



PROFESSIONAL SERVICES AGREEMENT

(version 12-17-2020)

This AGREEMENT ("Agreement") is entered by and between **HR Green, Inc.** ("Professional"), located at **11011 Richmond Ave., Suite 200 Houston, TX 77042** and the **City of League City** ("City"), a home-rule municipality, located at 300 W. Walker St., League City, Texas 77573 on the date set forth below.

Terms:

1. **Scope of Services:** Professional will perform the services as set forth in **Exhibit A**, which is attached and incorporated herein, and which can be generally described as **design and project management services through construction for Asphalt Rehabilitation of 3rd Street utilizing CDBG funds..** Services related to design, bid, or construction of a public work shall conform to the requirements set forth in **Exhibit B**. If there is a conflict between the terms of this Agreement and Exhibits A or B, the terms of this Agreement will prevail.
2. **Term and Termination:** This Agreement shall commence on **January 18, 2021** and shall expire on **September 1, 2021** City reserves the right to terminate this Agreement for convenience upon seven (7) days written notice to Professional. Upon such termination, City shall pay Professional, at the rate set out in **Exhibit A**, for services satisfactorily performed up through the date of termination. Notwithstanding any provision in this Agreement to the contrary, City will not be required to pay or reimburse Professional for any services performed or for expenses incurred by Professional after the date of the termination notice that could have been avoided or mitigated by Professional.
3. **Compensation:** Professional shall be paid for the services as set forth in **Exhibit A**. In no event shall the total compensation exceed **\$71,170.00 (Seventy one thousand one hundred seventy dollars and zero cents)** during the term of this Agreement. City shall tender payment (including progress/partial payments) for services only after such services are completed and are deemed to be acceptable under this Agreement, in the sole reasonable discretion of City. Professional must submit to City invoices for all services provided, which invoices must include details and dates of service. Payment by City shall be made within thirty (30) days of receipt of an invoice, except for any portion of the invoiced amount that City disapproves as not compliant under this Agreement, in the sole reasonable discretion of City. If City disapproves any amount submitted for payment by Professional, City shall give Professional specific reasons for disapproval in writing.
4. **Insurance:** Professional **is** required during the Contract Term to maintain insurance as set forth below:
 - (a) Comprehensive General Commercial Liability insurance covering bodily injury and property damage, with minimum coverage limits—exclusive of defense costs—of \$1,000,000 per occurrence and \$2,000,000 aggregate;
 - (b) Professional Liability (errors and omissions/malpractice) insurance with minimum coverage limits—exclusive of defense costs—of \$2,000,000 per occurrence; and
 - (c) If at any point during the Contract Term it is foreseeable that Professional will enter upon City premises:
 - (i) Worker's Compensation coverage with statutory limits for the State of Texas, and (ii) Commercial Automobile Liability coverage with minimum coverage limits—exclusive of defense costs—of \$1,000,000 per occurrence and \$2,000,000 aggregate.

All policies must contain a waiver of subrogation against City. Comprehensive General Liability and Commercial Automobile Liability policies must name the City as Additional Insured. Professional shall pay all insurance deductibles and deductibles must not exceed \$10,000 unless approved in advance by City. Professional shall provide City Certificates of Insurance evidencing these insurance requirements prior to the start of work.

