

PROGRAM AGREEMENT

Nalco an Ecolab Company (WPS Division)

Effective Date: October 1, 2015

Customer: Webb County

Nalco an Ecolab Company (“Nalco”) agrees to provide Webb County with the Program of products, equipment and/or services described in the Scope of Work attached as *Rider 1* (the “Program”). Webb County agrees to purchase the Program for the price set forth in the Financial Information section of *Rider 1*.

The initial term of this Agreement shall be 12 months commencing on the Effective Date, and may continue for additional 12-month renewal periods upon mutual consent of the parties. In the event of a delay in a renewal, this Agreement can be continued by the parties on a month-to-month basis subject to termination upon 15 days notice.

The following Riders are included as part of this Agreement.	Tax Exempt (check one): <input checked="" type="checkbox"/> yes <input type="checkbox"/> no
<i>Rider 1</i> – Scope of Work and Price <i>Rider 2</i> – General Terms and Conditions <i>Rider 3</i> – Supplemental Terms and Conditions	If yes, a tax exemption certificate needs to be attached to this Agreement in order to receive tax exempt status, otherwise applicable state and local taxes will be added to each invoice.

Customer: _____

Nalco an Ecolab Company

By: _____
(Customer signature)

By: _____
(Nalco signature)

(printed name)

(printed name)

Title: _____

Title: _____



Rider 1

SCOPE OF WORK AND PRICING

Customer Name:	Webb County
Location:	Laredo, TX
Treated System(s):	None

We appreciate the opportunity to provide you with an outlined plan on how Nalco an Ecolab Company can help you with your water & energy management needs at Webb County. The purpose of this proposal is to provide you with a water & energy management program that will deliver excellent results. The goal of the program is to deliver a safe, reliable, and efficient chemical water treatment program to provide your heating and cooling process equipment with excellent protection. The end result will be prolonged life of your equipment, efficient operation, and mitigated risks.

Nalco intends to accomplish this by working hand-in-hand with your Engineering team to monitor control points and confirm treatment effectiveness. In addition, Nalco will document key success factors such as good corrosion control, analytical results and annual equipment inspection results.

Nalco will provide a Program consisting of the products, services and/or equipment listed below for the System(s) described above.

