

CLAY COUNTY AGREEMENT/CONTRACT # 2024/2025 - ____

SERVICE AGREEMENT BETWEEN CLAY COUNTY AND CHALLENGE ENTERPRISES OF NORTH FLORIDA, INC. FOR COMMODITIES MANAGEMENT AND DISTRIBUTION FOR FY 2025/2026

This Service Agreement for Commodities Management and Distribution for FY 2025/2026 (“Agreement”) is entered into this ____ day of September, 2025, between Clay County, a political subdivision of the State of Florida (the “County”) and Challenge Enterprises of North Florida, Inc., a Florida Non-Profit Corporation (“Challenge Enterprises”).

RECITALS

WHEREAS, the State of Florida, through its Agency for Persons with Disabilities, authorizes and monitors local agencies that provide work and training opportunities for citizens with disabilities; and

WHEREAS, Challenge Enterprises is a local non-profit organization that has served Clay County citizens with disabilities for more than 53 years; and

WHEREAS, Challenge Enterprises provides adult day training, residential services, recreational activities and social engagement, and employment opportunities for adults with different abilities, and agrees to provide training and supported work programs for citizens with disabilities in Clay County and surrounding communities; and

WHEREAS, the parties have previously entered into service agreements for prior fiscal years under which Challenge Enterprises has provided commodities management and distribution services to the County; and

WHEREAS, under these services, commodities are ordered, purchased, and tracked for delivery on a monthly schedule to locations in the County where income-eligible individuals may receive additional groceries, and equipment—including trucks, pallet jacks, forklifts, dry storage, coolers, and freezer units—is maintained at the warehouse in Green Cove Springs, Florida; and

WHEREAS, the commodities distribution program enables Challenge Enterprises trainees to participate in receiving, material handling, sorting, packaging, and distribution activities at the Green Cove Springs warehouse, providing work opportunities for a number of adults each month; and

WHEREAS, Challenge Enterprises agrees to continue providing training and supported work programs for Clay County citizens with disabilities and citizens in surrounding communities; and

WHEREAS, the parties desire to enter into this Agreement whereby Challenge Enterprises will provide the services described herein, and the County will provide funding for such services as set forth herein.

NOW THEREFORE in consideration of the foregoing recitals, the mutual covenants, promises and obligations provided herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged and objections to the sufficiency and adequacy of which are hereby waived, the parties do mutually agree as follows:

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein by reference.

2. Term. This Agreement shall be effective for a one-year period commencing October 1, 2025 and continuing through September 30, 2026.

3. Termination. Either party may terminate this Agreement at any time, with or without cause, by providing thirty (30) day written notice to the other party of its desire to terminate this Agreement.

4. Services. Challenge Enterprises agrees to provide the following services to the County and will employ individuals with disabilities in connection with the distribution of commodities (the "Services"):

- a. Provide warehouse space at 3530 Enterprise Way, Green Cove Springs, Florida 32043. For cool storage, Challenge Enterprises will make arrangements to have the coolers serviced when the temperature of the coolers are below or above standard operations in accordance with paragraph 5 below. For dry storage, Challenge Enterprises will provide an enclosed area for dry storage of 552 square feet with electrical service for the coolers.
- b. Allow FARM SHARE, USDA, WNW, the County and others to visit the storage site, handling area, and the distribution sites in the County.
- c. Monitor the following equipment: coolers, walk in cooler, & chest freezers.
- d. Pickup, handle and store commodities in dry or cool storage units once a month.
- e. Prepackage from a predetermined list of commodities for distribution to eligible recipients prior to scheduled third full week of each month.
- f. Load the packages on the double-decker pallet and then onto the truck using a fork lift.
- g. Provide enclosed vehicles and drivers.

- h. Provide labor to sort non-United States Department of Agriculture (“USDA”) products received from Second Harvest Food Bank packed in banana boxes and prepare for distribution.
- i. Facilitate coordination and administrative duties of the commodities distribution.
- j. Coordinate and administer duties of the program.
- k. Prepare new contracts with USDA TEFA.
- l. Prepare new contracts with FARM SHARE.
- m. Prepare agreements with Waste Not Want Not (“WNWN”) and others.
- n. Purchase the commodities from the established vendors.
- o. Prepare the communications for each month’s distribution.
- p. Follow the protocol for determining an individual’s eligibility to receive commodities.
- q. Prepare and submit reports under the contractual agreements.
- r. Submit a monthly report to the County.

