



STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

) ADDENDUM NUMBER ONE
) TO INTEGRATED PEST
) MANAGEMENT SERVICES

This Addendum Number One dated as of this 16th day of December 2013, is entered into pursuant to the Scope of Work and Exhibit A of the Agreement between Beaufort County School District, (BCSD), and Mid South Investors II dba Orkin Pest Services of Bluffton, (Contractor), dated September 3, 2013 to provide all labor, services, supplies and equipment for implementing an Integrated Pest Management System per the specifications, terms and conditions of RFP 14-001 for BCSD.

The parties have negotiated the aforesaid Agreement as to the scope of work and the cost proposal shown in Exhibit A.

Therefore, the Agreement is hereby amended and in consideration of the covenants hereinafter contained, the parties do agree as follows:

1. Section 2, Scope of Work is amended to add the following in regards to Termite Treatment:

A. The following 15 Year Directed Liquid Treatment and Monitoring Service Repair Scope of Work (does cover Formosan Termites) applies to the following locations:

Bluffton Early Childhood Center
Broad River Elementary School
Burroughs Avenue Facility
Coosa Elementary School
Daufuskie Elementary School
District Education Service Center
M. C. Riley Early Childhood Center
Pink House
Pritchardville Elementary School
Red Cedar Elementary School
St. Helena Early Childhood Center
St. Helena Elementary School
Whale Branch Early College High School

1. CONTRACTOR LIMITED REPAIR SERVICE ("Service"):
Contractor shall treat BCSD's structure for subterranean termites using the treatment specified in the Treatment Report. Contractor does not guarantee that termites will never return to the treated structure ("Treated Premises"). If termites do return as indicated by evidence of a live Subterranean or Formosan termite infestation, Contractor will retreat that area. Otherwise, this Service is limited to

the repair of new Subterranean or Formosan termite damage.

IMPORTANT: Bait and Liquid Treatment service includes liquid treatment to critical and infested areas as specified by Contractor, plus Bait System installation and monitoring as specified by Contractor. If during the effective period of the Agreement, Contractor, for whatever reason, changes the type of bait being used or ceases to offer a bait program in this area, an appropriate alternative treatment method will be determined by and performed by Contractor at no charge to the BCSD. The bait stations are not owned by the BCSD and may be removed by Contractor at its discretion, at any time, for replacement with an alternative treatment method, upon the termination of this Agreement or, Contractor ceases to offer a bait program in this area. The Service coverage of this Agreement will remain in effect through any pre-paid period of coverage. Thereafter, Contractor will provide a Service identical to the Service set forth in this Agreement for a renewal fee not to exceed the Annual Monitoring Fee as set by this Agreement.

BCSD is required to make the Treated Premises accessible to Contractor for any inspections and treatments as Contractor deems necessary. This may include removing floor coverings, wall coverings and fixtures, for which the responsibility and costs rest exclusively with BCSD. If BCSD fails to comply with these obligations, Contractor may, at its option, terminate the Agreement.

BCSD agrees to be solely responsible for maintaining the Treated Premises free from any condition conducive to termite infestation ("Conducive Conditions," see paragraph A.7 for explanation). If any Conducive Condition exists but is not visible at the time of the execution of this Agreement, then Contractor shall not be liable for termite damage resulting from such Conducive Condition. BCSD agrees to be solely responsible for identifying and correcting Conducive Conditions. This responsibility rests exclusively with the BCSD, not with Contractor. The existence of any Conducive Condition shall relieve Contractor of responsibility for repairing termite damage resulting from the Conducive Condition. In addition, existence of a Conducive Condition, that was not timely corrected, will permit Contractor, at its sole discretion, to terminate the Agreement or to require BCSD to purchase any additional treatment required.

Prior to making any structural modification or alteration or disturbing the soil in, around or under the Treated Premises, BCSD must notify Contractor in writing and purchase any additional treatment required by the changes. If BCSD fails to do so, Contractor will not be responsible for damages occurring after the modification, alteration or disturbance, and, at its option, Contractor may terminate the Agreement.

BCSD agrees not to remove, tamper with, or cover the bait stations.