5. **Liquidated Damages:** Professional acknowledges that time is of the essence in performing this Agreement. City and Professional (collectively, the “Parties”) agree that if Professional is late in performing any service designated as Time Critical on the Scope of Services attached to this Agreement, City will suffer loss, damages, or other harm from Professional’s delay. The Parties agree that the amount of loss, damages, or harm likely to be incurred as a result of Professional’s delay is incapable or difficult to precisely estimate, and therefore the Parties desire to stipulate the amount of such loss, damages, or harm. Accordingly, Professional shall have deducted from any amounts owed under this Agreement liquidated damages equal to the number of calendar days of the delay(s) times the daily rate, which rate shall be one-tenth of one percent (0.1%) times the compensation shown in the Scope of Services for such Time Critical service. The Parties further agree that: (i) the liquidated damages specified herein are not a penalty but rather bear a reasonable relationship to, and is not plainly or grossly disproportionate to, the probable loss likely to be incurred by City as a result of Professional’s delay; (ii) one of the reasons for City and Professional to agree to such amounts is the uncertainty and cost of litigation regarding the question of actual damages; and (iii) City and Professional are sophisticated business parties and negotiated this Agreement at arm’s length.
6. **Independent Professional:** Professional is an independent Professional and is not an employee, partner, joint venture, or agent of City. Professional understands and agrees that he/she will not be entitled to any benefits generally available to City employees. Professional shall be responsible for all expenses necessary to carry out the services under this Agreement and shall not be reimbursed by City for such expenses except as otherwise provided in this Agreement.
7. **Intellectual Property:** This Agreement shall be an Agreement for services and the parties intend and consider any work created as a result of this Agreement, including any and all documentation, images, products or results, to be a work (the “Work”) for hire under federal copyright law. Ownership of the Work shall belong to and remain the exclusive property of City. The Work may be edited at any time within City’s discretion. If the Work would not be considered a work-for-hire under applicable law, Professional hereby assigns, transfers, and conveys any and all rights, title and interest to City, including without limitation all copyrights, patents, rights of reproduction, rights to ownership, and right to secure registrations, renewals, reissues and extensions thereof. As the sole copyright holder of the Work, City maintains and asserts the rights to use, reproduce, make derivative works from, and/or edit the Work in any form of medium, expression or technology now known or hereafter developed, at any time within City’s discretion. Professional shall not sell, disclose or obtain any other compensation for the services provided herein or the Work. If the Work is one to which the provisions of 17 U.S.C. § 106A apply, Professional hereby waives and appoints City to assert on Professional’s behalf Professional’s moral rights or any equivalent rights regarding the form or extent of any alteration to the Work (including, without limitation, removal or destruction) or the making of any derivative works based on the Work, including, without limitation, photographs, drawings or other visual reproductions of the work, in any medium, for City’s purposes.
8. **Confidentiality:** During the course of the services to be provided under this Agreement, Professional may become privy to confidential information of City. Professional agrees to treat as confidential the information or knowledge that becomes known to Professional during performance of this Agreement and to not use, copy, or disclose such information to any third party unless authorized in writing by City. This provision does not restrict the disclosure of any information that is required to be disclosed under applicable law. Professional shall promptly notify City of any misuse or unauthorized disclosure of City’s confidential information and upon expiration of this Agreement shall return to City all confidential information in Professional’s possession or control. Professional shall further comply with all information security policies of City that may apply and shall not make any press releases, public statements or

advertisement referring to the services provided under this Agreement or the engagement of Professional without the prior written approval of City.

9. **Warranties and Representations:** Professional warrants and agrees that Professional shall perform its services and conduct all operations in conformity with all applicable federal, state, and local laws, rules, regulations, and ordinances. For any service performed on premises owned or controlled by City, Professional warrants and agrees that Professional will perform said services in compliance with all City rules, including but not limited to, prohibitions related to tobacco use, alcohol, and other drugs.
10. **Licenses/Certifications:** Professional represents and warrants that it will obtain and maintain in effect, and pay the cost of, all licenses, permits or certifications that may be necessary for Professional's performance of this Agreement. If Professional is a business entity, Professional warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its formation; and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement and is authorized to execute this Agreement according to its terms on behalf of Professional.
11. **Performance/Qualifications:** Professional agrees and represents that Professional has the personnel, experience, and knowledge necessary to qualify Professional for the particular duties to be performed under this Agreement. Professional warrants that all services performed under this Agreement shall be performed consistent with generally prevailing professional or industry standards.
12. **Conflict of Interest:** Professional warrants, represents, and agrees that Professional presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with Professional's performance of the services hereunder. Professional further warrants and affirms that no relationship or affiliation exists between Professional and City that could be construed as a conflict of interest with regard to this Agreement.
13. **INDEMNIFICATION: PROFESSIONAL SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CITY , AND EACH OF ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES AND LIABILITIES, INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES AND REASONABLE LITIGATION COSTS, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF PROFESSIONAL OR ANY AGENT, EMPLOYEE, SUBPROFESSIONAL, OR SUPPLIER OF PROFESSIONAL IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT, TO THE EXTENT THE CLAIM ARISES FROM NEGLIGENCE, WILLFUL ACT, BREACH OF CONTRACT OR VIOLATION OF LAW.**
14. **Force Majeure:** Neither party shall be liable to the other for (i) any delay in performance; (ii) any other breach; (iii) any loss or damage; or (iv) any contribution to or aggravation of any of the foregoing; arising solely from uncontrollable forces such as fire, theft, storm, war, or any other cause that could not have been reasonably avoided by the party's exercise of due diligence.
15. **Notices:** Any notice given under this Agreement by either party to the other may be affected either by personal delivery in writing or by mail, registered or certified postage prepaid with return receipt requested. Mailed notices shall be addressed to the addresses of the Parties as they appear in the contract. Notices

