

July 5, 2018

## ORANGE LEVEL

### SERVICE AND PREVENTIVE MAINTENANCE AGREEMENT

In accordance with the provisions of this Agreement, hardware preventive maintenance and repair services will be provided by **MR Systems, Inc.** for the **City of Blue Ridge, GA**, hereinafter referred to as the **Customer**. This document and its attachments constitute the entire Agreement; no representations are made other than those contained herein.

Under this agreement, instrumentation and control system maintenance and repair services will be provided for the following facilities:

- All facilities and sites owned or maintained by the Customer

#### A. Scheduled Instrumentation and Control System Services

MR Systems, Inc. will furnish a Field Service Representative for two (2) service visits per year, one visit each six months to repair and keep in good working order the instrumentation and control systems owned by the Customer. Each trip will provide a minimum of two (2), eight (8) hour days of service time and will be charged to the Customer at the agreed upon rates below. The actual number of days and frequency of trips will be determined by the customer.

During each visit the Field Service Representative will perform repairs, calibrations, and preventive maintenance services as directed by the Customer's designated personnel. At the request of the Customer, additional service or repair time may be provided, and service trips may be canceled or shortened.

#### B. Unscheduled Service

Upon request by the Customer's designated personnel, MR Systems, Inc. will provide a Field Service Representative, Software Engineer, or both if required, to perform repairs to damaged or faulty instrumentation, controls, and/or telemetry system equipment. MR Systems, Inc. will be "on call" 24 hours per day, 7 days per week, to receive calls for service from the Customer. MR Systems, Inc. will respond to your calls for service within four (4) hours of receipt of your call.

Field service or software labor will be provided to assist you in correcting the following types of problems:

1. Perform repairs to failed or damaged instrumentation and control system hardware, telemetry equipment, and other equipment and devices as directed by the Customer's designated personnel.
2. Provide assistance to the Customer in making additions or modifications to the SCADA system and instrumentation and control system. This would include making applications software modifications as well as performing hardware (PLC, RTU, etc.) additions.

3. Provide periodic calibrations of process measurement equipment such as tank level transmitters, pressure transmitters, flow meters, DO analyzers, pH analyzers, etc. as directed by the Customer.
4. Provide assistance to the Customer with recovery of the system after SCADA system failures due to computer system hardware failures, software failures, RTU or PLC component failures, lightning, vandalism, floods, etc.
5. Provide labor and technical expertise to assist the Customer with the installation of new PLC equipment, process transmitters, radio equipment, or modifications to existing site instrumentation or other equipment.
6. Provide supplemental training for plant personnel on the HMI software product, PLC programming, instrumentation repairs or calibrations or other training relating to the overall SCADA and instrumentation system.

### **C. Emergency Service**

Upon notification by the Customer that emergency service or emergency repairs are required, MR Systems, Inc. will respond via phone within four (4) hours of receipt of your call.

### **D. Repair Parts and Instrument Repairs**

When replacements of components or equipment are required, MR Systems, Inc. would utilize spare parts from the Customer's parts inventory whenever possible. Service Reports, as described below, will include details of any spare parts used during service visits. This will allow you to replace your inventory as necessary.

Components or parts not in inventory would be obtained by MR Systems, Inc. Procurement of such parts would occur solely at the direction of the Customer. For those parts obtained by MR Systems, Inc., we will invoice the Customer for the cost of such parts, plus a margin of 20%, plus shipping.

Repairs of circuit boards, instruments, or other electronic equipment will also be performed by MR Systems, Inc. as directed by the Customer.

### **E. Service Reports**

Following each service call, a detailed Service Report will be supplied to the Customer. This report will document any repairs performed, possible reason(s) for the problem(s), suggestions as to how future problems could be avoided, and an itemization of all labor and materials utilized to repair the problem.

**F. Contact Personnel**

The Customer’s official contacts (i.e. individuals authorized to obligate Customer for service charges) are:

Contact Name	Phone Number	E-mail Address

During normal business hours (8:00 A.M. to 5:00 P.M.), afterhours, holidays, and weekends calls for service should be made to MR Systems’ Atlanta office, which is monitored 24 hours per day, at (678) 325-2800. Calls can also be directed to the MR Systems’ personnel on the attached contact list.

**G. Terms, Cancellation, Billings**

The terms of this agreement may be renegotiated, modified, or canceled as agreed to by both parties.

This Service and Maintenance Agreement will begin upon receipt of a purchase order and will continue for a period of one (1) year. Either party may terminate this contract by giving written notice at least 30 days prior to the anniversary date of this agreement. It is further agreed that the contract price may be adjusted annually based on changes in our prevailing cost of labor as compared to such costs at the beginning of this agreement.

Notice of an adjustment shall be given 60 days prior to contract expiration date. Unless canceled by one party or the other, this contract will automatically renew itself on a yearly basis.

Detailed service reports with itemized labor and materials reports shall be submitted with each billing. Applicable sales and use taxes will be added to the cost of billings for repair parts or materials supplied by MR Systems, Inc.

## H. Charges

Under this Service and Maintenance Agreement, scheduled and unscheduled service calls and support will be billed as follows:

Expense	Normal Business Hours	After Hours, Weekends, Holidays
Project Management & Engineering Labor	\$147 per hour	1.5 times the Normal Rate
Electrical Design Labor	\$116 per hour	1.5 times the Normal Rate
Drafting or 3D Graphics Design Labor	\$90 per hour	1.5 times the Normal Rate
Field Service Tech Labor	\$109 per hour – 8 hour minimum	1.5 times the Normal Rate
Software Engineer Labor	\$126 per hour – 8 hour minimum	1.5 times the Normal Rate
Travel	Current IRS Rate	
On-Site Living	\$150.00 per day	
Supplies & Equipment	Actual Expense plus 20% Margin*	
Data Doctor Services	\$126 per hour – 8 hour minimum	
Phone Support	\$126 per hour – 2 hours/month included	
Software & Hardware Training	\$575 per person per day**	

\*Margin is defined as gross profit on sales price.

\*\* = Includes hotel and meal expenses. Travel expenses to and from Norcross, GA are not included. If the Customer sends three or more individuals to one class, there is a 15% discount.

## I. Monthly Maintenance Fee

MR Systems, Inc. will bill the Customer a monthly maintenance fee of **\$126.00 per month** or **\$1,512 annually** to cover MR Systems' costs for maintaining constant 24 hours per day, 7 days per week service support on your behalf. This fee includes 2 hours of telephone support each month to answer technical questions or provide other support services. This fee offsets the substantial reduction in labor rates between our "on-demand" service rates and the "contract" rates in effect under this agreement.

**J. Liabilities**

MR Systems, Inc. will indemnify the Customer against any liability for expenses associated with repair of damage to property or persons when caused by the negligence of MR Systems, Inc.

Consequential Damages - MR Systems, Inc. shall not be liable, in any event, for loss of anticipated profits, loss by reason of plant shut-down, non-operation, or increased expense of operation of other equipment, processes, or systems, or other incidental or consequential loss or damage of any nature arising from any cause whatsoever.

**K. Authorizations**

**Accepted by City of Blue Ridge:**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Accepted by MR Systems, Inc.:**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_