If new damage occurs six (6) months or more after the date of the initial treatment, Contractor agrees to repair that new damage under the following condition:

- i. Contractor is not liable for any damage that is marked or otherwise indicated on the Treatment Report prepared at the time the Agreement was entered into;
- ii. At the time the damage is discovered, the damaged areas are infested with live termites or there is other clear and convincing evidence that the damages occurred six (6) months or more after the date of initial treatment;
- iii. BCSD has promptly notified Contractor's branch office when the damage is

discovered so that the presence of live termites in each area of damage can be confirmed;

- iv. The damage was not caused or contributed to by Conducive Conditions;
- v. The damage was not caused by an unreported structural alteration of the premises or the disturbance of soil in, around, or under the Treated Premises. Damage meeting all of the foregoing conditions shall be referred to as "Covered Damage."

The parties do not intend and the Agreement shall not be construed to require Contractor to perform exploratory, invasive, or destructive testing of BCSD's property. The parties agree and understand that the Contractor will make comparable repairs to Covered Damage, but is not required to make repairs using materials that are identical to the existing materials and structure if those materials are no longer available. BCSD must submit all claims for Covered Damage to Contractor using a TERMITE DAMAGE FORM which will be supplied by Contractor's branch office upon BCSD's written request. Contractor will not have any responsibility to pay for or make repairs of Covered Damage, unless Contractor has had an adequate opportunity to obtain an estimate of repair costs from a professional of its choosing. Contractor will be responsible only for those repairs for which it has given prior written approval. If the BCSD does not comply with the above conditions, then Contractor shall have no obligation to repair any portion of the structure or its contents.

- 2. OTHER INFESTATIONS: BCSD waives and releases Contractor from any liability for any claim for damages to the structure or its contents caused by infestation of Wood Destroying Fungi, Drywood Termites, Boring Beetles, or any other Wood Destroying Insects. BCSD also waives and releases Contractor from liability for any claim or injuries, damages, or losses of whatever nature or type of related to mold or fungal growth.
- 3. PAYMENTS: A. The initial payment covers the installation of the bait stations and the first year's Monitoring/Renewal service, and is due at the time of the initial treatment is performed. After the first year, the Monitoring/Renewal Fee will be assessed on an annual or quarterly basis. By payment of the Monitoring/Renewal Fee, this Agreement may be renewed on an annual or quarterly basis. As long as BCSD keeps the Monitoring/Renewal Fee current, Contractor will monitor BCSD's structure and maintain the Service under this Agreement.
B. MONITORING FEE PRICE PROTECTION: In order to maintain this Agreement and the Service, BCSD shall pay a Renewal Fee or Monitoring Fee. The Annual Renewal Fee is shown in Exhibit A. Contractor will have the right to increase the yearly renewal or monitoring fee not to exceed 3% annually after June 30, 2015.
- 4. LIMITED ASSIGNABILITY: This agreement is assignable as a retreat only Agreement to the new owner of the property under the following conditions: (a) the new owner presents the Contractor branch office written notice requesting that the Agreement be assigned; (b) Contractor conducts an inspection of the property, the results of which are by Contractor; (c) Contractor consents in writing to the assignment; and (d) the new owner pays a transfer fee.
- 5. REINSPECTION: Contractor shall re-inspect the treated structure as deemed necessary by Contractor or once a year, if requested by BCSD. An annual

inspection will be made by Contractor if required by applicable State law or regulations. Any re-inspection is separate from and independent of BCSD's obligation to pay the annual renewal.

