

AQUATIC MANAGEMENT AGREEMENT

THIS AGREEMENT, between USA Pools of Texas (the "Company") and City of Laurel (the "Owner"), is to provide management services by the Company of the Owner's aquatic facility located in Jones County, MS, in accordance with the specification, conditions, and terms set forth herein.

1. OPERATIONAL TIMES

DATES OF OPERATION:

October 1, 2019 through September 30, 2020

October 1, 2020 through September 30, 2021

October 1, 2021 through September 30, 2022

HOURS OF OPERATION: During School

Monday – Closed

Thursday – 3:00pm-8:00pm

Sunday –Closed

Tuesday – 3:00pm-8:00pm

Friday – 3:00pm-8:00pm

Wednesday – 3:00pm-8:00pm

Saturday – 1:00pm- 5:00pm

HOURS OF OPERATION: Summer

Monday – Closed

Thursday – 1:00pm-8:00pm

Sunday –Closed

Tuesday – 1:00pm-8:00pm

Friday – 1:00pm-8:00pm

Wednesday – 1:00pm-8:00pm

Saturday – 1:00pm- 5:00pm

Holidays – Closed New Year's Day, Thanksgiving Day, Friday after Thanksgiving, Saturday after Thanksgiving, Christmas Eve, Christmas Day, day after Christmas

2. SCOPE OF SERVICES:

- | | |
|-----------------------------|---------------------------|
| • Advertise & Recruit | • Revenue & POS |
| • Interview & Pre-Screen | • Pre-opening Service |
| • Hire & On-boarding | • Manage Daily Operations |
| • Training | • Risk Management |
| • Provide Staff | • Support Water Safety |
| • Promote Programs & Events | • Repair & Service |
| • Market Programs & Events | |

3. PAYMENTS: The Company hereby proposes to perform the work and services set forth above for the price of \$127,449.00 for 2019, \$127,449.00 for 2020, \$132,547.00 for 2021 (3 years) swim year upon specification, conditions and terms as set forth herein. Payments by Owner to Company shall be made in accordance with the following schedule:

DUE

Total Contract Price (1-Oct	1-Jan	1-Apr	1-Jul
1 Year \$127,449.00	\$31,862.25	\$31,862.25	\$31,862.25	\$31,862.25

Note: if payment schedule is past the month of signing, payments must be caught up to reflect the payment schedule

DUE

Total Contract Price (1-Oct	1-Jan	1-Apr	1-Jul
1 Year \$132,547.00	\$33,136.75	\$33,136.75	\$33,136.75	\$33,136.75

Note: if payment schedule is past the month of signing, payments must be caught up to reflect the payment schedule

4. **PROPOSAL EXPIRATION OPTION:** This contract is void at the Company's option if not executed by the Owner and returned to the Company by September 1, 2019.

5. **ACCEPTANCE:** Acceptance of this Agreement by Owner through signatures below, along with any payments due above will constitute a contract entered into in accordance with the specifications, terms and conditions and addenda attached hereto. If Owner elects the three-year option price, the renewal date in the Effective Date section of the Agreement will be waived during the term of the three-year period. Owner may cancel the Agreement for nonperformance by the Company as provided in the Cancellation section of the Agreement. Owner acknowledges that it owns and/or operates the pool facility and has legal capacity and authority to enter into this agreement and bind the property owner of the pool facility. Owner agrees to the contract specifications in the proceeding body Agreement. Any actual changes must be listed in a separate Addendum.

USA Pools of Texas

By: USA Management, LLC

Name: USA Pools

By: Contract Department

Date: 7/17/2019

City of Laurel

By: [Signature]

Authorized Agent - "Owner"

Date: 8-20-19

Check 1 Yr. ☐ or 3 Yr. ☒

EFFECTIVE DATE: This Agreement, when executed by both parties hereto, shall become effective on date of signing, for the swim season(s) October 1, 2019 through September 30, 2022. This agreement shall then continue from year to year on the same terms and conditions set forth herein, at an amount not to exceed an increase of ten (10%) percent each swim year. If Owner desires not to renew and extend this Agreement as provided herein, Owner shall provide Company with written notice by certified mail delivered to 10800 Alpharetta Hwy Suite 208-522 Roswell, GA 30076 prior to August 1, of each year.

ACCESS AND UTILITIES: The Owner agrees to permit and maintain free access to the facility site and, 60 days from the "Opening Date", as provided for in section **OPERATIONALTIMES**, provide three (3) sets of keys to Company to all locks required to operate the facility.