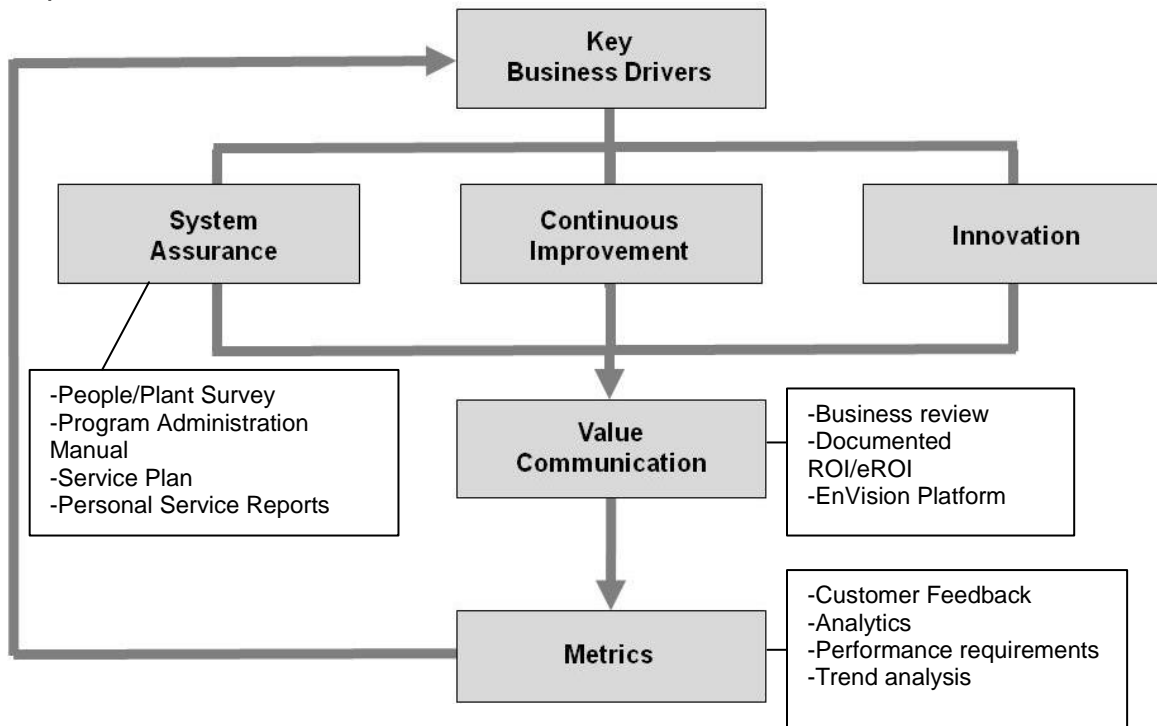
CHEMICAL PROGRAM DESCRIPTION

Nalco will provide the following Products:

Nalco Product:	Delivery Quantity:	Delivery Method:	Product Description:
3DTS68.41	4	<input type="checkbox"/> Nalco PORTA-FEED Transfer Service <input checked="" type="checkbox"/> Drum/Pail	Cooling Tower Scale Inhibitor
7346 Tab.11	1	<input type="checkbox"/> Nalco PORTA-FEED Transfer Service <input checked="" type="checkbox"/> Drum/Pail	Tower Algaecide
Solidbionox.41	1	<input type="checkbox"/> Nalco PORTA-FEED Transfer Service <input checked="" type="checkbox"/> Drum/Pail	Tower Biocide

SERVICE PROGRAM DESCRIPTION

To ensure best practice management of your account, Nalco utilizes the Create Maintain Value (CMV) process. This process provides for efficient communication, alignment of our program with your key business drivers, and maintaining of treatment program results within prescribed control parameters. In each aspect of our CMV process you will find examples of key service plan requirements.



Because Nalco manages to an overall program goal rather than just to set points, it is critical that a customized service plan and testing scheme are implemented and followed. Nalco will ensure our water treatment program will help achieve the program goal by documenting and following a mutually agreed upon service plan. The proposed service plan for your account has been provided below for your review and approval:

Additional Services Provided by Nalco:

Service Description:	Frequency:	Additional Cost:
	<input type="checkbox"/> Bi-Monthly <input type="checkbox"/> Monthly <input type="checkbox"/> Semi-Annually <input checked="" type="checkbox"/> Annually	
	<input type="checkbox"/> Bi-Monthly <input type="checkbox"/> Monthly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually	
	<input type="checkbox"/> Bi-Monthly <input type="checkbox"/> Monthly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually	

Nalco-Owned Equipment Provided as Part of the Program:

System	Description*		
N/A			

* Ownership transfers at the end of the Agreement for price agreed herein.

3D TRASAR® TECHNOLOGY

Customer agrees to lease or purchase the following 3D TRASAR equipment and lease Nalco Corrosion Stress Monitor (NCSM) units from Nalco:

3D TRASAR for Boiler Systems:

Item	Qty	Lease	Purchase	Other*
<input type="checkbox"/> NCSM	___	<input type="checkbox"/>		<input type="checkbox"/>
<input type="checkbox"/> Fluorometer	___	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Controller	___	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Configurator	___	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3D TRASAR for Cooling Water Systems:

Item	Qty	Lease	Purchase	Other*
<input checked="" type="checkbox"/> Controller	___	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Configurator	___	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Payment for Equipment Use

For all units in this agreement covered by “Lease”, Customer shall pay Nalco a combined annualized fee of \$ N/A for as long as customer retains this equipment. Controllers obtained by Lease include Nalco standard scheduled preventive maintenance service.

