

PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** (the “Agreement”) is made and entered by and between **NEW BRAUNFELS UTILITIES**, a Texas municipally owned utility (“NBU”), and **VERICLEAN SERVICES CORPORATION**, a Texas corporation (the “Professional”). For good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

Section 1. Term of Agreement. This Agreement will be effective on the latest date subscribed below (the “Effective Date”) and will remain in full force and effect for a period of one (1) year from November 1, 2022, to October 31, 2023 (the “Initial Term”), unless terminated as otherwise provided pursuant to the terms and conditions of this Agreement. After the expiration of the Initial Term, this Agreement shall automatically renew for four (4) successive one-year terms (each, a “Renewal Term”), unless either party provides written notice of its intent to terminate the Agreement to the other party at least thirty (30) days prior to the expiration of any term. The Initial Term and any Renewal Term(s) are collectively referred to herein as the “Term.” Upon renewal, the terms and conditions of this Agreement will remain in full force and effect. In no event will the contract Terms extend beyond October 31, 2027.

Section 2. Scope of Services.

(A) The Professional shall perform the services described in Exhibit A (the “Services”) within the timeframe specified therein. The scope of work described in the Services constitutes the “Project.”

(B) The quality of Services provided hereunder shall be of the level of professional quality performed by professionals regularly rendering this type of service.

(C) The Professional shall perform the Services in compliance with all statutory, regulatory, and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

(D) The Professional may rely upon the accuracy of reports and surveys provided to it by NBU except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) Amount. The Professional shall be paid the amount set forth in Exhibit B as described herein.

(B) Billing Period. NBU shall pay the Professional within thirty (30) days after receipt and approval of invoices and based upon work satisfactorily performed and completed to date. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment. In

the event any uncontested portions of any invoice are not paid within thirty (30) days of receipt and approval of the Professional's invoice, the Professional shall have the right to suspend work.

(C) Reimbursable Expenses. Any and all reimbursable expenses related to the Project shall be described in the Services defined in Exhibit A and accounted for in the total compensation amount in Exhibit B. If these items are not specifically accounted for in both Exhibit A and Exhibit B, NBU shall not be required to pay such amounts unless otherwise agreed to in writing by both parties or unless agreed to pursuant to Section 4 of this Agreement.

Section 4. Changes to the Project Work; Additional Work.

(A) Changes to Work. The Professional shall make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If NBU finds it necessary to make changes to previously satisfactorily completed work or parts thereof, the Professional shall make such revisions if requested and as directed by NBU and such services shall be considered as additional work and paid for as specified under the following paragraph.

(B) Additional Work. NBU retains the right to make changes to the Services at any time by a written contract amendment. Work that is clearly not within the general description of the Services under this Agreement must be approved in writing by NBU by contract amendment before the additional work is undertaken by the Professional. If the Professional is of the opinion that any work is beyond that contemplated in this Agreement and the Services described in Exhibit A and therefore constitutes additional work, the Professional shall promptly notify NBU of that opinion in writing. If NBU agrees that such work does constitute additional work, then NBU and the Professional shall execute a contract amendment for the additional work and NBU shall compensate the Professional for the additional work on the same basis of the rates for the Services contained in Exhibit B. If the changes deduct from the extent of the scope of work for the Services, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by the Professional not previously approved as additional work shall be at risk of the Professional.

Section 5. Ownership of Documents. Upon completion or termination of this Agreement, all documents prepared by the Professional or furnished to the Professional by NBU shall be delivered to and become the property of NBU. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement shall be made available, upon request, to NBU without restriction or limitation on the further use of such materials; however, such materials are not intended or represented to be suitable for reuse by NBU or others. Any reuse of the materials related to the Services without prior verification or adaptation by the Professional for the specific purpose intended will be at NBU's sole risk and without liability to the Professional. Where applicable, the Professional shall retain all pre-existing proprietary rights in the materials provided to NBU but shall grant to NBU a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. The Professional may, at the Professional's expense, have copies made of the documents or any other data furnished to NBU under or pursuant to this Agreement.

Section 6. Personnel. The Professional shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. The Professional agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to NBU. If key personnel are not available to perform the Services for a continuous period exceeding thirty (30) calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Professional shall immediately notify NBU of same and shall replace such personnel with personnel possessing substantially equal ability and qualifications.

Section 7. Licenses; Materials. The Professional shall maintain in current status all federal, state, and local licenses and permits required for the Professional to perform the Services and operate its business. NBU has no obligation to provide the Professional, its employees or subcontractors any business registrations or licenses required to perform the Services described in this Agreement. NBU has no obligation to provide tools, equipment, or materials to the Professional.

Section 8. Performance Warranty. The Professional warrants that the Services provided under this Agreement shall conform to the professional standards performed by professionals regularly rendering this type of service.