Owner further agrees to furnish without cost to Company:

1. Water
2. Electricity
3. 110-volt electrical outlet in pump room
4. Receptacles for trash
5. Garbage pick-up service
6. First aid kit and restock, each year.
7. Land-line Telephone (If telephone is ever out of service facility shall remain closed until repair is complete.)
8. Guard stand and umbrella for guard stand.
9. Equipment to operate facility required by local county health codes. I.e. ring buoys, rescue tubes, life jackets, test kit, chemical injection system, etc.
10. Complete written copy of facility rules and water safety rules.

TELEPHONE: The Owner agrees to be responsible for and to provide an operational touch-tone telephone thirty (30) days prior to opening and accessible to personnel at pool site. Consistent with health department regulations and for safety reasons facility shall only be open when the land line telephone is operational. The telephone must be capable of receiving incoming calls and be a dedicated land line for communication and management purposes. The telephone cannot be cellular or portable for facility location and address will not register with Emergency Services.

FIRST AID KIT: Owner agrees to be responsible for supplying and maintaining a completely stocked first aid kit, consistent with local health department regulations. Owner agrees to pay for first aid kit or supplies as needed.

VANDALISM: Upon authorization from Owner, the Owner agrees to pay additional reasonable charges for cleanup as the result of vandalism or acts of God, in accordance with section **PAYMENT DISCLOSURE**. The Company shall not be held liable nor assumes any responsibility for any and all damage caused by vandalism or acts of God to the facility, equipment and/or surrounding areas. Should water quality be affected by vandalism or acts of God the cost of correction shall be invoiced to the Owner. This service shall be made in accordance with section **REPAIR WORK**.

PERMITS: The Company shall assist the Owner in obtaining a swimming pool operating permit from the local health department. The Company shall assist the Owner regarding necessary parts and repairs required to satisfy local health department requirements. These parts and repairs shall be made in accordance with section **REPAIR WORK**.

Note: The pool must be clean and free of algae for the initial start-up of Owners swim facility each season. If pool is not free of algae, Owner agrees to pay additional charges for cleanup and chemical treatment of pool. This service shall be made in accordance with section **REPAIR WORK**.

MINIMUM SAFETY STANDARDS: Owner agrees and acknowledges that it is Owner's responsibility and duty to operate Owner's facility within the established local health department regulations and "minimum safety standards". The National Swimming Pool Foundation (NSPF), the National Electric Code (NFPA), the CDC's Recreational Water Illness Prevention, and any and all local health and building codes shall be used as minimum standards for safety herein. The NSPF may be obtained from nspf.org or Granby Circle Colorado Springs, CO 80919; the National Electric Code is available from the nfpa.org or Batterymarch Park, Quincy, MA 02169; the CDC information is from cdc.gov or Clifton Rd, Atlanta, GA 30333; and your local health codes are available from the county environmental health department.

The Company shall assist the Owner at Owner's facility into compliance with minimum safety standards including but not limited to:

1. Tile depth markings at water line and safety warnings on pool deck
2. Safety equipment: ring buoy(s), rescue tube(s), Coast Guard approved Life Jackets, shepherd hook(s), first aid kit, safety rope with buoys.
3. GFI circuit breakers for underwater pool lights.

Payment for work and equipment to bring Owner's facility within minimum standards on the above items shall be the responsibility of the Owner in accordance with section **PAYMENT DISCLOSURE**.

Note: Company shall have the right to cancel this Agreement, if Owner elects not to have facility brought up to minimum safety standards as defined above.

MINIMUM WATER SAFETY STANDARDS: The Company shall maintain adequate staffing levels as provided for in section **OPERATIONALTIMES** to meet the "10/20 Rule" and/or the "5-minute Scanning Strategy". The Company defines minimum water safety standards as "the reasonable supervision and protection afforded to swimmers in all aquatic facilities" located on the premises of an aquatic facility including recreational pools, lap pools, diving wells, lazy rivers, children's pools, waterslides and other aquatic attractions. Company shall retain personnel and staff that will meet the lifeguard certification standards set forth by the American Red Cross and the local or State Department of Public Health.