5. Service and Maintenance of Coolers. Challenge Enterprises agrees to coordinate maintenance and services calls on the coolers located at Challenge Enterprises as set forth herein. The County agrees to reimburse Challenge Enterprises for such maintenance and/or services during the term of this Agreement up to the maximum amount of \$5,000.00. Following such maintenance and/or services, Challenge Enterprises must submit an invoice along with proof of payment and any additional information that may be requested by the County to support the maintenance and/or services performed on the coolers to the County for reimbursement by the County to Challenge Enterprises. Once the total cumulative amount for maintenance and/or services performed on the coolers during the term of this Agreement reaches the maximum amount set forth above, Challenge Enterprises must notify the County so the County can determine and coordinate any additional maintenance and/or services on the coolers which the County determines are necessary.

6. Funding. The County, in recognition of the Services provided by Challenge Enterprises—which are essential to the distribution of commodities for the disadvantaged citizens of the County—agrees to remit payment to Challenge Enterprises in the amount of \$5,012.58 per month, upon receipt of an invoice and in accordance with the Local Government Prompt Payment Act. The total funding under this Agreement shall not exceed \$60,151.00 during the term of the Agreement.

7. Invoicing. Challenge Enterprises shall submit monthly written invoices detailing the Services rendered, in a format and with sufficient detail and documentation as required to process payment by the County. In addition, Challenge Enterprises shall provide any supplemental documents, records, updates, or information as may be reasonably requested by the County.

8. Fuel. In connection with transportation services that Challenge Enterprises elects to provide to certain individuals with disabilities, the County agrees to supply fuel for Challenge Enterprises' vehicles used for transporting such individuals. Fuel shall be provided on a reimbursement basis at the actual cost incurred by the County. Challenge Enterprises shall reimburse the County on a monthly basis, upon receipt of an invoice detailing the amount of fuel utilized. If any fuel invoice remains unpaid for more than sixty (60) days, the County reserves the right to suspend fuel services until all outstanding invoices have been paid in full.

9. Insurance.

(a) Challenge Enterprises shall maintain throughout the term of this Agreement and completion of any Services and during any renewal or extension term(s) of this Agreement or as required herein insurance of the following types and with such terms and limits:

1. Commercial General Liability

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury, Property Damage, and Personal and Advertising Injury
- \$1,000,000 each occurrence and \$2,000,000 aggregate for Products and Completed Operations
- \$50,000 each occurrence for Damage to Rented Premises
- \$5,000 Medical Expenses (any one person)

Commercial and General Liability policy must include coverage for contractual liability and independent contractors.

2. Business Automobile Liability

Coverage must be afforded for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage in an amount not less than \$1,000,000 combined single limit each accident. If Challenge Enterprises does not own vehicles, Challenge Enterprises shall maintain coverage for Hired and Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

3. Workers' Compensation and Employer's Liability

Any person or entity performing work for or on behalf of the County must provide Workers' Compensation and Employer's Liability insurance in limits not less than:

- Workers Compensation Statutory limits

- Employers Liability \$100,000 Each Accident
 \$500,000 Disease Policy
 \$100,000 Disease-Each Employee

Exceptions and exemptions may be allowed by the County Manager, if they are in accordance with Florida Statutes.

4. Umbrella/Excess Insurance

If Challenge Enterprises’ primary insurance policy/policies do not meet the minimum requirements, Challenge Enterprises may provide an Umbrella/Excess insurance policy to comply with the insurance requirements.

(b) Providing and maintaining adequate insurance coverage is a material obligation of Challenge Enterprises. Prior to commencement of the Services, Challenge Enterprises must deliver valid certificates of insurance for the required insurance coverage to the County’s Purchasing Department. The certificates of insurance for the required coverages, with the exception of Workers’ Compensation and Employer’s Liability, shall name **“Clay County, a political subdivision of the State of Florida, and The Board of County Commissioners, Clay County, Florida, its employees, agents, boards and commissions, as their interests may appear”** as **“Additional Insureds.”** The coverage shall contain no special limitation on the scope of protection afforded to the County, its employees, agents, officials, boards, and commissions. The certificates of insurance shall indicate if coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the certificates of insurance will show a retroactive date, which should be the same date of the initial Agreement or prior. The Agreement number, event dates, and/or other identifying reference must be listed on the certificates of insurance. The Certificate Holder on the certificates of insurance should read as follows: **“Clay County Board of County Commissioners, P.O. Box 1366, Green Cove Springs, FL 32043”** or as otherwise designated by the County’s Purchasing Department.