Section 9. Indemnification. **TO THE FULLEST EXTENT PERMITTED BY LAW, THE PROFESSIONAL SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS NBU AND EACH BOARD MEMBER, OFFICER, EMPLOYEE OR AGENT THEREOF (NBU AND ANY SUCH PERSON BEING HEREIN CALLED AN "INDEMNIFIED PARTY"), FOR, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND COURT COSTS) TO WHICH ANY SUCH INDEMNIFIED PARTY MAY BECOME SUBJECT, UNDER ANY THEORY OF LIABILITY WHATSOEVER ("CLAIMS"), INsofar AS SUCH CLAIMS (OR ACTIONS IN RESPECT THEREOF) RELATE TO, ARISE OUT OF, OR ARE CAUSED BY THE GOODS OR SERVICES PROVIDED BY THE PROFESSIONAL, ITS OFFICERS, EMPLOYEES, AGENTS, OR ANY TIER OF SUBCONTRACTOR IN THE PERFORMANCE OF THIS AGREEMENT. THE AMOUNT AND TYPE OF INSURANCE COVERAGE REQUIREMENTS SET FORTH BELOW SHALL IN NO WAY BE CONSTRUED AS LIMITING THE SCOPE OF THE INDEMNITY IN THIS SECTION.**

Section 10. Insurance.

(A) General.

- i. Insurer Qualifications. Without limiting any obligations or liabilities of the Professional, the Professional shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Texas with an A.M. Best, Inc. rating of A- VII or above with policies and forms satisfactory to NBU. Failure to maintain insurance as specified herein may result in termination of this Agreement at NBU's option.

- ii. No Representation of Coverage Adequacy. By requiring insurance, NBU does not represent that coverage and limits will be adequate to protect the Professional. NBU reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency will not relieve the Professional from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
- iii. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, directors, officials and employees as an Additional Insured (CG 2010 1001 and CG 2037 1001 or an equivalent on the general liability policy) as specified under the respective coverage sections of this Agreement.
- iv. Coverage Term. All insurance required herein shall be maintained in full force and effect until all the Services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by NBU, unless specified otherwise in this Agreement.
- v. Primary Insurance. The Professional's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of NBU as an Additional Insured.
- vi. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage will extend, either by keeping coverage in force or purchasing an extended reporting option, for three years after the conclusion of the term of this Agreement. Such continuing coverage will be evidenced by submission of annual certificates of insurance stating applicable coverage is in force and containing provisions as required herein for the three-year period.
- vii. Waiver. All policies (except for Professional Liability, if applicable), including Workers' Compensation insurance, will contain a waiver of rights of recovery (subrogation) against NBU, its agents, representatives, officials, officers and employees for any claims arising out of the Services performed by the Professional. The Professional shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.
- viii. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be

applicable with respect to the policy limits provided to NBU. The Professional shall be solely responsible for any such deductible or self-insured retention amount.

- ix. Use of Subcontractors. The Professional shall not use subcontractors for all or any work under this Agreement without the prior written consent of NBU in its sole discretion. If any work under this Agreement is subcontracted in any way, the Professional shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Agreement and insurance requirements set forth herein protecting NBU and the Professional. The Professional shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.
- x. Evidence of Insurance. Prior to the Effective Date of this Agreement, the Professional shall provide suitable evidence of insurance to NBU, which confirms that all required insurance policies are in full force and effect. Evidence of insurance shall be in a form acceptable to NBU. Evidence of such insurance shall be attached as Exhibit C. Confidential information such as the policy premium may be redacted from the documents evidencing each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. NBU will rely upon the requested information, including, but not limited to, certificates of insurance, endorsements, schedule of forms and endorsements, or other policy language as evidence of coverage but such acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it will be the Professional's responsibility to forward renewal certificates and evidence of insurance to NBU five (5) days prior to the expiration date.

(B) Required Insurance Coverage. Any of the coverage set forth below may be waived by NBU in its sole discretion, but any such waiver must be signed by an authorized representative of NBU on or before the Effective Date of this Agreement.

- i. Commercial General Liability. The Professional shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products, completed operations, personal injury, and property damage. The definition of insured contract cannot have any modifications as outlined in the ISO policy form CG 0001 0413. Third party action over coverage must not be specifically excluded. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

- ii. Auto Liability. The Professional shall maintain Automobile Liability insurance with a limit of \$1,000,000 combined single limit on the Professional's owned or hired and non-owned vehicles, as applicable, assigned to or used in the performance of the Services by the Professional under this Agreement. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.
- iii. Workers' Compensation and Employer's Liability Insurance. The Professional shall maintain Workers' Compensation insurance to cover the Professional's employees engaged in the performance of the Services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee and \$1,000,000 disease policy limit.

(C) Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without thirty (30) days' prior written notice to NBU.

Section 11. Termination.