The Owner agrees, unless otherwise agreed upon, to provide all aquatic safety rescue equipment necessary to provide quality care for swimmers who patronize the swimming facility including, but not limited to, for each facility, rescue tubes, lifeguard stand/stations, spinal extrication board with head/neck stabilizing supports, supplemental oxygen, Automatic External Defibrillators (AED), seal-easy face masks, Bag Valve Masks (BVM's) (for adult/child/Infant), first aid kit, bloodborne kit, ring buoy/rope, shepherd's hook, fanny packs, surgical gloves and one V- vacuum suction device.

Company shall provide one unannounced safety audit per quarter per facility and report finding of the audit upon completion. The audit shall include unedited video and a written evaluation.

Company agrees to designate a representative to attend Owner's "monthly" meetings to report on aquatic facility's operations. Owner agrees to provide Company a 30-day notice of Owner's scheduled "monthly" meetings.

Company shall develop and establish an Emergency Action Plan (EAP) to maintain overall safety for Owner's facility, which must be approved in writing by Owner. Copies of the EAP will be made available prior to the opening of the facility.

The Owner agrees, unless otherwise agreed upon, to provide on ample amount of Coast Guard Approved Life Jackets (CGLJ) for all swimmers at Owner's facility that is less than 48" (inches). This water safety equipment is necessary to provide quality care for swimmers who patronize the facility to ensure their water safety. Company agrees to provide proper signage and measuring instrument to standardize swimmers who are less than 48" (inches) to provide the CGLJ. Company shall provide and administer a water safety "swim test" (swim 1 length of pool and tread water for 60 seconds) for swimmers that are 48" (inches) or less to test their "basic" water safety swimming skills.

Owner's aquatic swimming facility shall be separated into "safety zone(s)". Company shall assist Owner to determine water surface square footage. Company shall recommend an adequate number of safety zones to provide the highest level of supervision and water safety based on local and state regulations, industry standards, the 10/20 rule and the 5-minute scanning strategy. Company recommends that supervision by certified personnel be required for any use of the pool. Owner agrees to indemnify and hold Company harmless for any claims arising from use of facility other than during supervised hours. Company agrees to write schedule per the conditions of this agreement except where the schedule is changed due to inclement weather, low bathing load, repairs, fecal matter contamination or the Owner's request for modification of personnel's shifts. Company shall schedule personnel to operate the facility in accordance with section **OPERATIONALTIMES**.

Note: If Owner elects to change the schedule in accordance with section **OPERATIONALTIMES** any time during this agreement, the Owner agrees to provide 7-day written notice to allow company time to accommodate schedule change.

Under normal conditions one (1) personnel shall be at pool site during school year and two (2) personnel shall be at pool site during summer while school is out of session. Company may determine personnel requirements based on bathing load, pool size, established safety zone(s), 10/20 Rule and/or the 5 Minute Scanning Strategy. Company shall notify Owner of any necessary staffing increases to accommodate a higher level of security and/or a higher level for customer service. Increased staffing levels could be provided for; heavy usage, private parties or events, holidays and/or any other activity that arises that is not a "normal condition" of facility.

Once every hour, for a period of ten minutes, the pool shall be cleared of all children 17 years and younger. (Safety Break) During this period, personnel shall not be on duty and neither the personnel nor the Company shall be responsible for people using the pool during said safety break.

PERSONNEL: Company personnel who work with the Owner's facility in fulfilling the terms of this Agreement shall be people of the company and be directed solely by the Company.

1. The Company shall maintain at its expense personnel to perform Company's responsibilities hereunder. Company shall have sole and complete authority for recruiting, hiring, training, promoting, supervising, compensating motivating and disciplining such personnel for establishing the terms and conditions of their work environment. Such personnel shall be under the Company's exclusive direction and control.
2. The Company shall train personnel. Personnel not performing up to the standards of the Owner will be replaced by the Company within 48 hours of receipt of written request by Owner or designated representative.
3. Personnel shall have the authority to discipline patrons at the Owners facility within their best judgment and sole discretion consistent with the published and posted rules of the Owner, and minimum safety standards as established herein.
4. Personnel are not required to tolerate abusive language or physical confrontations by facilities members or guests. If either occurs, the facility Owner or guest will be required to leave the active area and/or premises at the request of personnel. Should guest not comply, the local authorities shall be called. Company has authority to call the appropriate law

enforcement authority for assistance and/or arrest if the Company feels necessary. Company feels this action is in the best interest of other facility members or guest and/or company personnel.

