

MOSQUITO CONTROL

PROFESIONAL SERVICES AGREEMENT

THIS AGREEMENT for Mosquito Control Professional Services is entered into between the City of Jonesboro, Arkansas (the City) and Vector Disease Control International, LLC (Vector). For the protection of its residents, the City desires to provide a professionally designed and integrated program for the control of the mosquito population in the City. Vector has agreed to provide these services subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and Considerations contained herein, the City and Vector agree as follows:

1. **Term of the Agreement.** The term of this Agreement shall be for a period beginning January 1, 2012 and ending December 31, 2012. Provided, however, that this Agreement shall be automatically renewed each calendar year for the next year, for a maximum of six (6) years beginning on January 1 and ending on December 31 of each year with the conditions as contained in this Agreement unless terminated by either party as set out herein.

The City may choose not to renew this Agreement as required in this paragraph if (a) Vector fails to perform its obligations to the City as required under the terms of this Agreement or (b) the City becomes unable to meet its financial obligations in the ordinary course of its business. Vector may choose not to renew only if (a) renewal would result in extreme financial hardship to Vector or (b) Vector ceases to exist as a corporate entity.

Non-renewal will be invalid and ineffective unless the non-renewing party provides the other party with written notice of its intention not to renew no later than January 1 of any subsequent year in which automatic renewal occurs. Such notice must contain the reasons for non-renewal.

2. **Services to be Provided.** During the primary and renewal terms of this Agreement, Vector shall provide the following services during the mosquito breeding season (anticipated to be April 15 to October 15):

- a) **Surveillance.** Larvae breeding sites such as ditches, tire piles, artificial containers, septic ponds, rainwater pools, etc. will be inspected regularly and periodically. In addition, adult mosquito populations will be monitored using light traps, gravid traps, and landing rates. All collections will be identified as to specie and population distribution. Density will be plotted to detect any changes in problem areas.
- b) **Larviciding.** Vector will apply only EPA-registered chemical and biological larvicides throughout the City and associated buffer zone. These will be applied at least weekly to persistent mosquito production areas and as indicated in other production areas. Chemicals, application rates and methods, including aerial applications if needed, will be tailored to habitat and mosquito specie in order to provide greater control.
- c) **Adulticiding.** Vector will apply only EPA-registered mosquito adulticides which will be dispensed by aerial application (minimum of five per year) and from truck mounted, ultra-low volume (ULV) equipment throughout the City and associated buffer zone in order to provide uniform control and protect against re-infestation. All ULV applications will be timed to coincide with peak mosquito activity in order to provide the most effective control possible.
- d) **Record Keeping.** Vector will keep complete records of all operations including records of inspections and larvicide and adulticide applications, of all which will be tabulated and presented in written monthly reports to the City. All forms and reports of pesticide usage required by all regulatory agencies will be filed to comply with applicable laws and copies will be submitted to the City for its files.

3. **Payment.** For services to be provided by Vector during the term hereof, the City shall pay to Vector the following:

- a) For the primary term (2012) the sum of FOUR HUNDRED SIX THOUSAND DOLLARS (\$406,000.00) in twelve (12) equal monthly installments of \$33,833.33 each, payable on or before the 15th day of each month, beginning January 15, 2012.
- b) For the year 2013, the sum of FOUR HUNDRED TWELVE THOUSAND DOLLARS (\$412,000) in twelve (12) equal monthly installments of \$34,333.33 each, payable on or before the 15th day of each month, beginning January 15, 2013.
- c) For the year 2014, the sum of FOUR HUNDRED EIGHTEEN THOUSAND DOLLARS (\$418,000) in twelve (12) equal monthly installments of \$34,833.33 each, payable on or before the 15th day of each month, beginning January 15, 2014.
- d) For the year 2015, the sum of FOUR HUNDRED TWENTY-FOUR THOUSAND DOLLARS (\$424,000) in twelve (12) equal monthly installments of \$35,333.33 each, payable on or before the 15th day of each month, beginning January 15, 2015.
- e) For the year 2016, 2017, and 2018, the sum of FOUR HUNDRED THIRTY THOUSAND DOLLARS (\$430,000) in twelve (12) equal monthly installments of \$35,833.33 each, payable on or before the 15th day of each month, beginning January 15, 2016.

4. **Insurance.** Vector shall at its own expense procure and maintain the following coverage's:

- a) Workers compensation with a statutory minimum employer liability;
- b) General liability with a minimum general aggregate limit of \$2,000,000.00.
- c) Commercial Auto with a minimum liability of \$1,000,000.00.
- d) Aviation liability with a minimum of \$1,000,000.00.

Vector shall provide the City with written proof that it has obtained the insurance required under the terms of this Agreement.

5. **Non-Liability of the City, Its Officials, and Employees.** No employee or elected official of the City shall be personally responsible for any damage resulting from the negligence or intentional acts of Vector in the performance of services required under the terms of this Agreement.

6. **Indemnity.** Vector shall indemnify and hold harmless the City, its elected officials,

agents, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorneys' fees as a result of any work done by Vector

in the performance of this Agreement, including full and complete compliance with all State and Federal laws, rules, and regulations.

7. **Defaults.** A material breach of any of the terms and conditions of this Agreement on the part of Vector shall be grounds for the termination of this Agreement at the option of the City. The City, upon termination, shall be at liberty to re-let the work to other parties, or to perform the work without contract, and in either case, Vector shall be liable for any excess costs in performing such work over the cost to the City if Vector had continued to perform in accordance with this Agreement.

8. **Civil Unrest.** Notwithstanding anything contained in this Agreement to the contrary, in the event Vector, in its sole discretion, determines that because of civil unrest a substantial risk of personal injury to its employees or damage to its equipment exists, then Vector may refuse to provide services in that part of the coverage area where such risk exists until:

- a) Order is restored and the threat of such injury or damage has been resolved; or
- b) The City has, in the sole discretion of Vector, taken adequate security measures to insure the safety of Vector personnel and equipment.

Any refusal by Vector to treat a part of the coverage area under the circumstances described in this section shall not be deemed to be a breach of this Agreement.

9. Prohibition of Other Commercial Mosquito Control Applications. Because of its various reporting and record keeping responsibilities and the liability assumed by Vector under the terms of this Agreement, and because of potential harm to the public, the City shall not permit other commercial mosquito control pesticide applications to occur in public areas of the City during the term of this Agreement.

10. Miscellaneous. That the parties are agreed that Vector shall maintain their principal office for the Northeast Arkansas region in Jonesboro, Arkansas. Said office shall be staffed and operated as the central shipping and receiving point for Northeast Arkansas, with bulk chemical storage, computer system, and reports conducted from said office. It is the further understanding and intention of all parties that this contract shall be contingent on being in compliance with all applicable laws of the State of Arkansas.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the 3RD day
of ~~December, 2011.~~ January, 2012.

VECTOR DISEASE CONTROL INTERNATIONAL, LLC

By: Debbie Clement

Debbie Clement, Chief Financial Officer