(A) For NBU's Convenience. This Agreement is for the convenience of NBU and, as such, may be terminated by NBU for any reason upon thirty (30) days' written notice by NBU to the Professional. Upon termination for convenience, the Professional will be paid for the Services performed to the termination date less any offsets to which NBU may be entitled under the terms of this Agreement. By written notice to NBU, the Professional may suspend work if the Professional reasonably determines that working conditions at the site (outside the Professional's control) are unsafe, or in violation of applicable laws, or in the event NBU has not made timely payment in accordance with this Agreement, or for other circumstances not caused by the Professional that are materially interfering with the normal progress of the work. The Professional's suspension of work hereunder shall be without prejudice to any other remedy of the Professional at law or equity.

(B) For Cause. If either party violates any provision or fails to perform any obligation of this Agreement and such party fails to cure its nonperformance within thirty (30) days after written notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within thirty (30) days, then the defaulting party will have such additional period of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (i) provides written notice to the non-defaulting party and (ii) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event will any such cure period exceed ninety (90) days. Only one notice of nonperformance will be required during the term of

this Agreement and in the event of a second breach or violation, the nondefaulting party may immediately terminate this Agreement without notice to the defaulting party. In the event of any termination for cause by NBU, payment will be made by NBU to the Professional for the undisputed portion of its fee due as of the termination date less any offsets to which NBU may be entitled under the terms of this Agreement.

(C) Non-Collusion. The Professional represents and warrants that the Professional has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to NBU under this Agreement. If NBU determines that the Professional gave, made, promised, paid or offered any gift, bonus, commission, money, or other consideration to NBU or any of its officers, agents, or employees to secure this Agreement, NBU may elect to cancel this Agreement by written notice to the Professional. The Professional further agrees that the Professional shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from NBU pursuant to this Agreement) for any of the Services performed by the Professional under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to the Professional, the Professional shall immediately report that fact to NBU and, NBU, at its sole option, may elect to cancel this Agreement by written notice to the Professional.

(D) Agreement Subject to Appropriation. This Agreement is subject to appropriation of funds. The provisions of this Agreement for payment of funds by NBU shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. NBU shall be the sole judge and authority in determining the availability of funds under this Agreement and NBU shall keep the Professional fully informed as to the availability of funds for the Agreement. The obligation of NBU to make any payment pursuant to this Agreement is a current expense of NBU, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of NBU. If sufficient funds are not appropriated to pay the amounts as set forth in this Agreement during any immediately succeeding year, this Agreement shall terminate at the end of the then-current fiscal year and NBU and the Professional shall be relieved of any subsequent obligation under this Agreement.

Section 12. Miscellaneous.

(A) Independent Contractor. The Professional acknowledges that the Professional is an independent contractor of NBU and is not an employee, agent, official or representative of NBU. The Professional shall not represent, either expressly or through implication, that the Professional is an employee, agent, official or representative of NBU. Income taxes, self-employment taxes, social security taxes and the like shall be the sole responsibility of the Professional.

(B) Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Comal County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Comal County, Texas.

(C) Compliance with Laws. The Professional shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Professional shall furnish satisfactory proof of compliance to NBU.

(D) Amendments. This Agreement may only be amended, modified, or supplemented by a written amendment signed by persons duly authorized to enter into contracts on behalf of NBU and the Professional.

(E) Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement shall be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement shall promptly be physically amended to make such insertion or correction.

(F) Severability. If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect under applicable law, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(G) Entire Agreement; Interpretation; Parol Evidence. This Agreement and the related Exhibits constitute the entire agreement of the parties with respect to the subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded thereby. No representations, inducements or oral agreements have been made by any of the parties except as expressly set forth in this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement.

(H) No Assignment. Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party. Any purported assignment in violation of this Section shall be null and void.

(I) Subcontractors. The Professional shall not transfer any portion of the work related to the Services under this Agreement to any subcontractor without the prior written consent of NBU, which consent shall not be unreasonably withheld. The approval or acquiescence of NBU in the subletting of any work shall not relieve the Professional of any responsibility for work done by such subcontractor. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Professional.

(J) Waiver. No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the

same or of a different type of breach or violation. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(K) Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party will be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, which will be deemed to have accrued on the commencement of such action.

(L) Liens. All materials or services provided under this Agreement shall be free of all liens and, if NBU requests, a formal release of all liens shall be delivered to NBU.

(M) Offset.

- i. Offset for Damages. In addition to all other remedies at law or equity, NBU may offset from any money due to the Professional any amount the Professional owes to NBU for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement, including but not limited to all costs, expenses, fines, fees, and charges associated with obtaining performance from alternative sources, shipping, handling, materials, equipment rental, travel expenses and associated costs.
- ii. Offset for Delinquent Fees or Taxes. NBU may offset from any money due to the Professional any amount the Professional owes to NBU for delinquent fees, including any interest or penalties.