5. The Owner remains solely responsible for decisions to readmit anyone temporarily banned from Owners facility. Decisions to temporarily ban or readmit violators shall be immediately conveyed in writing between the parties to this Agreement.
6. Anyone not abiding by the rules or blatantly disregarding them shall be warned and may be asked to leave the pool and/or facility. Should any individual pose an ongoing problem, that matter will be brought to the attention of Company's office and Owner's contact person.
7. Company's full-time management staff shall train personnel on independent operation of Owner's facility.
8. Company's staff shall supervise personnel.
9. Whereas, Company will invest substantial resources to train and convey information concerning operational techniques and management procedures to its personnel at Owner's facility. Owner acknowledges that such information and investment is a valuable asset of Company's business. Owner agrees not to hire or contract (without the prior written consent of Company) any personnel or former personnel of the Company directly or indirectly to work at, service, or be connected in any way with the facility named herein for a period of one (1) year from the date of expiration or cancellation of this agreement. Owner further agrees not to contract for aquatic management, maintenance or services as described herein with any other company or individual who makes use of former Company's personnel to work at, service, or be connected in any way at the facility named herein for a period of one (1) year from the date of expiration or cancellation of this agreement.

PERSONNEL RESPONSIBILITIES: Personnel shall be required to be responsible for the following duties and daily on-site maintenance for the purpose of maintaining the facility to industry standards that meet the requirements published by the National Recreation and Parks Association (NRPA) Aquatic Facility Operations Manual.

1. Supervise main pool.
2. Record bathing load at facility.
3. Support water safety.
4. Enforcing Owner and Company's rules for the safety and convenience of Owner's patrons.
5. Assisting Owner in monitoring usage of facility.
6. Checking water chemistry and record readings.
7. Check water level in pool(s)
8. Clean gutters, skimmers and drains according to companies cleaning schedule.
9. Vacuuming pool according to companies cleaning schedule.
10. Clean scum-line around pool edge according to companies cleaning schedule.
11. Blow off deck according to companies cleaning schedule.
12. Straightening deck furniture.
13. Assist with picking up trash at facility.
14. Emptying trash receptacles according to companies cleaning schedule.
15. Backwash filtration system and empty strainer baskets according to companies cleaning schedule.
16. Lock and secure facility upon closing.
17. Owner agrees to report and document any action that may jeopardize the spirit and content of this agreement to company's corporate office.

REVENUE & REVENUE SHARING:

Gate Entries, Season Passes & Concessions:

The Company and Owner shall collect, deposit and retain an accurate accounting for all profit each party generates from season passes and gate sale. The company shall retain 10 % of the profit that is collected from both entries and season passes during the facilities operation. The Owner shall retain 90 % of the profit that is collected from both entries and season passes during the facilities operation.

After the swim season, the Company shall prepare an accounting of all profit it collected during the swim season and submit the accounting to the Owner's Finance Director within 30 days of the last day of operations.

Within 15 days after the accounting is received by the Owner, the Owner shall provide a statement to the Company that:

Accounts for the Profit the Owner collected during the swim season;
Provide the total Profit generated by both parties during the swim season;
Determine the profit-sharing due each party pursuant to the determined percentage agreed upon above;
Include any payment due to the Company for the Company's portion of the profit-sharing.

If payment is due to the Owner pursuant to the determined percentage agreed upon above, the Company shall remit payment to the Owner within 15 days after it receives the statement from the Owner.

The Company and Owner shall split all Net Profit generated and collected from concessions sales.

Lessons, Instructional Classes & Rentals:

The Company and Owner shall collect, deposit and retain an accurate accounting for all Profit each party generates from Lessons, Instructional classes and Rentals at the facility. The company shall retain 10 % of the Profit that is collected from Lessons, Instructional classes and Rentals at the facility. The Owner shall retain 90% of the Profit that is collected from Lessons, Instructional classes and Rentals at the facility.

After the completion of all the Rentals for the facility, Lessons and Instructional classes and Concessions sales, the Company shall prepare an accounting of all Profit it collected from the Lessons and Instructional classes and submit the accounting to the Owner's Finance Director within 30 days of the last day of all classes.

Within 15 days after the accounting is received by the Owner, the Owner shall provide a statement to the Company that:

Provide the total Profit from Lessons, Instructional classes and Rentals during the swim season;
Determine the profit-sharing due each party pursuant to the determined percentage agreed upon above;
Include any payment due to the Company for the Company's portion of the profit-sharing.

If payment is due to the Owner pursuant to the determined percentage agreed upon above, the Company shall remit payment to the Owner within 15 days after it receives the statement from the Owner.