6. **CHEMICAL INFORMATION WARNING:** Virtually all pesticides have some odor which may be present for a period of time after application. If you or any member of your household believes you have sensitivity to chemical odor or chemicals, Contractor recommends that you not have an initial or subsequent service performed at your premises until you have consulted with your family physician. At your request, Contractor will provide information about the chemicals to be used in treating the premises.
7. **CONDUCTIVE CONDITIONS:** Conducive Conditions include, but are not limited to: roof leaks, improper ventilation, faulty plumbing, and water leaks or intrusions in or around the structure; inherent structural problems, including, but not limited to, wood to ground contact, masonry failures, and settlement of the foundation; foam around insulation, stucco construction, expanded polystyrene or Styrofoam molded foundation systems, siding (including vinyl, wood, and metal) if within 6 inches of the ground, mulch, or other protective ground covering; and firewood, trash, lumber, wood, mulch, shrubs, vines, and other protective ground covering if within 6 inches of contact with structure.
8. **MONEY BACK GUARANTEE:** Contractor guarantees that if BCSD is not completely satisfied with Contractor's treatment, Contractor will refund BCSD's initial treatment charge and any prepaid renewal fees if BCSD contacts Contractor in writing within 30 days after BCSD's initial treatment and Contractor fails to resolve BCSD's problems within 30 days of receipt. A refund by Contractor of BCSD's initial treatment charge and any prepaid renewal fees will result in cancellation of the agreement.
9. **BOND:** Contractor shall issue a bond on these fourteen (14) locations with an unlimited repair clause that guarantees that any new termite damage that occurs after treatment will be the responsibility of the Contractor. The Contractor will not only re-treat the location but will provide any needed repairs as a result of the termite damage.

B. The following 15 Year Subterranean Termite Program Re-treat Service Scope of Work (does cover Formosan Termites) applies to the following locations:

Battery Creek High School
Beaufort Elementary School
Beaufort High School
Beaufort Middle School
Bluffton Elementary School
Bluffton High School
Bluffton Middle School
District Office (King Street)
H. E. McCracken Middle School
Hilton Head Island Early Childhood Center
Hilton Head Island Elementary/IB School
Hilton Head Island High School
Hilton Head Island Middle School

Hilton Head Island School for Creative Arts
J. J. Davis Early Childhood Center
J. Shanklin Elementary School
Lady's Island Elementary School
Lady's Island Middle School
M. C. Riley Elementary School
Mossy Oaks Elementary School
Okatie Elementary School
Port Royal Elementary School
Robert Smalls Middle School
Shell Point Elementary School
Whale Branch Elementary School
Whale Branch Middle School

1. **CONTRACTOR LIMITED RE-TREATMENT SERVICE ("Service") (Z1):**

Contractor shall treat BCSD's structure for Subterranean Formosan termites using the treatment specified in the Treatment Report. Contractor does not guarantee that termites will never return to the treated structure ("Treated Premises"). If termites do return as indicated by evidence of a live Subterranean Formosan termite infestation, Contractor will retreat that area. This Service does not cover any damage to the structure or its contents.

BCSD is required to make the Treated Premises accessible to Contractor for any inspections and treatments as Contractor deems necessary. This may include removing floor coverings, wall coverings and fixtures, for which the responsibility and costs rest exclusively with the BCSD. If BCSD fails to comply with these obligations, Contractor may, at its option, terminate the Agreement.

BCSD agrees to be solely responsible for maintaining the Treated Premises free from any condition conducive to termite infestation ("Conducive Conditions," see paragraph for explanation). BCSD agrees to be solely responsible for identifying and correcting Conducive Conditions. This responsibility rests exclusively with the BCSD, not with Contractor. In addition, the existence of any Conducive Condition that was not timely corrected, including any Conducive Condition existing, but not visible at the time of the execution of this Agreement, will permit Contractor, at its sole discretion, to terminate the Agreement or to require BCSD to purchase any additional treatment required as a result of the Conducive Condition.

Prior to making any structural modification or alteration or disturbing the soil in, around or under the Treated Premises, BCSD must notify Contractor in writing and purchase any additional treatment required by the changes. If BCSD fails to do so, Contractor, at its option, may terminate the Agreement.

Contractor is performing a service and expressly disclaims any guarantee of any kind, whether expressed or implied, for any injury or damage related to the service performed. BCSD expressly releases Contractor from any claim for termite damage or repair.

2. **OTHER INFESTATIONS:** BCSD waives and releases Contractor from any liability for any claim for damages to the structure or its contents caused by an infestation of Wood Destroying Fungi, Drywood Termites, Boring Beetles or any other Wood Destroying insects. BCSD also waives and releases Contractor from

liability for any claim or injuries, damages, or losses of whatever nature or type related to mold or fungal growth.