(N) Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to NBU:

New Braunfels Utilities
Attn: Facilities Manager
263 Main Plaza
New Braunfels, TX 78130

With copy to:

Purchasing Manager
New Braunfels Utilities

355 FM 306
New Braunfels, TX 78130

If to the Professional:

Vericlean Services Corporation
10835 Gulfdale Street
San Antonio, TX 78216

or at such other address, and to the attention of such other person or officer, as any party may designate by providing thirty (30) days' prior written notice of such change to the other party in the manner set forth in this Section. Notices shall be deemed received (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

(O) Confidentiality of Records. The Professional shall establish and maintain procedures and controls that are acceptable to NBU for the purpose of ensuring that information contained in its records or obtained from NBU or from others in carrying out the Professional's obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Professional's duties under this Agreement. Persons requesting such information should be referred to NBU. The Professional also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Professional as needed for the performance of duties under this Agreement.

(P) Right to Audit. NBU shall have the right to examine and audit the books and records of the Professional with regard to the Services, or any subsequent changes, at any reasonable time. Such books and records shall be maintained in accordance with generally accepted principles of accounting and shall be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

(Q) Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

(R) Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

(S) Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

(T) Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

(U) Exhibits. Except as specified in Subsection (V) of this Section, all exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

(V) Conflicting Terms. In the case of any conflicts between the terms of this Agreement and the Exhibits, the statements in the body of this Agreement shall govern. The Exhibits are intended to detail the technical scope of services, fee schedule, and the term of the contract only and shall not dictate Agreement terms.

(W) Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

(X) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

(Y) Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of NBU. NBU reserves the right to obtain like goods and services from another source when necessary.

Section 13. Force Majeure. If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances that are beyond the reasonable control of such party (which circumstances may include, without limitation, acts of God, war, acts of civil disobedience, epidemic, pandemic, fire or other casualty, shortage of materials, adverse weather conditions (such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados), labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. In no event will any delay or failure of performance caused by any force majeure condition extend this Agreement beyond its stated Term unless both parties agree in writing to such extension in an amendment to this Agreement. The party claiming delay of

performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

Section 14. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271 of the Texas Local Government Code, as amended, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties shall first attempt to resolve the dispute by taking the steps described in this Section. First, the dissatisfied party shall deliver to the other party a written notice substantially describing the nature of the dispute, which notice shall request a written response to be delivered to the dissatisfied party not less than five (5) days after receipt of the notice of dispute. Second, if the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give five (5) days' written notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. Third, if those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

Section 15. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. The Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, as amended.

Section 16. Information Technology

(A) Limited Access. If necessary for the fulfillment of the Agreement, NBU may provide the Professional with non-exclusive, limited access to NBU's information technology infrastructure. The Professional understands and agrees to abide by NBU policies, standards, regulations and restrictions regarding access and usage of NBU's information technology infrastructure. The Professional shall reasonably enforce such policies, standards, regulations and restrictions with all the Professional's employees, agents or any tier of subcontractor granted access in the performance of this Agreement, and shall be granted and authorize only such access as may be necessary for the purpose of fulfilling the requirements of the Agreement. The Professional's employees, agents and subcontractors must receive prior, written approval from NBU before being granted access to NBU's information technology infrastructure and data and NBU, in its sole determination, shall determine accessibility and limitations thereto. The Professional agrees that the requirements of this Section shall be incorporated into all subcontractor agreements entered into by the Professional. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.

(B) Data Confidentiality. All data, regardless of form, including originals, images and reproductions, prepared by, obtained by or transmitted to the Professional in connection with this Agreement is confidential, proprietary information owned by NBU. Except as specifically provided in this Agreement, the Professional shall not intentionally disclose data generated in the performance of the Services to any third party without the prior, written consent of NBU.

(C) Data Security. Personal identifying information, financial account information, or restricted NBU information, whether electronic format or hard copy, is confidential and must be secured and protected at all times to avoid unauthorized access. At a minimum, the Professional must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices or removable storage devices.

(D) Compromised Security. In the event that data collected or obtained by the Professional in connection with this Agreement is believed to have been compromised or in the event of a cybersecurity event or breach, the Professional shall notify NBU immediately. **THE PROFESSIONAL SHALL INDEMNIFY, DEFEND, AND HOLD NBU HARMLESS FROM ANY CLAIMS RESULTING FROM THE PROFESSIONAL'S FAILURE TO COMPLY WITH ITS OBLIGATIONS UNDER THIS SECTION.**

(E) Survival. The obligations of the Professional under this Section shall survive the termination of this Agreement.

Section 17. Prohibition on Contracts with Companies Boycotting Israel. The Professional hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, does not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement as described in Chapter 2271 of the Texas Government Code, as amended. The foregoing verification is made solely to comply with Section 2271.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Professional understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 18. Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited. The Professional represents that neither it nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law and excludes the Professional and each of its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 19. Prohibition on Contracts with Companies in China, Iran, North Korea, or Russia. To the extent this Agreement relates to critical infrastructure in the State of Texas, the Professional represents the following:

- (A) it is not owned by or the majority of stock or other ownership interest in the Professional is not held or controlled by:
 - i. individuals who are citizens of China, Iran, North Korea, Russia, or a country designated by the Governor of Texas as a threat to critical infrastructure under Section 2274.0103 of the Texas Government Code, as amended (“designated country”); or
 - ii. a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or
- (B) it is not headquartered in China, Iran, North Korea, Russia, or a designated country.