WATER QUALITY: Company shall be responsible for regulating the condition of the aquatic facility's water within the tolerances of the American Public Health Association and the local health department while Company's personnel has facility open to swimmers.

1. Free chlorine
2. PH
3. Total Alkalinity
4. Calcium Hardness
5. Cyanuric Acid

Rain, increase/decrease in bathing load, continuous sun days, human waste, mustard or black algae, vandalism, and other factors can affect water chemistry. The Company cannot control external conditions or events. Bathing load (number of people in the pool) contributes to bathing waste. Bather waste (oils, skin, hair products, bathing suit dyes, cosmetics, etc.) can seriously affect the quality of water chemistry. Company shall notify the Owner if bather wastes become an issue.

There are over 21,000 known varieties of algae. Company shall avoid all of the complication by referring to algae by the color they exhibit. Mustard, Black or Brown Algae is an algae that can be brought into a pool through storms, bathing suits, pool toys, and many other objects that has been in contact with other pool water, lakes, streams or other bodies of water that is infected with these algae's. Owner understands that normal chemical treatment to pools cannot prevent these types of algae's. If, in the event Owners pool is infected with any of the above-mentioned algae's, Company shall notify Owner of said algae and chemically treat pool water upon Owners approval. If, in the discretion of the Company, it is determined that the water quality is insufficient to properly operate the facility, the Company shall have the right to close the facility for such period as shall be necessary to correct the water quality. This shall not require any change or adjustment in any provisions of this Agreement.

UNUSUAL CONDITIONS: Emergency Closing of facility: The Owner and/or the Company may close the facility in an emergency, whether the emergency is caused by a breakdown of equipment, any act of God, repairs, or by any other causes outside the control of Company. This shall not require any change or adjustment in any provisions of this agreement. Should a time lapse of more than five (5) days be necessary to perform repairs and/or restore pool to normal operation Company shall refund fifty percent (50%) of the daily operational cost to Owner until such time as the facility is reopened for normal operation.

The facility shall be closed to swimming in cases where Fecal Matter is present. To comply with national, state and local codes and recommendations, the Company shall close and treat Owners facility if fecal matter, vomit, or blood should contaminate the pool. Owner agrees to pay for additional reasonable charges. The Company shall ask swimmers to exit the pool, remove matter, vacuum, brush, shock and monitor pool water. The facility shall remain closed to swimmers for up to 4 filtration circulation turnovers or until chlorine levels drop to acceptable levels after 4 turnovers. The Company shall re-open facility for swimming.

Although glass is not permitted in the facility area during operation, glass can enter the facility area due to vandalism, after hour parties or storms that blow glass top tables into facility. Generally, colored glass entering the pool can be identified and removed. Clear glass is not easily seen, and it is a requirement of the health department that the pool is drained, surface scrubbed and cleaned, refilled and water rebalanced. The Owner shall be notified should glass enter the pool. Owner shall be required to sign a Waiver of Liability for clear or colored glass on behalf of the Company should Owner elect not to follow required codes to close and drain the pool.

Defects/ Problems may exist that are not evident during Company's original assessment of facility and cannot reasonably be identified without a history of events or difficulties with maintenance in the past. These defects/problems can be in underground plumbing, improperly sized plumbing of which neither can be seen, facing plumbing, defective valves and fittings, hidden electrical problems in panel or wiring, and structural components of the facility such as gunite, deck, tile and coping. Further, defects/problems can assert themselves or develop during a season that requires repair in order to maintain the quality of the pool water or environment, particularly as it relates to circulation and filtration.

Water leaks in a pool can be found in structural cracks, light niches, plumbing, skimmer throats, freshwater fills, and waste lines. Leaks are not limited to those referenced herein. Company shall notify Owner if leak detection is required to identify source of a pool leak. Should Owner elect not to choose to have leak

detection performed, Owner is hereby advised that increases in water bill, increases of chemical consumption and citing by Health Department may occur. Owner agrees to pay for increase chemical consumption due to facility water leaks. Leak detection and repair is not a part of this agreement.

Any work or items mentioned above performed or supplied by Company shall be subject to the conditions in the **REPAIR WORK** provision of this Agreement.

CHEMICALS AND SUPPLIES: Company agrees to supply at its expense:

1. The following chemicals for safe and clean pool water shall be provided throughout the summer;

chlorine	diatomaceous earth
calcium chloride	soda ash
sodium bicarb	pool acid
stabilizer	

Note: If additional chemicals or labor are required to maintain or correct pool water chemistry due to failure or breakdown of Owner's equipment or loss of water due to a defect in Owner's pool or recirculation system, Company shall notify Owner of such breakdown or defect, and if Owner elects not to remedy problem Owner shall pay as an additional charge, the reasonable expense of all said additional chemicals and or labor.