delivered personally shall be deemed communicated at the time of actual receipt. Mailed notices shall be deemed communicated three (3) days after mailing.

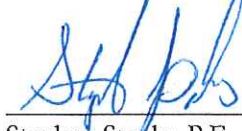
16. **Texas Family Code Child Support Certification:** Pursuant to Section 231.006 of the Texas Family Code, Professional certifies that it is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated, and payment may be withheld if this certification is inaccurate.
17. **State Auditor:** Professional understands that acceptance of funds under the Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, the "Auditor"), to conduct an audit or investigation in connection with those funds. Professional agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. Professional will include this provision in all contracts with permitted subprofessionals.
18. **Jurisdiction:** Any disputes under this Agreement shall be brought in a court of competent jurisdiction in Galveston, Texas and governed by Texas law.
19. **Alternative Dispute Resolution:** To the extent that Chapter 2260, Texas Government Code, is applicable to this Contract and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General Pursuant to Chapter 2260, shall be used by City and Professional to attempt to resolve any claim for breach of contract made by Professional that cannot be resolved in the ordinary course of business. The Director of Finance of City shall examine Professional's claim and any counterclaim and negotiate with Professional in an effort to resolve such claims. This provision shall not be construed as a waiver by City of its right to seek redress in the courts.
20. **Entire Agreement:** This Agreement contains the entire understanding between the Parties and supersedes all prior agreements, arrangements, and understanding, oral or written between the Parties relating to this Agreement. This Agreement may not be modified except by mutual written agreement of the Parties executed subsequent to this Agreement.
21. **Eligibility to Receive Payment:** Professional certifies that, as a matter of state law, it is not ineligible to receive the Agreement and payments pursuant to the Agreement and acknowledges that the Agreement may be terminated, and payment withheld if this representation is inaccurate.
22. **Payment of Debt/Delinquency to State:** Professional certifies that it is not indebted to the City of League City and is current on all taxes owed to the City of League City. Professional agrees that any payments owing to Professional under the Agreement may be applied directly toward any debt or delinquency that Professional owes the City of League City regardless of when it arises, until such debt or delinquency is paid in full.
23. **Products and Materials Produced in Texas:** If Professional will provide services under the Agreement, Professional covenants and agrees that in performing its duties and obligations under the Agreement, it will purchase products and materials produced in Texas when such products and materials are available at a price and delivery time comparable to products and materials produced outside of Texas.
24. **Risk of Loss:** All work performed by Professional pursuant to the Agreement will be at Professional's exclusive risk until final and complete acceptance of the work by City. In the case of any loss or damage to the work, or the need to redo or revise the work for any reason except to accommodate a City request to materially alter the work, prior to City's acceptance, bearing the costs of such loss or damage to or such redo or revision of the work will be Professional's responsibility.