The foregoing representation is made solely to comply with Chapter 2274 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law. As used in the foregoing verification, “critical infrastructure” means a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility.

Section 20. Prohibition on Contracts with Companies Boycotting Energy Companies. The Professional hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, to the extent this Agreement is a contract for goods or services, will not boycott energy companies during the term of this Agreement as described in Chapter 2274 of the Texas Government Code, as amended.

The foregoing verification is made solely to comply with Section 2274.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “boycott energy companies” has the meaning used in Section 809.001 of the Texas Government Code, as amended. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 21. Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries. The Professional hereby verifies that it and its parent company, wholly-

or majority owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and, to the extent this Agreement is a contract for goods or services, will not discriminate against a firearm entity or firearm trade association during the term of this Agreement as described in Chapter 2274 of the Texas Government Code, as amended.

The foregoing verification is made solely to comply with Section 2274.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning used in Section 2274.001(3) of the Texas Government Code, as amended. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 22. Texas Public Information Act. The Professional recognizes that NBU is subject to the disclosure requirements of the Texas Public Information Act (the “PIA”). As part of its obligations within this Agreement, the Professional agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of the NBU’s obligations under the PIA. This acknowledgement and obligation are in addition to and complimentary to the NBU’s audit rights in Section 12(P).

This provision applies if the Agreement has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

The Professional must (1) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to NBU for the duration of the Agreement; (2) promptly provide to NBU any contracting information related to the Agreement that is in the custody or possession of the Professional on request of NBU; and (3) on completion of the Agreement, either:

- (i) provide at no cost to NBU all contracting information related to the Agreement that is in the custody or possession of the Professional; or
- (ii) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and the Professional agrees that the Agreement can be terminated if the Professional knowingly or intentionally fails to comply with a requirement of that subchapter.

Section 23. Electronic Signatures. Pursuant to Chapter 322 of the Texas Business and Commerce Code, as amended, the parties agree to the use of electronic signatures herein and that the use of an electronic signature, whether digital or encrypted, is intended to have the same force and effect as a manual signature. Electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. Each party further

agrees that if it agrees to conduct a transaction by electronic means in this Agreement, it may refuse to conduct other transactions by electronic means and that such right may not be waived by this Agreement.

(The remainder of this page intentionally left blank)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this the ____ day of _____, 20____.

NBU:
NEW BRAUNFELS UTILITIES,
a Texas municipally owned utility

By: _____
Name: Ian Taylor
Title: CEO

PROFESSIONAL:
VERICLEAN SERVICES CORPORATION,
a Texas corporation

By: _____
Name: Fernando R. Baster
Title: CEO/OWNER

Exhibit A

Services

SCOPE

- 1.1. The Professional shall provide janitorial services for various NBU facilities. The Professional must ensure these facilities are uniformly clean, hygienic, orderly, attractive, and satisfactory to NBU.
- 1.2. The services shall include general cleaning, disinfecting, trash removal, and floor cleaning (“Janitorial Services”).
- 1.3. The carpet cleaning and floor maintenance shall include maintaining the floor surfaces, in accordance to set schedule, free from dust, dirt, debris, liquids, marks, and stains resulting in a clean and sanitary condition satisfactory to NBU (“Floor Maintenance Services”).

GENERAL REQUIREMENTS

- 2.1. There are currently eight (8) NBU sites with one or more buildings, some buildings with more than one story. There are four types of flooring: (i) vinyl coated tile (VCT), (ii) ceramic tile, (iii) carpet, and (iv) concrete. See Attachment A.
- 2.2. The Professional shall provide full-time supervision and properly skilled staff to perform the work required under this Agreement. The Professional shall designate a supervisor to oversee performance of the Agreement requirements, serve as NBU's primary point of contact, and meet with NBU as requested.
- 2.3. Workmanship, reliability, and safety shall be key areas of responsibility and focus by the Professional. Anything falling short of these services provided by the Professional, shall be corrected at NBU's sole discretion.
- 2.4. Janitors: The Professional shall only employ personnel that are thoroughly trained in all phases of cleaning and janitorial work and safety. Day laborers are not acceptable.
- 2.5. Badging: NBU requires that all of the Professional's employees wear personnel identification badges while performing janitorial services. The Professional shall provide badges to its employees at the Professional's cost. Badges must have the Professional's company name, the employee's full name, and the employee's photo.
- 2.6. Uniforms: All of the Professional's employees shall wear a distinctive uniform. All uniforms shall be the same and display the name of the Professional's company.
- 2.7. The Professional's employees shall not use NBU's telephones or equipment in any office or facility, remove or eat food and beverages from NBU refrigerators, cabinets, or lockers. Purchasing food or drinks from vending machines is allowed.
- 2.8. NBU is a drug free organization. To maintain a drug free environment, the Professional shall ensure that its staff is also drug free. The Professional at its own expense, shall ensure its employees working at any NBU site have undergone drug testing. NBU shall have the right to request evidence of said test and or results at random. No alcohol shall be permitted on NBU property. Smoking is only allowed in designated areas.