Customer shall pay Nalco a combined one-time fee of \$N/A for purchase of equipment covered by this Agreement. Customers who purchase 3D TRASAR equipment will not receive preventive maintenance services unless agreed in this Agreement.

Nalco Connected Services

Controllers and Configurators obtained by “Lease” include all connected service fees. Controllers and Configurators obtained by “Purchase” from Nalco include one year of Connected Services and in subsequent years, a mandatory fee of \$ 0 will apply per Controller, and a mandatory fee of \$ 0 will apply per Configurator. By purchasing a Controller, the customer agrees to pay this fee annually for each purchased Controller as long as Customer is using Equipment in conjunction with Nalco Connected Services.

Nalco 360 Data Center Monitoring:

For all 3D TRASAR units identified above, an additional annual fee of \$ 0 will apply for each controller. This additional fee accounts for all remote data center monitoring, alarming and reporting of system operating parameters in addition to remote inventory management, alarming and reporting.

OPERATING CONDITIONS

The Program costs are based upon the following Operating Conditions/Assumptions:

System	System Parameter	Parameter Value
N/A	Makeup Water Consumptions:	
	Average Operating Cycles:	
	Total Load/Capacity Utilization	
	Average Load/Capacity Utilization	
	Recirculation Rate	

FINANCIAL INFORMATION

INVOICING

Billing Address:

Webb County

7209 Saunders

Laredo, Texas 78041

Attn. Accounts Payable Dept.

Customer will be invoiced \$ 8,491.50 one-time fee (the "Price"). Monthly billing can be done so for \$707.63 per month if requested. Price excludes any applicable taxes which will be separately itemized on the invoice.

Terms: Net 30 days from date of invoice.

BUYOUT SCHEDULE FOR EQUIPMENT (IF APPLICABLE):

Upon the early termination of this Agreement, Customer shall pay to Nalco the applicable amounts set forth below:

System	Description of Equipment	\$ per month left on agreement at termination date
N/A		

PRICE ADJUSTMENTS

Prices will remain fixed for the first 12 months of this Agreement at which time and annually thereafter, Nalco may increase those prices by no more than 2% annually. Notwithstanding the foregoing, if at any time there is a significant increase in Nalco's cost of critical raw materials, then Nalco and Customer will discuss, in good faith, options to help Nalco offset or minimize the effect of any such cost increase. If the parties fail to agree an adjustment in price within 30 days then either party shall have the right to terminate all or part of this Agreement.

GENERAL TERMS AND CONDITIONS

Nalco an Ecolab Company ("Nalco")