3. **RENEWAL:** To maintain the Service, BCSD shall timely pay an annual renewal fee. The first annual renewal fee will be as shown in Exhibit A. After June 30, 2015, Contractor has the right to increase the annual renewal fee by an amount not to exceed the consumer price index or by an amount not to exceed three percent (3%), whichever is lesser.
4. **LIMITATION OF FORMOSAN LIABILITY:** BCSD expressly waives any claim for economic, compensatory, or consequential damages relating to the Subterranean Formosan termites or Subterranean termite damage, or for increased Costs, loss of use, business interruption, diminution of value, or any "stigma" damage due to the presence of Subterranean termites or Subterranean termite damage. BCSD acknowledges that Contractor is performing a service and except for any damage to the structure caused by Contractor in the performance of its services, BCSD waives any claims for property damage. BCSD agrees that under no circumstances shall Contractor be held liable for any amount greater than the amount paid by the BCSD to Contractor for the termite service to be performed. Nothing in this Agreement shall be construed as depriving BCSD of remedies available under applicable state consumer protection laws.
5. **LIMITED ASSIGNABILITY:** This Agreement is assignable as a retreat only Agreement to the new owner of the property under the following conditions: (a) the new owner presents the Contractor branch office written notice requesting that the Agreement be assigned; (b) Contractor conducts an inspection of the property, the results of which are satisfactory to Contractor; (c) Contractor consents in writing to the assignment of the Agreement; and (d) the new owner pays a transfer fee.
6. **REINSPECTION:** Contractor shall re-inspect the treated structure as deemed necessary by Contractor or once a year, if requested by BCSD. An annual inspection will be made by Contractor if required by applicable State law or regulations. Any re-inspection is separate from and independent of BCSD's obligation to pay the annual renewal.
7. **CHEMICAL INFORMATION WARNING:** Virtually all pesticides have some odor which may be present for a period of time after application. If you or any member of your household believes you have sensitivity to chemical odor or chemicals, Contractor recommends that you not have an initial or a subsequent service performed at your premises until you have consulted with your family physician. At BCSD request, Contractor will provide information about the chemicals to be used in treating the premises.
8. **CONDUCTIVE CONDITIONS:** Conducive Conditions include but are not limited to: roof leaks, improper ventilation, faulty plumbing, and water leaks or intrusions in or around the structure; inherent structural problems, including, but not limited to, wood to ground contact, masonry failures, and settlement of the foundation; foam insulation, stucco construction, expanded polystyrene or styrofoam molded foundation systems, siding (including vinyl, wood and metal) in contact with the ground, mulch, or other protective ground covering; and

firewood, trash, lumber, wood, mulch, shrubs, vines, and other protective ground covering in contact with structure.

9. **MONEY BACK GUARANTEE:** Contractor guarantees that if BCSD is not completely satisfied with Contractor's treatment, Contractor will refund BCSD's initial treatment charge and any prepaid renewal fees if BCSD contacts Contractor in writing within 30 days after BCSD's initial treatment and Contractor fails to resolve BCSD's problems within 30 days after receipt. A refund by Contractor of BCSD's initial treatment charge and any prepaid renewal fees will result in cancellation of the agreement.
 10. **BOND:** Contractor shall provide a service bond to cover any re-treatment required. After two (2) years of no termite activity in these twenty-five (25) locations, Contractor shall at no cost to BCSD, upgrade the termite bond to a total repair bond.
2. Exhibit "A" of the Agreement shall be amended as shown in Exhibit A (Revised):
 3. All other terms and provisions of the Agreement dated September 3, 2013, as Amended, shall remain in full force and affect.

The parties hereto have executed this Addendum Number One, the day and date first written above.

APPROVED:

ACCEPTED:

BEAUFORT COUNTY SCHOOL DISTRICT

MID SOUTH INVESTORS II
dba ORKIN PEST SERVICES OF
BLUFFTON

BY:  _____

TITLE: Superintendent

DATE: 12-7-13

BY:  _____

TITLE: President/owner

DATE: 12/17/13

Exhibit A (Revised)

PRICING SCHEDULE

PEST CONTROL SERVICES

Total Monthly Billing (Year One)*	\$3,000 per month
Total Monthly Billing (Year Two)*	\$3,000 per month
Total Monthly Billing (Year Three)*	\$3,000 per month
Total Monthly Billing (Year Four)*	\$3,000 per month
Total Monthly Billing (Year Five)*	\$3,000 per month

*Fly lights and purge dispensers may be leased @ \$20 per month per unit.