25. **Publicity:** Professional shall not use City's name, logo or likeness in any press release, marketing materials or other public announcement without receiving City's prior written approval.
26. **Legal Construction/Severability:** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained in it. To this end, the provisions of this Agreement are declared to be severable. The Parties may mutually agree to renegotiate the Agreement to cure such illegality/invalidity or unconstitutionality if such may be reasonably accomplished.
27. **Limitations:** The Parties are aware that there are constitutional and statutory limitations on the authority of City to enter into certain terms and conditions of the Agreement, including, but not limited to, those terms and conditions relating to liens on City's property; disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers and limitations of legal rights, remedies, requirements and processes; limitations of periods to bring legal action; granting control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorneys' fees; dispute resolution; indemnities; and confidentiality (collectively, the "Limitations"). Any terms and conditions related to the Limitations will not be binding on City except to the extent authorized by the laws and Constitution of the State of Texas.
28. **Sovereign Immunity:** The Parties agree that neither the execution of the Agreement by City nor any other conduct, action or inaction of any City representative relating to the Agreement constitutes a waiver of sovereign immunity by City.
29. **Authority:** Professional warrants and represents that Professional has full power and authority to enter into and perform this Agreement and to make the grant of rights contained herein. The person signing on behalf of City represents that he/she has authority to sign this Agreement on behalf of City.
30. **Non-Waiver:** The Parties specifically agree that neither the occurrence of an event giving rise to a breach of contract claim nor the pendency of a claim constitute grounds for the suspension of performance by Professional. No covenant or condition of this Agreement may be waived except by written consent of the waiving party. Forbearance or indulgence by one party in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by the other party.
31. **Prohibition on Boycotting Israel:** Pursuant to Section 2270.002 of the Texas Government Code, by executing this Agreement Professional verifies that Professional: (1) does not boycott Israel; and (2) will not boycott Israel during the term of this Agreement.
32. **Prohibition Against Business with Iran, Sudan or Foreign Terrorists Organizations:** Professional warrants, covenants, and represents that Professional is not engaged in business with Iran, Sudan, or any company identified on the list referenced in Section 2252.152 of the Texas Government Code.
33. **Compliance with CDBG Provisions:** Professional agrees to comply with all administrative requirements of the CDBG funding, including those attached as Exhibit C, attached and incorporated herein. In Exhibit C, Professional shall be identified as Subrecipient.

(signature block on next page)

Executed on _____, *(date to be filled in by City Secretary)*

HR GREEN, INC. - "Professional"



Stephen Sparks, P.E.
Vice President

CITY OF LEAGUE CITY - "City"

John Baumgartner, ICMA-CM, P.E.
City Manager

Attest:

Diana Stapp, City Secretary

Approved as to Form:

Office of the City Attorney

Exhibit A

**Scope of Services/Description of Products/Payment
Schedule** (37 number of pages, including this page)

See Next Page.



▷ 11011 Richmond Avenue | Suite 200 | Houston, TX 77042
Main 713.965.9996 + Fax 713.965.0044 + TBPE Firm F-11278

▷ HRGREEN.COM

November 18, 2020

Mr. Scott Tuma
Engineering Department
500 West Walker Street
League City, TX 77573

RE: Proposal for Asphalt Overlay Improvements for:
Package #6 – League City 3rd Street CDBG

Dear Mr. Tuma:

HR Green is pleased to submit this proposal for performing plans preparation, survey, bid-phase and construction phase services for the above referenced project. The project includes engineering design phase, bid phase, survey, geotechnical and construction phase services for Full-Depth Replacement pavement repairs for 3rd Street in League City. The streets listed are in the table below.

This proposal is based on our understanding of the project from discussions with you and from visits to the project sites. This proposal presents a general overview with preliminary construction cost estimate, scope of service and proposed fee.

GENERAL OVERVIEW

The limits include the following:

STREET		LIMITS	LENGTH
1	3 rd Street	N. Wisconsin to Alabama	2,680.0
		TOTAL LENGTH	2,680.0

- The approximate length of Mill & Overlay operations is 2,680 LF.
- Topographic survey will be performed on the above listed project limits.
- Geotechnical investigations and Pavement Design Report will be completed on the above listed project limits.
- The existing typical section of these streets consists of 15-20 foot wide roadway with asphalt pavement and open roadside ditches.
- The proposed typical sections will include removing the existing pavement and base as prescribed in the Pavement Design Report and overlay with an assumed 3 inches of asphalt pavement and new base material, to be confirmed and specified by the Pavement Design Report.
- The preliminary construction cost estimate is **\$532,044.59** (including a 10% contingency).

PROPOSED FEE

The proposed fee for Design Phase, Bid Phase Services, Construction Phase Services, Geotechnical and Topographic Survey is **\$71,170.00 (see Attachment "A")**. As in our previous contract, Design Phase, Bid Phase and Construction Phase services are based on lump sum fees and hourly charges will be based on raw labor rates

times a multiplier of 3.00. Reimbursable expenses will be charged at cost plus 10%, and mileage will be charged at the prevailing federal rate.