1. **THE PROGRAM:** Customer agrees to purchase from Nalco all of Customer's requirements for water treatment chemical products, equipment and related services ("**Product(s)**"). Products are only for Customer's own use and may not be resold. Nalco shall be responsible for reasonable diligence and care in providing the Products set forth in the Program Agreement to which these General Terms and Conditions are included ("**Agreement**"). Customer acknowledges that the ultimate success the program set forth in this Agreement (the "**Program**") is dependent upon the Customer's reasonably diligent application of the Program in accordance with Nalco's instructions. Nalco shall not be liable for any failure caused by Customer's lack of diligence or failure to follow Nalco instructions.
2. **ACCEPTANCE:** Customer accepts all of the terms and conditions set forth in this Agreement, and agrees that any different terms or conditions contained in Customer's purchase orders or other documents shall not modify this Agreement, notwithstanding any acknowledgment or acceptance of such documents by Nalco unless such acceptance is mutually agreed in writing by authorized representatives of both Nalco and Customer.
3. **PRICE AND PAYMENT:** (a) If pricing is not set forth elsewhere in this Agreement, then the price for any order shall be the price in effect on the date of acceptance of the order by Nalco.
(b) Payment terms shall be net 30 days unless specifically changed elsewhere in this Agreement and payment shall be in lawful money of the United States, without deduction or offset. Past due invoices are subject to a late fee equal to the lesser of one and one-half percent per month or the highest rate permitted by law.
(c) The price of the Products are shown above (except for facilities located in Hawaii or Alaska, which may be subject to additional freight charges). Unless otherwise agreed in the Agreement, the price will remain fixed for the first 12 months of this Agreement at which time and annually thereafter; Nalco may adjust the pricing annually. Notwithstanding the foregoing, if at any time there is a significant increase in Nalco's cost of critical raw materials, then Nalco and Customer will discuss, in good faith, options to help Nalco offset or minimize the effect of any such cost increase. In addition, if there is a Material Change, then Nalco will adjust, in Nalco's reasonable discretion, the price to account for that Material Change. A "**Material Change**" is any change to or occurrence at Customer's operations (including, without limitation, any change in Customer's products, equipment, Customer product production, product spills, or intentional product misuse). In an effort to control excessive and unnecessary usage, Customer must promptly implement all reasonable cost-savings measure proposed by Nalco to minimize Product usage.
4. **FREIGHT, TITLE AND TAXES:** Unless otherwise specified in this Agreement, Products shall be shipped F.O.B. Customer's facility, and title and risk of loss or damage shall pass to Customer upon Nalco's tender of the Products at Customer's facility. Shipping and delivery dates are approximate and subject to confirmation. Prices exclude and Customer shall pay any applicable sales, use, excise, VAT, GST, export and import taxes, assessments and similar fees. Customer shall make any necessary arrangements for importation of the Products into a country other than the United States.
6. **FORCE MAJEURE AND SHORTAGES:** Neither party shall be liable for any failure or delay in performance (other than payment) which is due, in whole or in part, to any cause of any nature beyond the reasonable control of the party affected. If there are product shortages for any reason, Nalco may allocate the available supply of Products among itself, its affiliates and its customers on whatever basis it deems practical.
7. **WARRANTIES AND LIMITATION ON LIABILITY:**
 - (a) Nalco warrants that the Products supplied hereunder shall conform to Nalco's standard product specifications in effect at the time of shipment. As Customer's sole remedy, Nalco will, in its reasonable discretion, either replace any Products (or re-perform any services) Nalco determines did not meet this warranty at the time the Products were shipped to Customer (or at the time the services were rendered) or refund the fee paid by Customer for those Products (or services). This warranty does not apply to (i) damage resulting from misuse, neglect, accident or improper use of any of the Products by any person or entity other than Nalco or (ii) any Products altered by any person or entity other than Nalco. No chemical product warranty claims may be made more than 90 days after delivery of product to Customer. Customer shall obtain Nalco's prior approval for any Product returns and permit inspection of any nonconforming Product.
 - (b) Nalco warrants that equipment manufactured by Nalco and supplied hereunder shall be free from material defects in workmanship and materials for a period equal to the lesser of 15 months from the date of shipment or 12 months from the date of installation. As Customer's sole remedy, Nalco will, in its reasonable discretion, either replace any equipment (or re-perform any services) Nalco determines did not meet this warranty at the time the equipment was shipped to Customer (or at the time the services were rendered) or refund the fee paid by Customer for that equipment (or services). This warranty does not apply to (i) damage resulting from misuse, neglect, accident or

improper use of any of the equipment by any person or entity other than Nalco or (ii) any equipment altered by any person or entity other than Nalco. Equipment, which is not manufactured by Nalco, is subject to the original manufacturer's warranty, if any.