1. Owner agrees to supply, at its expense bathhouse supplies and retain a professional commercial cleaning service for the bathrooms. The Company agrees to perform "light" day to day cleaning of Owners bathrooms.
2. Owner agrees to be responsible for providing, with no cost to Company, the following items/equipment; water hoses, algae brushes, chemical systems, pool vacuum, leaf net, pool poles, water test kit/reagents, vacuum hoses, pool rules sign, trash receptacles, gas and blower, flow meters, pressure gauges, mops, toilet brush, brooms, buckets, , hazmat kit, algaecides, guard umbrella, clarifiers, automatic pool fill with auto shut off, CPO Sign, operation manual, bathhouse supplies, trash can liners.

REPAIR WORK: The Company shall stand ready to perform any repair work needed during the term of this agreement. It is understood that repair work is an independent covenant of this contract and notwithstanding any alleged breach of any other covenant. The Owner remains solely responsible for all labor and parts to repair its pumps, filters, chemical injection systems and any other physical items not specifically mentioned. The Company agrees to exercise reasonable and prudent care to operate and maintain aforementioned equipment. Owner shall have the option of using other contractors for repair work. Work performed by Company shall be invoiced as follows:

1. Any work or equipment in excess of \$195.00 to be provided by Company or Company's Sub Contractors shall be undertaken only upon authorization by the designated representative of Owner. Upon authorization, Company shall perform work and invoice Owner. Owner agrees to pay repair bills and invoices in accordance with section **PAYMENT DISCLOSURE**.
2. Repair work wherein the cost does not exceed \$195.00, Company shall invoice Owner. Owner agrees to pay repair bills and invoices in accordance with section **PAYMENT DISCLOSURE**.
3. For necessary items/parts not exceeding \$195.00 per item/part, Company shall invoice Owner. Owner agrees to pay for items/parts in accordance with section **PAYMENT**

DISCLOSURE.

4. The Company shall arrange for repair of plumbing or electrical equipment/services at the Owner's request. Owner agrees to pay invoice in accordance with section **PAYMENT DISCLOSURE.**

5. The Company shall assist the Owner with regards to any necessary major repairs.

ADDITIONAL PERSONNEL: The Company agrees to schedule personnel for additional hours of operation at the written request of the Owner and subject to the following:

1. At the option of the Owner, the Company shall schedule personnel for additional hours of operation not covered in section **OPERATIONAL TIMES**. Owner agrees to be responsible for giving the Company no less than seven (7) days of prior written notice. The cost for additional hours not covered by this agreement in section **OPERATIONAL TIMES** is \$29.50 per hour per person. Additional hours are subject to the availability of personnel.
2. The Company shall not schedule any personnel beyond the hour of 11:00 p.m.
3. Personnel scheduled by the Company, other than those specified in this contract, shall be at the rate of \$29.50 per hour. Amount shall be payable to the Company with the seven (7) day prior written notice. This cost is in addition to the fees as provided hereinafter.

INSURANCE/LIABILITY: The Company shall maintain the following coverage:

- 1) Worker's Compensation insurance covering all persons engaged on behalf of the Company in the performance of the terms of this agreement.
- 2) General liability insurance in the amount of \$1,000,000.00
- 3) Professional liability insurance and punitive damages in the amount of \$1,000,000.00

Upon written request by Owner, Company agrees to supply copies of certificates of insurance to the Owner verifying the above-mentioned insurance coverage. Company further agrees to list Owner as an additionally insured on policy for a fee of \$200 payable in accordance with section **PAYMENT DISCLOSURE**. It is the responsibility of the Owner to provide all other insurance coverage.

Company assumes no liability for any damage or injury to any persons or property arising from or caused by Acts of God. Except as to the employees of the Company, Company assumes no liability for any damage or injury to persons or property arising from or caused by physical or mental incapacity, physical or mental diminution, or intoxication from alcoholic or other substances, whether legal or illegal. The Company assumes no liability for the acts of any "Good Samaritan" or "First Responders". The Company shall not be liable or responsible to any person or entity for any loss, injuries and/or damages that arise at any time, except such loss, injuries and/or damages that are the direct result of acts or omissions of the Company or its employees. The Company shall not be liable for loss of or damage to the personal property of any person or persons utilizing the pool or its facilities. The Owner further agrees to indemnify and hold the Company harmless from any and all claims (including claims of vicarious and/or joint and several liability), injuries or damages to persons or property arising from any event or circumstance occurring at the pool or its facilities except for those acknowledged by the company as, or proven in a legal proceeding to be, proximately caused by the negligence or gross negligence of the

Company or its employees.

