

The Service Agreement ("Agreement") is made and entered into on March 01, 2023 by and between, City of Bay City Texas ("PCA"), a Texas (Matagorda County) with principal offices located at City Hall 1901 5th Street Bay City, Texas 77414, and Bay City Kids Academy ("Provider"), a Texas Limited Liability Company a new and upcoming licensed childcare center that will be located at 3307 Avenue F Bay City, Texas 77414. PCA and Provider shall hereinafter be referred to as "Parties," and, individually, a "Party."

Whereas PCA seeks to reserve slots in a quality childcare program for all Bay City Employees as listed;

- All City of Bay City Employees
- Bay City First Responders
- Bay City Police Department
- Bay City Teachers

Whereas, Provider offers a quality, licensed center based childcare program located centrally in Bay City.

Therefore, PCA and Provider enter into this Agreement as follows.

I. Child Care Program

A. Provider shall offer child care services ("Services") for the dependent children of qualified Bay City employees at 3307 Avenue F Bay City, Texas 77414. The operations of the "Services" at this location shall hereinafter be referred to as the "Program Site."

- a. Bay City Kids Academy will undergo full renovations beginning 02/20/2023 for next 90 days scheduled to end on/or before 05/30/2023. Contingent opening Date of June 5,2023.
- B. The Program Site's operating schedule will be Monday through Friday, 6:00 AM to 6:30 PM.
 - a. The Program closes for most major holidays (a full 2023 Calendar will be provided)Provider will inform all families of exact weeks of closure with three (3) months' advance notice. Also, all families will be provided with a yearly calendar at enrollment and given a monthly calendar with events and closures.
- C. Provider shall reserve a maximum of forty (40) childcare slots for PCA children from birth to age twelve.
 - 1. In accordance with Texas Child Care Regulation, licensed child care center capacity will reduce depending on the number of enrolled infants and toddlers. Even if fewer than forty (40) PCA children are enrolled, children of certain ages might need to be

placed on a wait list until slots open for them so that the Provider can remain in compliance and continue to provide high-quality care.

- 2. The number of child care slots reserved for PCA is determined based on half of current planned estimated building(buildout) occupancy at completion. PCA employees with expressed interest in enrolling children on/before August 30,2023.
- 3. At least every six (6) months, the number of slots reserved for PCA's employees will be revisited based on circumstances and interest from PCA's employees. PCA and

Provider will discuss and mutually agree upon changes to the number of reserved slots, depending on PCA employee interest and Provider's other enrollments.

4. If at any time, Provider enrolls 50% or fewer PCA children than agreed-upon reserved PCA slots, Provider can reduce the number of open, reserved PCA childcare slots so that other children in the community can be enrolled.

II. Provider Responsibilities

- A. Space. Provider shall be responsible for the space at 3307 Avenue F Bay City, Texas 77414. Provider shall maintain the Program Site for in accordance with standards expected of a quality childcare program.
- B. Employment. As needed, provider shall hire, employ, pay, and supervise qualified staff to meet the needs of the childcare program. Provider shall have the sole authority to hire and fire employees of the Program providing Services under this Agreement. Provider's employees shall remain solely employees of the Provider at all times, subject to the Provider's employment terms and conditions.
- C. Enrollment Periods. Enrolled families shall abide by the enrollment terms set forth in the Provider's Family Handbook. The Family Handbook will be provided at enrollment.
- D. Tuition. Provider handles collecting and receiving all tuition payments from enrolled families. ALL individual qualified under PCA will receive a discounted rate of 35% off per child the first year of service with a decrease by 10% each year following. Tuition is collected at a weekly basis on Friday in advance of care and setup on auto draft. If Provider has not received sufficient tuition payment from PCA families:
 - i. Provider will issue a written warning to the family. Family will also be notified via communication app appointed by the center. Entrance to center not be allowed after day 3.
 - ii. On a case by case basis a week max grace may be given. Late fee will be given and applied to family account.
 - iii. Family enrollment will be considered returned to good standing once all overdue tuition has been received. Child/ren may return to care.
 - iv. Provider reserves the right to terminate enrollment of families who have outstanding balances of two weeks of unpaid tuition for one enrolled child.

i.Insurance Provider shall, at all times during the Agreement, carry business liability insurance covering the workforce childcare space.

III. PCA Responsibilities

- A. Offering. All PCA employees shall be informed about this childcare partnership as an employee benefit. PCA's Human Resources Coordinator/and or Provider shall be the point of contact for employees interested in learning more about the childcare partnership.
- B. Employee Interest. PCA shall reassess employee interest in the Services every six (6) months. PCA shall communicate in writing whether they request to maintain, decrease, or increase reserved slots for their employees' children.

IV. Mutual responsibilities

A. Changes to reserved slots. Decreases or increases in reserved slots will be mutually discussed and agreed upon by PCA and Provider on a six (6) month basis, based on PCA employee interest and Provider availability.

V. Term & Termination

- A. Term.
- 1. This Agreement shall have an initial term of one (1) year commencing on the Effective 03/01/2023 until 03/31/2024.
 - B. Termination.
 - 1. Without cause. This Agreement may be terminated without cause with sixty (60) days' written notice.
 - 2. For cause.
 - i. If a Party materially fails in their obligations under this Agreement, written notice shall be given to the Party to cure the breach.
 - ii. The Party receiving written notice must reply with a remediation plan within ten (10) business days.
 - iii. If the Party does not cure the breach within thirty (30) days of receiving written notice, this Agreement shall terminate for cause.

VI. General Provisions

- J. Governing Law. This Agreement shall be governed by the laws of the State of Texas, without giving effect to the conflicts of law's provisions thereof.
- K. Integration. This Agreement contains the entire agreement of the Parties and supersedes all oral agreements, negotiations and representations between the parties pertaining to the subject matter of this Agreement.

- L. No Third-Party Beneficiaries. Nothing in this Agreement shall be construed as giving any person, corporation or other entity other than the Parties any right, remedy or claim under or in respect of this Agreement or any provision hereof.
- M. Severability. If any provision of this Agreement is found to be invalid, the remaining provisions shall remain in full force and effect.
- N. Waiver of Breach. The waiver by either Party of any breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach by the other Party of the same or of different provisions.
- O. Binding Effect; Assignment. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective and permitted successors, transferees and assigns. Neither Party may assign, subcontract or transfer any of its rights, responsibilities or obligations under this Agreement without the other Party's prior written consent, which such Party may withhold in its sole discretion.
- P. Amendment. Any amendment to this Agreement shall be made in writing, signed by an authorized representative of each Party and attached to this Agreement.
- Q. Notices. Notices required by this Agreement shall be made in writing and delivered via U.S. mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means (provided that receipt is confirmed). Any notice delivered or sent as described above shall be effective on the date received. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Contact Information

| If to PCA: Robert Nelson Mayor City Hall 1901 5 th Street Bay City, Texas 77414 | If to Provider: Miracle Rivers Owner/Director BayCity Kids Academy 3307 Avenue F. Bay City, Texas 77414 | | |
|--|---|---|------------------------------|
| | | (979)245-2137 | (832)768-8106 |
| | | rnelson@cityofbaycity.org | BayCitykidsacademy@gmail.com |
| | | In Witness Whereof, the Parties have executed the Amendment as of the date first set forth above. | |
| | | For PCA: | For Provider: |
| Date: | Date: | | |
| Robert Nelson | Miracle Rivers | | |
| Mayor | Owner/Director | | |
| City of Bay City, Texas | BayCity Kids Academy | | |

If to Provider: