fixtures, inventory, materials, vehicles, and supplies shall be at the sole risk of Contractor, and neither the

Department nor the State of Oklahoma, or any agents or employees, thereof, shall be liable for damage or loss to both private or business property of Contractor, its agents, or employees, nor shall the Department and the State of Oklahoma be liable for any damages or losses arising out of any acts, omissions, or other occurrences of inmates, whether or not employed by Contractor.

- b. Nothing herein contained shall be construed as creating a leasehold estate or other property interest in the working site located within the center.
- c. The Contractor shall have the same authority to manage its inmate employees concerning personnel matters such as firing, disciplining, earning, and granting leave, layoffs, etc., pursuant to its written personnel policies within the normal course of private business standards.

#### 4. CONTRACTORS EMPLOYMENT RESPONSIBILITIES

- a. The Contractor shall provide job descriptions, responsibilities, minimum job qualifications, and a current copy of its written personnel policies to the OCI Coordinator. The Contractor shall provide work orientation, job training, and instruction for its inmate employees.
- b. The Contractor agrees to work shifts of no longer than eight working hours. The normal working hours shall be between 0800 and 1700 hours, Monday through Friday, excluding approved holidays. Weekend or night shifts are not prohibited by this contract but may be utilized under the terms and conditions of this contract. Any additional shifts required shall be approved by the Department and the warden of the correctional facility and any security costs will be mutually agreed upon and reimbursed by the Contractor to the Department on a monthly basis.

#### EMPLOYEE COMPENSATION AND BENEFITS

- a. The Contractor agrees to pay the Oklahoma Correctional Industries a sum of \$7.25 per hour for each inmate employee hour worked. OCI will submit to the Contractor a monthly payroll showing inmate hours worked and total pay.
- b. All invoices shall be made payable to the Oklahoma Correctional Industries. All checks shall be sent or delivered to the business manager of Oklahoma Correctional Industries not later than 10 (ten) working days after the end of each month. All applicable withholdings shall be made and accounted for by the Department and properly accredited in the employees name and account of customer.
- c. Agree to pay 1.5% per month of any outstanding amount accruing the first day payment is over-due, plus cost of collections, including attorney's fees and cost of all past due amounts.

- d. Any benefits, other than those listed above, shall be at the sole discretion and cost of Contractor and shall be subject to the term and conditions of this contract. The Department shall be trustee for any benefits provided offender employees.
- e. Newly hired inmates will be placed on a probation/training status for eight (8) weeks. The labor rate will be charged to Greenwave Concepts, LLC, at the amount of \$3.15 per hour. At the conclusion of the 8 week probation/training period, inmate will be moved to full status or terminated for lack of performance.

#### 6. LIABILITY LIMITS

- a. The Contractor, its agents or employees, pursuant to this contract shall not be deemed employees of the Department of Corrections or the State of Oklahoma, nor as agents thereof, in any manner whatsoever. The Contractor, its agents or employees, shall not hold themselves out nor claim, demand, or apply for any right, defense or privilege applicable to an agent, employee, or officer of the Department of Corrections or the State of Oklahoma, including but not limited to worker's compensation, unemployment insurance benefits, social security benefits, retirement benefits, or the Governmental Torts Claim Act, 51 0.S.sec. 151 et seq.
- b. The parties agree that the Governmental Tort Claims Act, 51 0.S. sec. 151 et seq. is applicable. Nothing herein shall be construed as a waiver of the sovereign immunity defense for the State of Oklahoma or the Department of Corrections.
- c. Where any damage or loss of the Contractor is the result of the negligence of Department or its agents or employees, for which the Department is held liable in a court of competent jurisdiction, such damage or loss shall exclude any punitive or consequential damage and all legal costs incurred.
- d. The Contractor agrees to protect, defend, indemnify, and hold harmless the State of Oklahoma, the Department, their agents or employees from any liability or claims arising out of or relating to products produced or services rendered under this contract. The Contractor agrees that the Department and its agents or employees is not a guarantor of the products produced or the services rendered, nor for the work performed by the employees of Contractor.

### 7. TERMINATION

- a. Unless otherwise agreed in writing, this contract shall expire at the close of business five years from the date of execution as set forth below.
- b. In the event the Oklahoma Legislature fails to appropriate funds or the Governor vetoes funds appropriated which effectively prohibits the Department from fulfilling

its obligations under this contract, this contract shall terminate within ninety (90) days thereof.

