

2012 Professional Service Agreement

THIS PROFESSIONAL SERVICE AGREEMENT (collectively with all exhibits, supplements and other documents attached hereto ("Agreement"), is entered into this _____ day of _____, 2012 by and between Sorce Inc., a Tennessee corporation ("Sorce"), and Norman Utilities Authority, Norman, Oklahoma ("NUA").

WHEREAS, NUA has previously entered into a similar Professional Service Agreement's with Sorce dated October 14, 2003 and expired on December 22, 2004.

WHEREAS, NUA has entered into six extensions of that Professional Service Agreement with Sorce continuing services through December 22, 2010.

WHEREAS, NUA elected to allow the Professional Service Agreement extension to expire on December 22, 2010 and elected not to extend the contract.

WHEREAS, NUA desires to obtain from Sorce, and Sorce desires to provide to NUA the services described in Exhibit A.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

Effective on the date of NUA approval, the parties accept the terms of this new 2012 Professional Service Agreement and provision provided in Exhibit A to the agreement.

IN WITNESS WHEREOF, this Agreement has been entered into to be effective as of the date first above written.

Norman Utilities Authority:

By: _____

Name: _____

Title: _____

Address: P.O. Box 370
Norman, Oklahoma 73070

ATTEST

Name: _____
Secretary

Contact Person: Steve Hardeman

E-Mail: steve.hardeman@ci.norman.ok.gov
Telephone: (405) 292-9726
Facsimile: (405) 292-9735

Sorce, Inc.:

By:  _____

Name: Michael Bowling

Title: President

Address: P. O. Box 1493
Hixson, Tennessee 37343

ATTEST

Name: Alan Wernick
Secretary

Contact Person: Martin Wernick

E-Mail: mwernick@sorceinc.net
Telephone: (423) 875-4183
Facsimile: (423) 875-0736

Exhibit A

Location: City of Norman, OK, Water Reclamation Facility

Equipment

NUA will provide three (3) bulk-mixing tanks, mixers and pumps for storage and application of Sorce's organisms. NUA will retain ownership of the equipment and will perform all maintenance and/or repair of the existing equipment.

Products and Services Provided by Sorce for Sludge Reduction

A. Maintenance and Fees

1. The Maintenance Period will continue for a period of twelve (12) months beginning on November 1, 2012.
2. Sorce will provide labor, organisms and nutrients to treat the Storm Holding Ponds (including Cell #1, otherwise known as the Northeast Pond, or Cell #2, otherwise known as the Northwest Pond) at the monthly rate of \$7,000, for a period of twelve months, beginning on November 1, 2012.
3. Notwithstanding the provisions of the next section (4), NUA may terminate this agreement without cause at any time after October 1, 2013 by providing Sorce 30 days written notice.
4. NUA will be responsible for measuring the performance of Sorce's treatment program. Sorce agrees that normal reductions in waste water without treatment approximates 15% of initial waste water volumes and subsequent influent and that such natural reduction is appropriate in determining cost savings.
5. Diffused aeration shall be operated on a continuous basis. Diffused aeration will be terminated at least three (3) days prior to the decanting date.
6. The initial sludge level as of the Contract Date will be equal to the total gallons contained in Cell #1 as of the end of the day immediately preceding the Contract Date. In the event that the NUA re-designates treatment to Cell #2 as provided in item 2, the initial sludge level will be equal to the total gallons contained in the newly designated Cell as of the end of the day immediately preceding the date the cell will initially be treated.