The Owner agrees to maintain and keep in full force and affect the following coverage:

1. Premises liability insurance.
2. Comprehensive general liability insurance in the amount of \$1,000,000.00 each accident/each person.

The Company shall not be liable for claims arising from defects in the Owner's premises, equipment, amenities, furniture, or recreation equipment. Owner asserts and attests that all items are in a safe and usable condition and meet any and all necessary standards for usage. Company may notify Owner of any conditions that may pose a hazard but is not required to do so. It is the sole responsibility of the Owner to repair, remove or replace any defective items that are the property of the Owner.

Owner agrees to provide Company with proof of insurance in the form of Certificates of insurance verifying the above-mentioned insurance coverage.

MISCELLANEOUS:

1. Owner agrees to communicate any comments, suggestions, or complaints concerning the facility, facility staff, or management service directly to the Company's corporate office.
2. The Company shall not be liable for pool and damages caused by hydrostatic lifting or faulty construction.
3. When Company's personnel are not scheduled to work at Owners facility the Company shall assume no responsibility or liability at the facility before or after specified hours of operation.
4. The Company shall not be liable for any damage to the facility, equipment and surrounding areas caused by sudden storms, and/or damage from lightning, wind, hail, or heavy rains.
5. To comply with national, state and local codes and recommendations, the Company shall close and treat Owners pool if fecal matter, vomit, or blood should contaminate the pool. Company shall take appropriate steps to clean and disinfect pool. An additional cost will be invoiced to Owner for this process.
6. If there is a change in local, state or federal laws concerning minimum wage, or concerning any other cost aspect relating to this proposal, the Company may present additional charges to Owner.
7. Company shall recruit personnel utilizing local advertising in schools, newspapers, social media and recruiting job boards. If standard industry methods do not produce required minimums for staffing, owner agrees that company shall provide additional incentive pay or discounted certifications and uniform costs to allow a broader opportunity for personnel. If company must utilize these methods to ensure performance under the Agreement, Owner shall provide a per diem reimbursement to company for management of any staffing shortage of an amount not to exceed \$150 per day.
8. Company reserves the right to close facility if air temperature is 69 degrees or lower. This shall not require any change or adjustment in any provision to this agreement.

9. Company shall provide Owner a management tool for accessing Company's network that provides and stores real time data and documents such as payment information, invoices, schedules, pool data reports, service requests, etc. The Owner agrees to pay \$18.00 per month as an additional fee for this service provided by the Company. Owner also agrees to provide a Wi-Fi hotspot at Owners facility.
10. Company shall provide Owner an option to reward the staff at Owners facility with a gratuity for their outstanding service from the past swim year. This benefit would be equally distributed at the direction of the Owner representative.

PRE/POST WALK THROUGH: At the Owner's request and for an additional fee the Company shall join the Owner in a complete inspection of the Owner's facility. It is the intention of the Company to provide the Owner with a detailed and specific account of the condition, and long term as well as short term needs of the Owners facility. Upon inspection, the Company shall provide a written report sent to the Owner. At the Owners request, Company shall perform any repairs listed in the report, in accordance with section **REPAIR WORK**.

PAYMENT DISCLOSURE: The Company hereby proposes to perform the work and services set forth above for the year upon specification, conditions and terms as set forth herein in accordance with section **PAYMENTS**. Payments by Owner to Company shall be made in accordance with the section **PAYMENTS**.

Contract Payments are due as indicated above. Any contract payment not made within five (5) days of the dates listed above shall be subject to a delinquent payment of five percent (5%) of the amount due or any portion thereof. In the event contract payment are not received within (10) days of the dates listed above, the Company shall have the right, at it's option, and within its sole discretion, to interrupt its services under this Agreement and to withdraw and remove all personnel and supplies from Owner's facilities without any further or additional notice to Owner. Any and all other Payments, including, but not limited to, payments for repairs, parts, equipment, or labor, must be accompanied with a fifty percent (50%) deposit. Furthermore, any payments not made on or before ten (10) days from the due date shall be subject to a delinquent payment of five percent (5%) of the amount due or any portion thereof. In the event payments are not received fifteen (15) days from the due date, the Company shall have the right, at it's option, and within its sole discretion, to interrupt or terminate its services under this Agreement and to withdraw and remove all personnel and any unpaid for parts, equipment, and/or supplies from Owner's facilities without any further or additional notice to Owner. Any such interruption or termination notwithstanding, Owner shall be fully responsible for all payments provided herein.