(c) The certificates of insurance shall be provided to the County with a thirty (30) day notice of cancellation; ten (10) days’ notice if cancellation is for nonpayment of premium. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of Challenge Enterprises to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested, and addressed to the Certificate Holder. In the event the Agreement term goes beyond the expiration date of any insurance policy, Challenge Enterprises shall provide the County’s Purchasing Department with an updated certificate of insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The County reserves the right to suspend the Agreement until this requirement is met. If any required insurance coverage is canceled, terminated, or revoked, Challenge Enterprises agrees to immediately suspend its operations until replacement insurance is obtained and verified.

10. Indemnification. Challenge Enterprises shall promptly defend, indemnify, and hold harmless the County, and its directors, officers, employees, representatives, agents, boards and commissions from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines, orders, and/or judgments, either at law or in equity, including

court costs, attorneys' fees, professional fees, or other expenses, that may hereafter at any time be made or brought by anyone on account of personal or bodily injury, damage to or loss of property, loss of monies, death, or other loss, arising out of, by reason of, or in any manner connected with or related to the Services provided under this Agreement. The County does not agree to and shall not indemnify Challenge Enterprises or any other person or entity, for any purpose whatsoever. To the extent any indemnification by the County may be construed under this Agreement, any such indemnification shall be subject to and within the limitations set forth in Section 768.28, Florida Statutes, and to any other limitations, restrictions and prohibitions that may be provided by law, and shall not be deemed to operate as a waiver of, or modification to, the County's sovereign immunity protections.

11. Taxes. In that the County is a governmental agency exempt from sales and use taxes, the County shall pay no such taxes, any other provisions of this Agreement to the contrary notwithstanding. The County shall provide proof of its exempt status upon reasonable request.

12. Appropriated Funds. Challenge Enterprises acknowledges that in the budget for each fiscal year of the County during which the term of the Agreement is in effect a limited amount of funds are appropriated which are available to make payments arising under the Agreement. Pursuant to the provisions of Section 129.07, Florida Statutes, the maximum payment that the County is obligated to make under the Agreement from the budget of any fiscal year shall not exceed the appropriation for said fiscal year.

13. Audit. Challenge Enterprises shall maintain all records and documents applicable to the Services provided under this Agreement, including, but not limited to, any records pertaining to fuel service provided by the County, for a minimum of three years from the date that final payment under this Agreement is received from the County, and shall be available for audit and public disclosure upon request of duly authorized persons.

14. Public Records. Challenge Enterprises acknowledges the County's obligation under Art. 1, Section 24, Florida Constitution, and Chapter 119, Florida Statutes, as from time to time amended (together, the Public Records Laws), to release public records to members of the public upon request. Challenge Enterprises acknowledges that the County is required to comply with the Public Records Laws in the handling of the materials created under this Agreement and that the Public Records Laws control over any contrary terms in this Agreement. In accordance with the requirements of Section 119.0701, Florida Statutes, Challenge Enterprises covenants to comply with Public Records Laws, and in particular to:

- a. Keep and maintain public records that ordinarily and necessarily would be required by the County in order to perform the Services required under this Agreement;
- b. Provide the public with access to public records on the same terms and conditions that the County would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law;
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law;
- d. Meet all requirements for retaining public records and transfer, at no cost, to the County all public records in possession of Challenge Enterprises upon termination of

this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the County in a format that is compatible with the information technology systems of the County; and

- e. Failure to comply with this paragraph shall be deemed a material breach of this Agreement, for which the County may terminate this Agreement immediately upon written notice to Challenge Enterprises.

IF CHALLENGE ENTERPRISES HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CHALLENGE ENTERPRISE'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (904) 529-3604, publicrecords@claycountygov.com, POST OFFICE BOX 1366, GREEN COVE SPRINGS, FLORIDA 32043.

15. E-Verify Requirement. Pursuant to Section 448.095, Florida Statutes, Challenge Enterprises shall register with and utilize the U.S. Department of Homeland Security's E-Verify system to verify the work authorization status of all new employees hired by Challenge Enterprises during the term of the Agreement, and shall expressly require any subcontractors performing work or providing Services pursuant to the Agreement to likewise register with and utilize the U.S. Department of Homeland Security's E-Verify system to verify the work authorization status of all new employees hired by the subcontractor during the term of the subcontractor agreement. Subcontractors shall provide Challenge Enterprises with an affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien, as set forth in Section 448.095(2)(b)1, Florida Statutes. Upon request, Challenge Enterprises must provide evidence of compliance with this provision. Failure to comply with this Section is a material breach of the Agreement, and the County shall have the option of terminating this Agreement at its discretion.