SCOPE OF SERVICES

- I. Design Phase Services and Bid-Phase Services
 - Prepare Construction Documentation for CDBG.
 - Prepare Title Sheet with project limits
 - Prepare Summary of Quantities sheet
 - Prepare existing and proposed Typical Sections
 - Prepare driveway taper details
 - Prepare project layout sheet indicating the limits of the project.
 - Prepare Survey Control sheets
 - Prepare Pavement Design Report and boring location sheets
 - Prepare roadway plan sheets for open ditch sections.
 - Identify and call out on roadway plan sheets the locations of intersection radius improvement and culvert extension.
 - Prepare Base Repair Detail to be used in select areas in need of base repair as prescribed by Pavement Design Report
 - TxDOT standard traffic control plan sheets will be used to maintenance of traffic during mill and overlay and full-depth pavement repair. Traffic control plans for construction operations not covered by TxDOT standards and are not anticipated and not included in the Scope of Work.
 - Pavement Markings for Stop Bars and Blue Reflector Fire Hydrant Markers at select locations will be included.
 - Attend monthly progress meetings
 - Submit plans at 60%, 90% and 100% milestones.
 - Prepare engineers opinion of probable construction cost, bid documents and specification and attend Pre-Bid meeting.
 - Assist the City in obtaining bids for the project.
 - Make construction documents available on CivCast for vendor distribution.
 - Provide information to and answer questions from bidders concerning construction documents.
 - Evaluate the bids and low bidder qualifications and make recommendations to the City for the award of contract.
 - Prepare five (5) contract document sets for execution by the successful Contractor.
 - Review Contract documents provided by the Contractor and submit to the City for further execution.
- II. Construction Phase Services
 - Coordinate with the City and attend Pre-Construction meeting
 - Prepare meeting minutes for the pre-construction meeting and provide copies to all attendees.
 - Provide construction administration services for the project.
 - Assist the City during construction phase.
 - Review and respond accordingly to all submittals and RFI's.
 - Prepare change orders necessitated by field conditions.
 - Review contractor's pay estimates, evaluate completed work, and make payment recommendations to the City.
 - Assist the City in conducting final observation of the project. Coordinate with the City and the Contractor on the punch list items identified in the final inspections.



- Assist the City with project close-out, conduct a final observation of the project and make recommendation for Final Payment on the Project.
- Visit the site at appropriate intervals to observe construction progress and quality of work and to determine if the work is proceeding in accordance with the plans.
- Provide one (1) set of reproducible record plans based on the red lined drawings provided to HR Green by the Contractor.
- HR Green is not responsible for the means, methods, techniques, sequence of procedures of construction selected by the Contractor(s) or the safety precautions and programs incident to the work of the Contractor(s). HR Green is not responsible for the failure of the Contractor to perform the work in accordance with the construction documents. During site visits and on the basis of on-site observations HR Green will keep the City informed of the progress of the work, and will endeavor to identify to the City any defects or deficiencies in such work when they are observed.

III. Not Included in Scope:

- Drainage Study
- Drainage Plans
- Detailed measurements and investigations during construction phase are not part of this task.
- Full time site representation and inspection services during construction phase are not part of this task.
- Construction testing is not included in this proposal. It is our understanding that the City of League City will contract directly with a testing firm to perform testing services.

IV. Project Schedule:

- 90% Submittal: 3-10-2021 100% Submittal 4-8-2021
- Contractor Notice to Proceed: 6-4-2021 (Anticipated Construction Duration 2 months)
- Detailed project schedule attached.

HR Green appreciates the opportunity to submit this proposal and we look forward to working with you and your staff on this important project. Please call should you have any questions or comments.

Sincerely,

HR GREEN, INC.

Jesus Olivas, PE

Project Manager, Attachments

A handwritten signature in blue ink that reads "Jesus Olivas".

