



5317 FM 1475
Lufkin, TX 75901

Phone # (936) 414-1933 Jsanches@aicautomation.com

Agreement

Date	Agreement #
10/2/2018	1643A

Name / Address
City of San Augustine John Camp City Manager 301 South Harrison Street San Augustine, Texas 75972

P.O. No.

Description

AIC Automation, LLC. is pleased to provide this agreement for automation services. This agreement will set out the terms of agreement with AIC Automation, LLC. and the City of San Augustine. This agreement will be legal and binding under Texas laws.

The following will be the terms of the agreement:

Payment (60 monthly payments in total) -

1.) City of San Augustine will purchase \$175,000.00 for contract automation services guaranteed by a purchase order for the total amount according to the following terms:

1A.) Beginning 12/1/2018 the City of San Augustine will make thirty-six monthly payments of \$2,916.66 that will be due by the 15th of every month.

1B.) There will be a one year break of no payments after the 36 months. This will allow City of San Augustine to use up any unused hours from the three previous years.

1C.) Beginning 12/1/2022 The City of San Augustine will make 23 monthly payments of \$2,916.66 and the final payment of \$2,917.06 on 11/1/2024 that will be due by the 15th of every month. All hours will have to be used up by 11/30/2024.

Hours-

Regular hours are Monday through Friday 8am - 5pm.

Overtime hours are Monday through Sunday 5pm -8am.

Double time hours are Thanksgiving Day, Christmas Eve and Christmas Day, and 24 hour emergency callout.

All hours will be billed at a four hour minimum per person.

Drive time is one hour to San Augustine and one hour back to Lufkin to be billed at the employee's rate of service.

Rates-

1.) Automation Specialist - (currently Jeremy and David) \$100.00 per hour

2.) Automation Technician - \$75.00 per hour

3.) Helper - \$50.00 per hour

4.) Any subcontractor's for AIC Automation, LLC. will be billed at cost plus fifteen percent profit.

5.) Any hardware or software purchased by City of San Augustine will be billed at cost to AIC plus fifteen percent profit.

6.) Rates 1 through 3 are for this agreement. Rates 4 and 5 are agreed pricing that will be billed in addition to this agreement.

Service - Normal on site response time to a callout is 1-2 business days. However in the event of an emergency callout that requires immediate attention, AIC Automation, LLC. will guarantee an on site response within twenty-four hours at the above emergency rate.

Termination of Agreement - This agreement is being entered into mutually by both parties. In the event that the City of San Augustine were to choose to terminate this agreement the following terms will have to be met:

1) The City of San Augustine will provide AIC Automation, LLC. a 120 day written notice of its wishes to terminate this agreement .

2) Any and all hours that have been billed at this agreement price will be billed at the current rate at the time of the termination of this agreement minus what the city has already paid. (Ex. AIC invoiced and San Augustine paid for 100 specialist hours at the agreement price which is \$10,000.00. Termination of this agreement would result in San Augustine owing \$7,500.00 at the current rate of \$175.00/hr for an automation specialist before this agreement can be terminated.)

After this agreement has been fulfilled in it's entire, AIC Automation, LLC. will have the option to renew this agreement with the terms set forth in this agreement and secured by a new purchase order from the City of San Augustine. The new start date would be 12/1/2024.

Thank you for the opportunity to provide quality automation services and a lasting relationship.

Jeremy Sanches
Managing Member
AIC Automation, LLC.

City of San Augustine Authorized Personnel

Signature

Date