16. Human Trafficking Attestation. In compliance with Section 787.06 (13), Florida Statutes, the undersigned, on behalf of Challenge Enterprises, a nongovernmental entity, hereby attests under penalty of perjury as follows:

- a. Challenge Enterprises does not use *coercion* for *labor* or *services*, as such italicized terms are defined in Section 787.06, Florida Statutes, as may be amended from time to time.
- b. If, at any time in the future, Challenge Enterprises does use coercion for labor or services, the Contractor will immediately notify the County and no contracts may be executed, renewed, or extended between the parties.
- c. By execution of this Agreement, the undersigned represents that undersigned has read the foregoing statements and confirms that the facts stated in it are true and are made for the benefit of, and reliance by the County.

17. Amendment of Agreement. The Agreement may only be modified or amended upon mutual written agreement of the County and Challenge Enterprises. No alteration or modification of the Agreement terms shall be valid or binding against the County.

18. Independent Contractor. Nothing herein shall constitute or be construed to create or suggest any type or kind of employment, partnership, joint venture, or other legal relationship, express or otherwise, between the parties. Challenge Enterprises is an independent contractor and is not an employee, agent, joint-venture, or partner of the County.

19. Severability. If any provisions of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, and this Agreement shall be enforced as if such invalid and unenforceable provision had not been contained herein.

20. No third party beneficiaries. Any other provisions of this Agreement to the contrary notwithstanding, no third-party beneficiaries are intended or contemplated under this Agreement, and no third-party shall be deemed to have rights or remedies arising under this Agreement against either party to this Agreement.

21. Waiver. No waiver by either party of any term or condition of this Agreement will be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different paragraph, subparagraph, clause, phrase, or other provision of this Agreement.

22. Remedies. The parties will attempt to settle any dispute arising from this Agreement through negotiation and a spirit of mutual cooperation. The parties will use reasonable efforts to arrange meetings as needed, at mutually convenient times and places, to address and work toward resolution of issues that arise in the performance of this Agreement. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary. Each party shall have the right to seek the judicial enforcement and interpretation of this Agreement.

23. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any litigation, mediation, or other action proceeding between the parties arising out of this Agreement lies in Clay County, Florida.

24. Attorneys' Fees. In the event either party retains legal counsel to enforce or interpret any provision of this Agreement, or to assert or defend against any claim arising out of this Agreement, the party that prevails on the majority of its claims, or successfully defends against the majority of the opposing party's claims, shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees, court costs, and litigation expenses. This includes, but is not limited to, fees and costs incurred from the date the dispute is referred to the prevailing party's attorney through the conclusion of litigation, including any appellate proceedings or bankruptcy-related actions. Nothing contained herein shall be construed as a waiver of the County's sovereign immunity or as an extension of the County's liability beyond the limits established in Section 768.28, Florida Statutes.

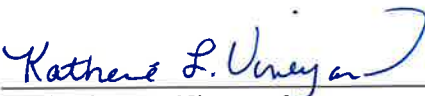
25. Further Assurances. Each of the parties shall cooperate with one another, shall do and perform such actions and things, and shall execute and deliver such agreements, documents and instruments, as may be reasonable and necessary to effectuate the purposes and intents of this Agreement.

26. Entire Agreement. This Agreement, including all exhibits, attachments, and any properly executed amendments, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, negotiations, representations, understandings, and communications, whether written or oral.

27. Authority. The parties to this Agreement agree to utilize electronic signatures and that the digital signatures of the parties set forth below are intended to authenticate this Agreement and have the same force and effect as manual written signatures. Each person signing on behalf of the parties to the Agreement represents and warrants that he/she has full authority to execute this Agreement on behalf of such party and that the Agreement will constitute a legal and binding obligation of such party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first written above.

**CHALLENGE ENTERPRISES OF NORTH
FLORIDA, INC.**



Katherine L. Vineyard
Chief Executive Officer

**CLAY COUNTY, a political subdivision of the
State of Florida**

By: _____
Betsy Condon
Its Chairman

ATTEST:

Tara S. Green
Clay County Clerk of Court and Comptroller
Ex Officio Clerk to the Board