- (c) Nalco warrants that services provided as part of the Program will be performed in a good and workmanlike manner. Nalco will perform such services in accordance with sound generally accepted practices in effect at the time of performance.
- (d) Nalco makes no warranties with respect to water system biohazards from waterborne pathogens including but not limited to *Legionella* bacteria.
- (e) Nalco warrants that the Product itself does not, at the time of delivery, infringe any patent of the United States. Customer shall give Nalco prompt written notice of any patent infringement suit or claim, Nalco shall control the defense or settlement of same and Customer shall cooperate in such defense. Nalco's liability under this warranty is limited to such defense, and, if sale or use of the Product is enjoined, refund of the price paid by Customer for such Product (less a reasonable charge for use, damage and obsolescence). Nalco makes no warranty against patent infringement arising out of Customer's particular use of the Product, alone or in combination with other materials; any Product resulting from such use; any Product manufactured for Customer according to Customer's specifications; or any equipment or chemical (including components and ingredients) manufactured by other than Nalco.
- (f) Because many factors affect Product application and performance, Nalco will be relying on information provided by Customer concerning its facility, operations and systems to develop a Program suitable for Customer's needs. Customer shall be responsible for the accuracy of the information provided to Nalco, and Nalco assumes no liability or obligation for any technical advice, services or Products provided by Nalco based on incorrect information from Customer. Customer is responsible for designating appropriate places in its facilities and processes for feeding and storing chemical products, installing equipment products and conducting related sampling and testing activities.
- (g) ***Nalco an Ecolab Company shall not be liable for any incidental, consequential, indirect or special damages, including, but not limited to, lost profits and lost production, whether arising under breach of warranty or contract, negligence, strict liability or other tort, indemnity or any other theory of liability. In any event, Nalco's liability for any and all claims, damages and causes of action arising out of the sale, use, storage, delivery or non-delivery of any Product or equipment, performance of any services or any warranty shall be limited to the price (including freight charges if paid by Customer) paid to Nalco for such Product.***
- (h) ***EXCEPT FOR THE TITLE WARRANTY, THE FOREGOING WARRANTIES ARE EXCLUSIVE AND NALCO MAKES NO OTHER WRITTEN, ORAL, EXPRESS OR IMPLIED WARRANTIES. NALCO SPECIFICALLY DISCLAIMS THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER'S REMEDIES FOR BREACH OF ANY WARRANTY SHALL BE LIMITED TO THOSE REMEDIES DESCRIBED ABOVE.***

8. PURCHASED 3D TRASAR® EQUIPMENT: TRASAR and 3D TRASAR equipment and configurator software includes proprietary know-how, firmware and/or software. Customer's purchase of this equipment includes a non-assignable and non-transferable express but limited license to this know-how, firmware and/or software and the royalty for such license is included in the purchase price of the Connected Services. In no event is Customer permitted under this limited license to decompile, disassemble or otherwise reverse engineer the licensed know-how, firmware and/or software. All warranties and performance guarantees regarding this equipment and its performance shall be voided in the event Customer introduces any materials into the equipment other than those approved by Nalco or operate the equipment other than in accordance with Nalco's written instructions. Nalco reserves the right to disable know-how, firmware and/or software in the case of breach or expiration of this limited license at any time. Nalco grants no other rights expressly, by implication, or by estoppel, or under any other rights owned or licensable. If Customer is not willing to accept the limitations of this limited use statement, then Customer shall promptly advise Nalco of such, and Nalco will accept return of the equipment and software in its original, new condition for a full refund. Upon termination of this Agreement, Customer shall return equipment that has not been purchased at Customer's sole expense in the same condition as received, ordinary wear and tear excepted. In the event such equipment is lost, damaged or destroyed, Customer shall pay to Nalco the cost of repair or replacement at Nalco's standard charges then in effect.

9. CONFIDENTIALITY: Customer shall not: (a) disclose to any third party and shall prevent third parties from obtaining or becoming aware of the composition, design, operation or application of the Program and the contents of this Agreement (collectively, the "Proprietary Information") without in each instance securing the prior written consent of Nalco; or (b) use the Proprietary Information for any purpose other than the purpose for which Nalco provided the Proprietary Information to Customer. Customer shall not be liable for the use or disclosure of information that: (a) is already in the public domain at the time of the use or disclosure; (b) becomes part of the public domain through no fault of Customer; (c) is disclosed to Customer by a third party having the right to make such disclosure; or (d) is in the possession of Customer at the time of disclosure by Nalco.