Fly bait application is \$10 per treatment.

Mosquito control quotes will be provided as needed.

TERMITE TREATMENT

January 2014 through December 2014	
Location	Initial Annual Fee
Bluffton Early Childhood Center	\$ 3,581.00
Broad River Elementary School	6,138.00
Burroughs Avenue Facility	3,381.00
Coosa Elementary School	4,824.00
Daufuskie Island Elementary School	793.00
District Education Service Center	7,381.00
M. C. Riley Early Childhood Center	3,581.00
Pink House	624.00
Pritchardville Elementary School	5,183.00
Red Cedar Elementary School	6,528.00
St. Helena Early Childhood Center	4,680.00
St. Helena Elementary School	6,360.00
Whale Branch Early College High School	5,381.00

TERMITE TREATMENT (Continued)

January 2014 through June 2014	
Location	Pro-rated Annual Fee
Battery Creek High School	\$ 1,236.50
Beaufort High School	1,490.50
Beaufort Middle School	1,406.50
Bluffton Elementary School	991.50
Bluffton High School	1,235.50
Bluffton Middle School	1,235.50
H. E. McCracken Middle School	1,540.50
Hilton Head Island Elementary/IB School	1,543.00
Hilton Head Island Middle School	1,406.50
J. Shanklin Elementary School	1,590.50
Lady's Island Elementary School	956.50
M. C. Riley Elementary School	940.50
Mossy Oaks Elementary School	1,093.50
Okatie Elementary School	1,006.50
Shell Point Elementary School	840.50
Whale Branch Elementary School	1,140.50
Whale Branch Middle School	1,391.50

May 2014 through June 2014	
Location	Pro-rated Annual Fee
Hilton Head Island High School	\$ 618.33
J. J. Davis Early Childhood Center	305.00
Lady's Island Middle School	545.00

TERMITE TREATMENT (Continued)

July 2014 through June 2015	
Location	Annual Fee
Battery Creek High School	\$ 2,473.00
Beaufort Elementary School	980.00
Beaufort High School	2,981.00
Beaufort Middle School	2,813.00
Bluffton Elementary School	1,983.00
Bluffton High School	2,471.00
Bluffton Middle School	2,471.00
H. E. McCracken Middle School	3,081.00
Hilton Head Island Early Childhood Center	1,910.00
Hilton Head Island Elementary/IB School	3,086.00
Hilton Head Island High School	3,710.00
Hilton Head Island Middle School	2,813.00
Hilton Head Island School for Creative Arts	2,430.00
J. J. Davis Early Childhood Center	1,830.00
J. Shanklin Elementary School	3,181.00
Lady's Island Elementary School	1,913.00
Lady's Island Middle School	3,270.00
M. C. Riley Elementary School	1,881.00
Mossy Oaks Elementary School	2,187.00
Okatie Elementary School	2,013.00
Port Royal Elementary School	1,280.00
Robert Smalls Middle School	4,300.00
Shell Point Elementary School	1,681.00
Whale Branch Elementary School	2,281.00
Whale Branch Middle School	2,783.00

September 2014 through June 2015	
Location	Pro-rated Annual Fee
District Office (1300 King Street)	\$ 981.00

TERMITE TREATMENT (Continued)

January 2015 through June 2015	
Location	Pro-rated Annual Fee
Bluffton Early Childhood Center	\$ 519.00
Broad River Elementary School	690.00
Burroughs Avenue Facility	609.00
Coosa Elementary School	550.00
Daufuskie Island Elementary School	127.50
District Education Service Center	690.00
M. C. Riley Early Childhood Center	519.00
Pink House	140.00
Pritchardville Elementary School	600.00
Red Cedar Elementary School	950.00
St. Helena Early Childhood Center	550.00
St. Helena Elementary School	850.00
Whale Branch Early College High School	650.00