- 2.9. The Professional's employees shall sign in at the beginning of each shift at each NBU facility and sign out at the end of each shift. NBU shall provide the sign in sheets. Sign in sheets will be kept by NBU for record keeping purposes.

SECURITY

- 3.1. The Professional's employees shall maintain the security of the NBU facilities at all times and shall ensure that doors are locked and secured while performing the janitorial services and when leaving NBU premises.
- 3.2. NBU shall assign keys and access badges to designated employees of the Professional. If the Professional fails to return these items to the NBU Facility Representative, NBU shall assess a \$500 penalty per key set and badge.
- 3.3. The Professional shall keep all keys, access cards, and security codes secure and shall not release to anyone outside of the Professional's employees without the written consent of NBU. The Professional shall not reproduce NBU's keys, access cards, or security codes.
- 3.4. The Professional's employees shall not allow any unauthorized individuals into NBU facilities.

CRIMINAL BACKGROUND CHECKS

- 4.1. At its own expense, the Professional shall conduct and coordinate statewide criminal background checks on all employees responsible for performing contractual services prior to beginning work.
- 4.2. The Professional's employees must not have any criminal convictions within the past seven (7) years for a felony or crime of moral turpitude.
- 4.3. The Professional is required to maintain proof of background checks. The Professional shall retain all employee records, including criminal background checks, for the duration of the resulting Agreement, and make them available to NBU upon request.

LOST AND FOUND PROPERTY

5. 1. Any items of personal property or monetary value found by the Professional's employees during cleaning are to be turned in to the NBU Facility Representative on the same day they are found by the Professional's staff. The Professional's employees shall not, under any circumstances, keep these items.

SAFETY

- 6.1. The Professional shall work in accordance with established OSHA safety practices. The Professional shall be required to keep and submit an OSHA 300 log.
- 6.2. The Professional is to provide and use all protective equipment necessary for the protection of the Professional's employees.
- 6.3. The Professional will have an employee onsite at all times that has been through an NBU safety briefing coordinated with the NBU Facility Representative.

NBU FURNISHED SUPPLIES

- 7.1. NBU shall furnish paper goods (toilet tissue, tissue paper, paper towels, and toilet seat covers).
- 7.2. NBU shall provide soap products (liquid soap, bar soap, and dishwashing soap).
- 7.3. NBU shall provide trash can liners.
- 7.4. NBU shall provide deodorant blocks for urinals.

PROFESSIONAL FURNISHED SUPPLIES

- 8.1. The Professional shall furnish necessary cleaning supplies required to clean facility surfaces. The Professional shall select environmentally responsible cleaning products and shall have them approved by the NBU Facility Representative.
- 8.2. The Professional shall furnish all cleaning tools and equipment required to clean facility surfaces. The Professional shall dedicate a separate set of cleaning tools for bathrooms only.

SERVICE SPECIFICATIONS

The Professional shall provide the following Janitorial Services based on the frequency and description described herein, and as provided within the time specified by the NBU Agreement and schedule.

Service Key:

Symbol	Definition	Symbol	Definition
A	Annual	Q	Quarterly
AN	As Needed	R	By Request
D	Daily	S	Semi-annual
M	Month	W	Weekly
NA	Not Applicable		

Janitorial Services Schedule (general)

	<u>Frequency</u>	<u>Description</u>
9.1.	D	Collect all trash; wipe interior and exterior of cans, re-line cans and dispose trash in designated area. Any liquid shall be cleaned up promptly.
9.2.	D	Clean all surfaces with appropriate cleaner, including wood, stainless steel, glass, vinyl, fabric, granite, etc.
9.3.	D	Remove cobwebs, dust, pest/rodent litter, and debris on interior surfaces and exterior entrances.
9.4.	D	Clean and sanitize drinking fountains.
9.5.	D	Turn off lights when finished cleaning (emergency lights stay on).

9.6.	W	Dust all flat surfaces, excluding active work surfaces.
9.7.	W	Damp-wipe stair railings.
9.8.	W	Dust windowsills, ledges, and wall hanging pictures.
9.9.	W	Vacuum/wipe mini blinds.
9.10.	M	Vacuum/clean sofas, chairs, and cubicle flipper doors.
9.11.	D	Spot clean wall around light switches.
9.12.	W	Wipe down chair base and legs.