10. INDEMNIFICATION: With respect to matters related to this agreement, each party as indemnitor agrees to hold the other party harmless from damages, claims, liabilities and costs alleged or brought by third parties for personal injury,

including death, or physical property damage and caused by the negligence or misconduct of the indemnitor. In the event of a Claim arising out of the joint negligence or willful misconduct of the parties, Customer and Nalco shall be liable to each other and to any damaged third party in proportion to their relative degree of fault.

11. INSURANCE:

- (a) Nalco agrees to procure and at all times maintain, for the duration of the contract, policies of insurance of the types and in the minimum amounts as follows:
 - 1. Statutory Workers' Compensation or its equivalent and Employers Liability with minimum limits of \$2,000,000 U.S. in full compliance with all federal, province, state and/or local laws.
 - 2. Occurrence based Commercial General Liability Insurance with a minimum limit of \$2,000,000 U.S. Coverage shall include broad form property damage, product/completed operations, independent contractors liability, blanket contractual liability and personal injury.
 - 3. Automobile Liability Insurance covering owned, non-owned and hired vehicles with a minimum limit of \$2,000,000 U.S.
- (b) Upon request, Nalco shall provide Customer with a memorandum of insurance confirming the insurance coverage described above.
- (c) Should Nalco subcontract any work, Nalco is obligated to ensure that each subcontractor, at a minimum, meets the above insurance requirements.

12. COMPLIANCE WITH LAWS: Nalco shall comply with all applicable national and state laws and regulations, and all amendments thereto, including, where applicable, the Fair Labor Standards Act of 1938. Nalco shall furnish Customer with Material Safety Data Sheets (in English) for chemical Products. Customer shall not resell Products without Nalco's prior written consent, and shall not resell, divert, transship, export or re-export the Products to any country, except in accordance with applicable national, state and United States laws and regulations. Customer is responsible for compliance with all environmental, health and safety regulations regarding its facility, operations, and equipment, including any registrations applicable to use of storage tanks at its facilities.

13. TERMINATION: Either party may terminate this Agreement if (a) the other party fails to perform or meet a material obligation under this Agreement and (b) such default is not cured within 45 days after written notice of the failure. Each delivery under this Agreement shall be considered a separate and independent contract. If Customer fails to make a payment when due or Customer's financial condition becomes unsatisfactory to Nalco, then Nalco, at its option, may (a) withhold future performance until Customer cures the default or improves its financial condition to Nalco's satisfaction; (b) require payment in advance; or (c) terminate this Agreement. As a condition of termination of this Agreement for any reason Customer shall pay Nalco the applicable amount set forth in the Agreement.

14. MISCELLANEOUS:

- (a) This Agreement shall be governed by the Uniform Commercial Code and other laws of Illinois, and not by the United Nations Convention for the International Sale of Goods. Customer agrees that the courts in the county of DuPage, Illinois have non-exclusive jurisdiction for the resolution of disputes with respect to this Agreement.
- (b) Customer shall inform Nalco of any special or unusual safety precautions that should be taken because of conditions in Customer's plant or process.
- (c) Failure by either party to require strict compliance with any provision hereof shall not be construed as a waiver of that provision or any other provision. If any competent authority holds that any provision hereof is wholly or partially void or unenforceable, this Agreement shall be deemed modified to conform to applicable law and shall continue to be valid.
- (d) All prior and contemporaneous proposals, negotiations and agreements, written and oral, with respect to the transactions contemplated herein are merged into this Agreement, which constitutes the entire agreement between Customer and Nalco with respect to such transactions. This Agreement may not be altered, modified or amended except pursuant to a writing signed by both Customer and an authorized representative of Nalco.
- (e) Nalco shall be an independent contractor with respect to the services to be performed under this Agreement. Nalco, its subcontractors and their respective employees shall not be deemed to be the servants, employees or agents of Customer.
- (f) Nalco shall be entitled to subcontract portions of the work to be performed under this Agreement provided that the subcontractor shall be acceptable to the Customer.
- (g) Customer consents to casual references that may identify Customer on Nalco's website or promotional materials, provided that Customer's participation will be sought before formal disclosures such as press releases which identify Customer are issued.
- (h) THE PARTIES WAIVE ALL RIGHTS TO A JURY TRIAL.