- c. Either party may terminate this contract for any reason by providing one hundred-twenty (120) days written notification to the other party by certified mail, return receipt requested. The notification period shall begin to run upon the date the return receipt is signed.
- d. In the event the safety and welfare of Contractor, its agents, or employees is jeopardized for reasons relating to the security of the Correctional Center, the contract shall be suspended for an agreed upon period of time. In the event of any destruction of the building occupied because of natural acts or security disturbances the contract may be suspended for an agreed upon period of time not to exceed 30 days from the date safety and welfare is deemed to not be in jeopardy. In the event of any destruction of the building occupied because of natural acts or security disturbances, the contract may be suspended or terminated at the option of the Department if no suitable facility can be substituted within 45 days of such destruction or security disturbance.

#### 8. BREACH, DEFAULT, AND DISPUTES

- a. Either party may terminate this contract for the failure of the other party to perform as per the terms and conditions contained herein. Any damages shall be as authorized by law in a court of competent jurisdiction, except attorney's fees and related legal costs, which shall be borne by each party separately. Any mitigating circumstances shall be considered by both parties in determining failure to perform.
- b. In the event a bona fide dispute or a conflict of interest arises between the parties which cannot be resolved through reasonable diligence, either party may request mediation under the Oklahoma Dispute Resolution Act, 12 0.S. sec. 1801 et seq., as amended. Such request shall be agreed to by the other party. The parties agree that this process shall be binding and shall bar any legal action in a judicial or quasi-judicial tribunal. All costs relating to this process shall be borne separately by each party. Any dispute shall not affect the performance requirements and duties of this contract. It shall remain in full force and effect unless otherwise terminated.
- c. In the event the Contractor fails to comply with the discrimination clause stated in OP-030101 or causes actions that jeopardize the security interests of the Department, the Department may terminate or suspend this contract until such compliance is gained or cure tendered.

### 9. RECORDS, DOCUMENTS, ACCOUNTS, AND REPORTS

a. The Contractor shall maintain all records, books of accounts, personnel files, and such other documents required by law to be maintained and accounted for, and shall maintain them in a safe place, and make them available to state and federal officials for inspection as authorized by law, including inspection by the duly authorized officers of the Department. The Contractor agrees to retain all records, books of accounts, personnel files and such other documents required by law and other documents relevant to this contract, for a period of three (3) years, and shall make them available for inspection by state and federal officials as required by law, including inspection by the duly authorized officers of the Department.

#### 10. GOVERNING LAW AND SEVERABILITY

- a. If any provision, clause, or paragraph of this contract or any document incorporated by reference shall be determined invalid by court of competent jurisdiction, such determination shall not affect the other provisions, clauses, or paragraphs of this contract which are not affected by the determination. The provisions, clauses, or paragraphs, and any documents incorporated by reference are declared severable.
- b. This contract shall be governed by the laws of the State of Oklahoma.

#### 11. RULES AND REGULATIONS

a. This contract contains all the terms and conditions agreed upon between the parties.

#### 12. NOTICES

a. All notices required in this contract shall be mailed, "certified mail, return receipt requested", to the following addresses of the parties:

Justin Farris, Administrator Oklahoma Correctional Industries 3402 Martin Luther King, Blvd. Oklahoma City, OK 73111-4219 Danny Jester, Managing Partner Greenwave Concepts, LLC (a Texas Limited Liability Company) 3523 McKinney Avenue, Suite 511 Dallas, Texas 75204

#### 13. EXECUTION

a. The parties shall execute this contract in duplicate originals by affixing their signatures hereto in the place provided, and by affixing their respective signatures shall warrant that each has the authority to execute and bind their agencies.

DATE OF EXECUTION: 1 Dec 20/4

OKLAHOMA DEPARTMENT OF CORRECTIONS

Joe M. Allbaugh, Director
Oklahoma Department of Corrections

Greenwave Concepts, LLC

Danny Jester, Managing Partner

APPROVED AS TO FORM:

David Cincotta, General Counsel

APPROVED AS TO CONTENT:

Justin Farris, OCI Administrator