

MOSQUITO CONTROL

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT for Mosquito Control Professional Services is entered into between the City of Jonesboro, Arkansas (the City) and Vector Disease Control, Incorporated (V.D.C.I.).

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. V.D.C.I. 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 V.D.C.I. agree as follows:

1. **Term of the Agreement**. The primary term of this Agreement shall be for a period of one year beginning January 1, 1997 and ending December 31, 1997. Provided, however, that unless sooner terminated as provided herein, this Agreement shall be automatically renewed for nine (9) subsequent renewal terms of one year each beginning on January 1 and ending on December 31 of each of the nine (9) successive years on the same terms and conditions as contained in this Agreement except for the amount of payments to V.D.C.I. for services rendered as set forth in paragraph 3 hereof.

The City may choose not to renew this Agreement as required in this paragraph only for V.D.C.I.'s failure to perform its obligations to the City as required under the terms of this Agreement. V.D.C.I. may choose not to renew only if renewal would result in extreme financial hardship to it or if V.D.C.I. 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 not 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, V.D.C.I. 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, landing rates, and resting stations. All collections will be identified as to specie and population distribution. Density will be plotted to detect any changes in problem areas.

b) **Larviciding**. V.D.C.I. will apply only EPA-registered chemical and biological larvicides throughout the City and associated buffer zone (a minimum of 3 miles outside and around the city limits). 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**. V.D.C.I. will apply only EPA-registered mosquito adulticides which will be dispensed either by aerial application or 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**. V.D.C.I. will keep complete records of all operations including records of inspections, reports, and larvicide and adulticide applications, all of 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 V.D.C.I. during the terms hereof, the City shall pay to V.D.C.I. the following:

a. For the primary term (1997) the sum of THREE HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY DOLLARS (\$366,660.00) in twelve (12) consecutive monthly installments of \$30,555.00 each, payable on or before the 1st day of each month, beginning January 1, 1997.

b. For the year 1998, the sum of THREE HUNDRED SEVENTY-FOUR THOUSAND SEVEN HUNDRED DOLLARS (\$374,700.00) in twelve (12) consecutive monthly installments of \$31,225.00 each, payable on or before the 1st day of each month, beginning January 1, 1998.

c. For the year 1999, the sum of THREE HUNDRED EIGHTY-TWO THOUSAND NINE HUNDRED TWENTY DOLLARS (\$382,920.00) in twelve (12) consecutive monthly installments of \$31,910.00 each, payable on or before the 1st day of each month, beginning January 1, 1999.

d. For the year 2000, the sum of THREE HUNDRED NINETY-ONE THOUSAND THREE HUNDRED TWENTY DOLLARS (\$391,320.00) in twelve (12) consecutive monthly

installments of \$32,610.00 each, payable on or before the 1st day of each month, beginning January 1, 2000.

e. For the year 2001 and each of the five succeeding years, the sum of FOUR HUNDRED THOUSAND DOLLARS (\$400,000.00) in twelve (12) consecutive monthly installments of \$33,333.33 each, payable on or before the 1st day of each month, beginning January 1, 2001.

f. Both parties agree that the above payment schedule shall be null and void in the event the corporate city limits shall be increased significantly. Both parties shall negotiate in good faith and agree to a revised payment schedule.

4. Insurance. V.D.C.I. shall at its own expense procure and maintain from a company or companies authorized to do business in the State of Arkansas the following coverages:

a) Workers compensation;

b) Public liability coverage to a total of one million dollars (1,000,000.00) minimum coverage. The City, its City Council members, and the Mayor shall be named insured on this policy. V.D.C.I. 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 V.D.C.I. in the performance of services required under the terms of this Agreement.

6. **Indemnity.** V.D.C.I. shall indemnify and hold harmless the City, its officers, agents, servants, 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 V.D.C.I. 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 V.D.C.I. 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, V.D.C.I. shall be liable for any excess costs in performing such work over the cost to the City if V.D.C.I. had continued to perform in accordance with this Agreement.

8. **Civil Unrest.** Notwithstanding anything contained in this Agreement to the contrary, in the event V.D.C.I., 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 V.D.C.I. 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 V.D.C.I., taken adequate security measures to insure the safety of V.D.C.I. personnel and equipment.

Any refusal by V.D.C.I. 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.

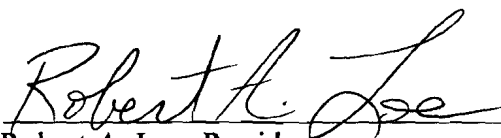
9. **Prohibition of Other Commercial Mosquito Control Applications.** Because of its various reporting and record keeping responsibilities and the liability assumed by V.D.C.I. under

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 V.D.C.I. 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 upon being in compliance with all applicable laws of the State of Arkansas.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the 29th day of December, 1997.

VECTOR DISEASE CONTROL, INCORPORATED

By: 
Robert A. Loe, President