

September 3, 2025

Mr. Tony Wheat
Director of Public Works
City of Laurel
2504 Moose Drive
Laurel, MS 39440

Re: Amendment No. 4 to Contract for Operations and Maintenance of the Street, Drainage, and Equipment Maintenance Agreement between The City of Laurel and H2O Innovation

Dear Mr. Wheat:

Attached for your consideration is the referenced Fourth Amendment, which extends the contract term one-year from October 1, 2025 until September 30, 2026 and the additive amount of \$56,351.05 which increases the annual base fee by 2.7% per the contract.

I recommend Amendment No. 4. Please review the amendment, and if acceptable, forward to Council Clerk for inclusion on the upcoming City Council agenda. After acceptance and execution by the Mayor, please retain on copy for your records and return the other fully executed one to our office and H2O Innovation.

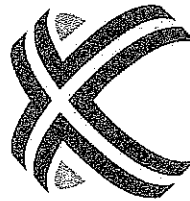
Please place this item on the September 16, 2025 Council Agenda.

If you need any further information or have any questions, please contact me at (228) 518-2980 or kris@engineeringxcellece.com. As always, it is a pleasure working with you and the City of Laurel.

Sincerely,



Robert K. Riemann, P.E.
President/Owner
Engineering Xcellence, PLLC



Attachments: 1. Amendment No. 4

STATE OF MISSISSIPPI
COUNTY OF JONES
CITY OF LAUREL

**FOURTH AMENDMENT TO THE CONTRACT FOR OPERATIONS AND MAINTENANCE OF
THE STREET, DRAINAGE, AND EQUIPMENT MAINTENANCE FOR THE CITY OF LAUREL**

THIS FOURTH AMENDMENT to Contract is hereby entered into and agreed to by and between the **CITY OF LAUREL, MISSISSIPPI** ("City" or "Owner") and **H2O INNOVATION OPERATION & MAINTENANCE, LLC** ("H2O" or "Operator") on the dates hereinafter set forth for the purpose of amending in writing certain covenants and conditions of that certain **CONTRACT FOR OPERATIONS AND MAINTENANCE OF THE STREET, DRAINAGE, AND EQUIPMENT MAINTENANCE FOR THE CITY OF LAUREL** (herein "**the Contract**"), approved by the LAUREL City Council and signed by the Mayor on July 7, 2021, and subsequently signed and executed by the authorized representative of H2O, **FIRST AMENDMENT** approved in January 2021, **SECOND AMENDMENT** approved in September 2022, **THIRD AMENDMENT** approved in September 2023, and the Contract is hereby further amended by this **FOURTH AMENDMENT**, as follows:

WITNESSETH THAT:

WHEREAS, the City of Laurel has approved the Fiscal Year 2025-2026 budget; and

WHEREAS, In order to continue the current contract, in accordance with Section 8.03 of the contract, the contract term shall be extended from October 1, 2025 until September 30, 2026 as agreed by the parties a one year contract extension per the contract conditions and escalation of the annual base fee per Section 6.02;

NOW THEREFORE, for the purposes hereinabove set forth, it is hereby agreed by and between the parties that the Contract shall be hereby amended effective and commencing October 1, 2025, as follows:

A. That the matters, facts, and things recited in the Preamble hereto are hereby incorporated into this Amendment for all purposes.

B. In accordance with Section 8.03 of the contract, the contract term shall be extended from October 1, 2025 until September 30, 2026.

C. In Section 6.02, Escalation or Adjustment of Annual Base fee. *"The CPI used will be the index for the month of September for all urban consumers using the U.S. city average for all items with the base period 1982-84=100"* shall be deleted and shall be replaced with *"The CPI used will be the index for the month of July for all urban consumers using the U.S. city average for all items with the base period 1982-84=100."*

D. The contract amounts shall be amended in accordance with Section 6.02 as follows:

Administration Division

Current Administration	\$280,397.82
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<u>2025-2026 Increase 2.7%</u>	<u>\$ 7,570.74</u>
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Total Administration (3 Employees)	\$287,968.56
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Streets Division

Current Amount	\$758,440.96
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<u>2025-2026 Increase 2.7%</u>	<u>\$20,477.91</u>
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Total Street (12 Employees)	\$778,918.87
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Drainage Division

Current Amount	\$451,448.83
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<u>2025-2026 Increase 2.7%</u>	<u>\$12,189.12</u>
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Total Drainage (7 employees)	\$463,637.95
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Equipment Shop Division

Current Amount	\$297,443.33
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<u>2025-2026 Increase 2.7%</u>	<u>\$8,030.97</u>
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Total Equipment Shop (4 employees)	\$305,474.30
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Sanitation Division

Current Amount	\$299,344.90
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<u>2025-2026 Increase 2.7%</u>	<u>\$8,082.31</u>
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Total Sanitation (5 employees)	\$307,427.21
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<u>Grand Total of all 5 divisions (31 Employees) Increase 2.7%</u>	<u>\$56,351.05</u>
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<u>Total New Contract Amount</u>	<u>\$2,143,426.89 *</u>
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*Section 6.02 Escalation or Adjustment of Annual Base fee. The annual base fee for year two (2) of the Contract shall be increased by application of the Consumer Price Index (CPI). The CPI will be calculated as a percentage and multiplied by the base fee for year one (1) to determine the new annual fee. The CPI used will be the index for the month of ~~September~~ July (Changed in the Fourth Amendment) for all urban consumers using the U.S. city average for all items with the base period 1982-84=100. Subsequent years will be treated accordingly with the CPI calculated based on the previous year. The annual increase shall not exceed 3%.

Except as specifically amended according to the purposes stated by Paragraphs A, B, and C, of this FOURTH Amendment, said CONTRACT FOR OPERATIONS AND MAINTENANCE OF THE STREETS, DRAINAGE, AND EQUIPMENT SHOP FOR THE CITY OF LAUREL is not hereby amended, modified or changed, and shall remain in full force and effect.

IN WITNESS WHEREOF, each of the Owner and Operator has caused this FOURTH Amendment to Contract to be signed, executed and delivered by its duly authorized representative on the day and date hereinafter stated, having been first duly authorized so to act.

OWNER:

CITY OF LAUREL, MISSISSIPPI

ATTESTED BY:

By: _____
Mayor

City Clerk

_____, 2025

OPERATOR:

H2O INNOVATION OPERATIONS & MAINTENANCE, LLC.

ATTESTED BY

By: _____
Authorized Representative

Secretary

_____, 2025