CANCELLATION: The Owner shall have the right to cancel this Agreement based on Company's non-performance of duties and responsibilities during the swim season as follows:

- (1) Owner shall notify corporate office during the swim season (10800 Alpharetta Hwy, Ste. 208-522, Roswell, GA 30075) by certified mail and by phone of any problem regarding performance as detailed in the Agreement. Company shall have five (5) business days following receipt of certified notification to remedy stated violation of agreement. (the "Remedy Period")
- (2) If Company fails to remedy the violation during the swim season and within the "Remedy Period" as detailed in this Agreement; Owner may then cancel this Agreement by providing Company written notice of cancellation via certified mail, within ten (10) days of the end of the remedy period. This agreement shall then terminate five (5) days after the receipt thereof by the Company. (the "Termination Date")

- (3) In the event that the Owner terminates agreement by procedure stated above, the Owner shall be entitled to a refund for monies paid in advance. Refund to Owner shall be calculated as follows:

Divide the contract price by the total number of days of operation (the first day of the contracted swim season to the last day of the contracted swim season as determined in section 1 of this Agreement). This daily operation cost shall be multiplied by the number of days facility was operated under this Agreement. That amount shall be subtracted from the amount of the contract price paid to the Company by Owner as of the termination date. Company shall refund fifty percent (50%) of the amount paid to the Company by Owner as of the termination date.

- (4) Refund shall be paid within fourteen (14) business days after termination.

OWNER CONTACT PERSON: Please direct all Company communications to the following Owner/ Representative: Owner agrees at least one of the designated "contact person(s)" below is an elected official and/or officer of the Owners organization.

1st CONTACT PERSON: Name: <u>Elvin Ulmer</u> Street: <u>401 N 5th Ave</u> City: <u>Laurel</u> St: <u>MS</u> Zip: <u>39440</u> Home Phone: <u>601-428-6452</u> Cell Phone: <u>601-319-6170</u>	2nd CONTACT PERSON: Name: <u>Johnny Magee</u> Street: <u>401 N 5th Ave</u> City: <u>Laurel</u> St: <u>MS</u> Zip: <u>39440</u> Home Phone: <u>601-428-6401</u> Cell Phone: _____
BILLING ADDRESS: Name: <u>City of Laurel</u> Street: <u>P.O. Box 647</u> City: <u>Laurel</u> St: <u>MS</u> Zip: <u>39441</u> Contact Name: <u>Elvin Ulmer</u> Contact Phone: <u>- 601-428-6452</u> E-mail: <u>elvinulmer@laurelms.com</u>	FACILITY ADDRESS: Street: <u>4978 HWY 84 West</u> City: <u>Laurel</u> St: <u>MS</u> Zip: <u>39443</u> Pool Phone: <u>601-428-7665</u>

VENUE AND GOVERNING LAW: This Contract shall be governed by and construed according to the Law of where the Company is domiciled. Venue for any disputes arising out of this Contract shall be in the State of Mississippi.

ENTIRE AGREEMENT, MODIFICATION, and BINDING EFFECT: This Agreement constitutes the entire agreement of the parties and supercedes any prior agreements, understandings or negotiations, written or oral. This Agreement may not be modified or amended except in writing, signed by both parties hereto. This Agreement shall be binding to ensure the benefit of the Owner and Company and so their respective heirs, successors and assigns.

STRICT COMPLIANCE: No failure of Company to exercise any power or right granted herein or to insist compliance by Owner with its obligations and duty herein shall constitute a waiver of Company's right to demand strict compliance with the provisions hereof at any time.

SEVERABILITY: If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

NONWAIVER: Owner and Company agree that no failure to exercise and no delay in exercising any right, power or privilege under this Agreement on the part of either party shall operate as a waiver of any right, power, or privilege under this Agreement.

EXTENSIONS: Unless otherwise agreed to by Owner and Company in writing, the terms of this Agreement shall apply to all extensions and renewals hereof.

END OF AQUATIC MANAGEMENT AGREEMENT