SUPPLEMENTAL TERMS AND CONDITIONS

Rental or Use of Equipment

For equipment (including PORTA-FEED® units, 3D TRASAR® equipment and any computer hardware or software) furnished to Customer on a rental or use basis (the "Equipment"), the following terms and conditions shall also apply.

1. Equipment shall remain the sole personal property of Nalco an Ecolab Company even though Customer may attach Equipment to realty. Nalco may cause such Equipment to be marked to indicate its ownership, and Customer agrees to provide reasonable cooperation by executing any financing statements Nalco files with respect to the Equipment. Customer shall take no action which is inconsistent with Nalco's title to the Equipment, and shall not move, encumber or alter the Equipment without Nalco's written authorization. Customer shall be responsible for any personal property or use taxes associated with the Equipment.
2. Customer shall not use the Equipment with any materials or products other than those recommended or approved by Nalco. The proper functioning of the Equipment is conditioned upon Customer operating it in accordance with Nalco's recommendations.
3. Customer shall install and provide the utilities necessary for the Equipment, and will provide a suitable location for the Equipment, including but not limited to shelter, tank pads, spill protection, foundations, etc., as appropriate. Customer shall receive, unload, place and remove Equipment at no cost to Nalco and should be responsible for procuring any necessary permits or licenses for such actions. With respect to PORTA-FEED units, Customer agrees to provide access for a standard truck (min. 40 feet end-to-end, 14 feet high) to be driven safely to an area (e.g. loading dock) in the vicinity of the base tank to offload refill units.
4. Customer shall keep the Equipment at the Site and shall not alter the Equipment without Nalco's written authorization. Customer assumes all risk of loss or liability arising from or pertaining to its possession, operation or use of the Equipment, and shall indemnify, defend and hold Nalco harmless from all losses, claims, damages and expenses arising from Customer's possession and use of the Equipment. Customer shall obtain and maintain for the term of this Agreement all risks property insurance against loss or damage to the Equipment.
5. Customer shall allow Nalco to subcontract portions of work to be performed under this Agreement provided that the subcontractor shall be acceptable to Customer. Nalco shall have the right to inspect and service Equipment during normal business hours.
6. Upon termination of this Agreement by either Nalco or Customer, Customer shall return Equipment to Nalco at Customer's sole expense in the same condition as received, ordinary wear and tear excepted. In the event Equipment is lost, damaged or destroyed, Customer shall pay to Nalco the cost of replacement, or of repair at Nalco's standard charges then in effect. During the term of this Agreement, the Equipment will remain the exclusive property of Nalco. If this Agreement is terminated early for any reason, then ownership may still transfer to Customer but only upon payment by Customer of the following amount: (i) the monthly price, multiplied by (ii) the number of months remaining in this Agreement plus (ii) any other amounts then due and owing to Nalco under the Agreement.
7. Customer shall promptly notify Nalco of any material change in Customer's status, including, but not limited to, change of address, desired Equipment location, close of business or nonpayment of any payments due under this Agreement for more than 30 days.
8. Nalco reserves the right to use non-union labor for supervised, installation, testing and service of Equipment. Customer agrees that Nalco shall have the right to inspect and service the Equipment during all normal business hours.
9. Customer agrees to inform Nalco of any special or unusual safety precautions that should be taken because of conditions in Customer's plant or process.