Janitorial Services Schedule (carpeted areas)

	<u>Frequency</u>	<u>Description</u>
9.13.	D	Remove all foreign objects (paper clips, paper scraps, staples, gum, etc.).
9.14.	D	Vacuum all carpets with industrial vacuum cleaner, including stairwells.
9.15.	D	Spot clean and remove all stains and spills (36" diameter or less).

Janitorial Services Schedule (non-carpeted areas)

	<u>Frequency</u>	<u>Description</u>
9.16.	D	Remove heel marks and other stray marks.
9.17.	D	Damp mop flooring with disinfectant.
9.18.	M	Buff all floors, aisles, lounges, breakrooms, restrooms, and general traffic areas.
9.19.	D	Clean up spills, spots, and stains.

Janitorial Services Schedule (windows and glass)

	<u>Frequency</u>	<u>Description</u>
9.20.	D	Clean, inside, and outside, all entryway door glass.
9.21.	M	Clean inside all windows.
9.22.	M	Clean interior glass partitions.
9.23.	W	Clean exterior door surfaces including glass and door frames.

Janitorial Services Schedule (windows and glass)

	<u>Frequency</u>	<u>Description</u>
9.24.	D	Wash all sinks, counters, and shower stalls.
9.25.	D	Wash inside and outside all toilets and urinals with germicidal disinfectant.

- 9.26. D Wash walls and partitions next to toilets and urinals.
- 9.27. D Clean all stainless-steel fixtures and bright-work dispensers.
- 9.28. D Empty all containers and replace liners in trash receptacles.
- 9.29. D Refill paper towels, toilet tissue, and other tissue dispensers. After refilling close dispenser and check for operation.
- 9.30. D Clean all mirrors.
- 9.31. D Sweep and wet mop all floors with germicidal disinfectant, using separate mop and cleaning solution from other areas.
- 9.32. D Refill restroom supplies, such as urinal blocks, liquid soaps, toilet seat covers.

Janitorial Services Schedule (kitchens/break rooms/sink areas)

	<u>Frequency.</u>	<u>Description</u>
9.33.	D	Clean all counters, sinks, and cupboards with antibacterial cleaner.
9.34.	D	Wipe down all tables and chairs.
9.35.	D	Turn off and wipe down coffee machines, empty and wash and rinse soap from decanters and clean coffee spills.
9.36.	D	Wipe down refrigerators, ranges, microwaves, vending machines.
9.37.	D	Vacuum carpeted floors.
9.38.	D	Wet mop hard tile floors with germicidal disinfectant.
9.39.	W	Clean walls, particularly around drinking fountains and coffee machines.
9.40.	W	Spot clean carpet around drinking fountains and coffee machines.
9.41.	M	Clean interior of all refrigerators, remove and dispose of contents.

Floor Maintenance (Carpet, Tile and Ceramic Floor)

	<u>Frequency</u>	<u>Description</u>
9.42.	Q	Deep carpet cleaning (wet, dry, or shampoo as appropriate) at the NBU Main Office and Service Center.
9.43.	S	Deep carpet cleaning (wet, dry, or shampoo as appropriate) at the NBU North and South Kuehler Laboratories, Surface Water Treatment Plant, Sam McKenzie Facility, and Gruene Wastewater Treatment.
9.44.	Q	Cleaning, stripping, and waxing (4 coats) of all NBU VCT floors.
9.45.	Q	Cleaning of all NBU ceramic floors.

WORK NOT INCLUDED IN SCOPE OF SERVICE

- 10.1. The Professional shall not include cleaning of exterior window surfaces.
- 10.2. The Professional shall not include cleaning of interior glass surfaces six feet (6'-0") above floor level

- 10.3. The Professional shall not change light bulbs.
- 10.4. The Professional shall not clean active horizontal work surfaces.
- 10.5. The Professional shall not clean offices when office door is closed.
- 10.6. The Professional shall not clean computer/server rooms.
- 10.7. The Professional shall not clean exterior facility grounds.
- 10.8. The Professional shall not clean/empty recycle baskets and paper shredder bins.

FACILITIES SCHEDULE

The Professional shall adhere to the facilities schedule described herein.

- 11.1. Daily Cleaning of NBU Main Office and Headwaters: Janitorial Services may commence Mondays through Fridays after 5:00 p.m. CST and must be complete before 6:00 a.m. Afterhours access to these facilities related to alarms and security shall be coordinated with the NBU Facilities Representative.
- 11.2. Daily Cleaning of NBU Service Center: Janitorial Services may commence Mondays through Fridays after 4:30 p.m. CST and must be complete before 6:00 a.m.
- 11.3. Weekly Cleaning of the North. South Kuehler. Sam McKenzie. Jr. Water Reclamation. Trinity, Gruene Road Surface Water Treatment Plants and Gruene Wastewater Treatment Plant: Janitorial Services may be performed on Fridays (Unless there is a holiday, whereas work will be performed on the day prior to the holiday) between 12:30 p.m. and 4:00 p.m. CST.
- 11.4. NBU facilities are typically closed on weekends. Non-daily services may be performed at any time on Saturdays and Sundays, with a minimum of three (3) days advance notice to the NBU Facilities Representative.

JANITORIAL SERVICES NOT MEETING DESCRIPTION/FREQUENCY

- 12.1 NBU shall provide routine inspection of all facilities and their cleanliness after Janitorial Services and Floor Maintenance Services have been performed. Areas identified as not having met these requirements shall be referred to the Professional for correction.
- 12.2 The Professional shall correct all services identified as substandard within 24 hours of NBU's notice to the Professional.
- 12.3 NBU shall have the option of having the work performed by a third party for those areas identified as substandard and have not had corrective action taken within the specified 24-hour period. The Professional shall be responsible for all costs incurred by NBU for any third-party services required as a result of this provision.

HOLIDAYS

- 13.1. The Professional shall observe the same holiday schedule as NBU unless prior arrangements have been made in writing with NBU. NBU shall provide an updated

holiday schedule to the Professional upon request. The current holiday schedule is also located on NBU's website www.nbutexas.com.

ADDITION OF SITES

14.1 The Professional shall provide an estimated trip charge and a price per square foot for future sites in the NBU service area. This price shall include a cost per type of floor care prescribed in section 2.2. This price shall have a weekly and daily cost per square foot.

NBU FACILITIES
Site Location, Flooring and Square Footage

Site/Building	VCT	Ceramic	Carpet	Concrete	Est. Square Footage
(1) Main Office (263 Main Plaza)					
First floor	2,395	0	7,433	0	9,828
Second floor	272	60	8,862	0	9,194
(2) Service Center (355 FM 306)					
Building A	448	480	9,904	0	10,832
Building B	1,360	675	7,639	0	9,674
Building C	0	1,542	1,908	0	3,450
Building D	1,181	35	75	0	1,291
(3) Kuehler Laboratories					
North (1922 Kuehler)	3,935	0	385	0	4,320
South (1922 Kuehler)	970	0	150	0	1,120
(4) Surface Water Treatment Plant (2356 Gruene Rd.)					
	1,225	2,209	476	0	3,910
(5) Sam McKenzie, Jr. Water Reclamation Facility (400 Elley Lane)					
	1,061	168	176	0	1,405
(6) Headwaters (333 Klingemann)					
	1,824	0	0	0	1,824
(7) Trinity (end of West Pointe Drive)					
	0	0	0	745	745
(8) Gruene Wastewater Plant (1835 Gruene Rd)					
	1040	411	486	0	1937

Exhibit B

Compensation

NBU shall pay the Professional for the Services performed throughout the term of this Agreement in an amount not to exceed \$145,724.20 annually, and a total not to exceed of \$728,621.00 for the duration of this Agreement.

Monthly and annual rate amounts information for each site listed below for Janitorial Services. (The information contained in the tables below is being provided for informational purposes only).

Item No.	Descriptions	Man Hours	Monthly Cost	Annual Cost
1	Main Office	110	\$2 698.20	\$32 378.40
2	Service Center	135	\$3 361.45	\$40 337.40
3	Kuehler Laboratories	10	\$ 519.60	\$ 6235.20
4	Surface Water Treatment Plant —Gruene Road	8	\$ 389.70	\$ 4,676.40
5	McKenzie Water Reclamation Facility	8	\$ 389.70	\$ 4 676.40
6	Headwaters at the Comal	8	\$ 389.70	\$ 4676.40
7	Trinity Facility	6	\$ 259.80	\$ 3 117.60
8	Gruene Wastewater Plant	8	\$ 389.70	\$ 4 676.40
	TOTAL	293	\$8,397.85	\$100,774.20

Rate schedule, and annual rate amounts for each site listed below for Floor Maintenance Services.

Item No.	Descriptions	Cost	Quantity	Annual Cost
1	Main Office Carpet (one quarterly service	\$1,925.00	4	\$ 7,700.00
2	Service Center Carpet (one quarterly service	\$2,250.00	4	\$ 9,000.00
3	Kuehler Laboratories Carpet-North & South one semi-annual service	\$ 175.00	2	\$ 350.00
4	Surface Water Plant — Gruene Road Carpet (one semi-annual service)	\$ 175.00	2	\$ 350.00
5	McKenzie Water Reclamation Facility Carpet (one semi-annual service)	\$ 175.00	2	\$ 350.00
6	NBU VCT and Ceramic Floor Service (one quarterly service of all NBU hard surface flooring)	\$6,800.00	4	\$27,200.00

		\$11,500.00		\$44,950.00
	TOTAL			

Labor and equipment rates for pricing of Janitorial services outside of the Scope of Service.

Item No.	Description	Standard Time/Hour	Over-Time/Hour
1	Porter Service	\$25.00	\$37.50
2	Pressure Washing	\$35.00	\$52.50
3	Tile Strip & wax	\$45.00	\$67.50

Exhibit C
Evidence of Insurance