CITY OF LEAGUE CITY
PACKAGE #6
APHALT OVERLAY PROJECT
CDBG - 3rd STREET

ATTACHMENT "A": FEE STRUCTURE SUMMARY		
A. BASIC SERVICES		
1. DESIGN PHASE	\$42,894.00	*
2. BID PHASE	\$5,100.00	
3. CONSTRUCTION PHASE	\$8,570.00	
SUB-TOTAL	\$56,564.00	
B. ADDITIONAL SERVICES		
1. GEOTECHNICAL STUDY (COST + 10%)	\$3,960.00	
2. SURVEYING (COST + 10%)	\$9,746.00	*
3. MISC. EXPENSES (COST + 10%)	\$900.00	
SUB-TOTAL	\$14,606.00	
TOTAL FEE:	\$71,170.00	

* Time Critical Services \$52,640.00

CITY OF LEAGUE CITY: PACKAGE #6 - 3rd STREET ASPHALT OVERLAY - CDBG

Street Name	Limits	Type	Length (FT)	Proposed Work Type
3rd Street	N. Wisconsin to Alabama	EXIST OPEN DITCH	2680	Asphalt Overlay
		Total	2,680	

**Preliminary Engineer's Opinion of Probable Construction Costs
For City of League City - Package 6 (3rd Street Asphalt Overlay)**

Prepared By: HR Green, Inc.
Date Prepared: November 11, 2020

A. Site Preparation Items Master Base Bid

Item	Description	Quantity	Unit	Unit Price	Total Price
1	Clearing and Grubbing, Complete in Place, In accordance with Drawings and Specifications	26.80	STA	\$270.00	\$7,236.00
2	Remove ACP Pavement and Base for Full Reconstruction (All depths)	6370.00	SY	\$13.00	\$82,810.00
3	Excavation, In accordance with Drawings and Specifications	1592.50	CY	\$28.00	\$44,590.00
Subtotal for Site Preparation					\$134,636.00

B. Pavement Items Master Base Bid

Item	Description	Quantity	Unit	Unit Price	Total Price
4	Hot Mix - Hot Laid Asphaltic Concrete Pavement (Surface) (1.5-inch)(165lbs/SY), Complete in Place, In accordance with Drawings and Specifications	525.50	Tons	\$100.00	\$52,550.00
5	Hot Mix - Hot Laid Asphaltic Concrete Pavement (Level-Up) (1.5-inch)(165lbs/SY), Complete in Place, In accordance with Drawings and Specifications	525.50	Tons	\$100.00	\$52,550.00
6	Tack Coat (SS-1)(0.25Gal/SY), Complete in Place, In accordance with Drawings and Specifications	637	Gal	\$3.00	\$1,911.00
7	Prime Coat (SS-1)(0.10Gal/SY), Complete in Place, In accordance with Drawings and Specifications	1,593	Gal	\$2.00	\$3,186.00
8	Backfill Material, Reclaimed Asphalt Pavement (RAP) for Shoulder Dressing, In accordance with Drawings and specifications	26.8	STA	\$300.00	\$8,040.00
9	8" Base Crushed Limestone (Type A or B)(Grade 1), In accordance with Drawings and Specifications	6370	SY	\$25.00	\$159,250.00
10	6" Lime Treated Subgrade, in accordance with Drawings and Specifications	6370	SY	\$7.00	\$44,590.00
11	Lime (Hydrated Lime)(Dry), In accordance with Drawing and Specifications	86.00	Tons	\$220.00	\$18,918.90
Subtotal for Pavement Items					\$340,995.90

C. Construction Traffic Control Items Master Base Bid

Item	Description	Quantity	Unit	Unit Price	Total Price
12	Temporary Traffic Handling and Control & Flagmen	3	Mo	\$1,000.00	\$3,000.00
Subtotal for Construction Traffic Control Items					\$3,000.00

D. Signing and Pavement Marking Items Master Base Bid

Item	Description	Quantity	Unit	Unit Price	Total Price
13	2-Way Blue Reflective Marker	2.00	Ea.	\$14.50	\$29.00
14	Thermo Pvmnt Marking (24-inch)(White)(Solid), Complete in Place, In accordance with Drawings and Specifications	36	LF	\$6.00	\$216.00
15	City Project Signs, Complete in Place, In accordance with Drawings and Specifications	1	Ea.	\$800.00	\$800.00
Subtotal for Sign and Pavement Marking Items					\$1,045.00

E. Supplemental Items Master Base Bid

Item	Description	Quantity	Unit	Unit Price	Total Price
16	Adjust Exist Manhole to grade, In accordance with drawings and Specifications	5	Ea.	\$400.00	\$2,000.00
17	Adjust Existing Water Valves to grade, In accordance with Drawings and Specifications	5	Ea.	\$400.00	\$2,000.00
Subtotal for Supplemental Items					\$4,000.00

	Sub-Total				\$483,676.90
	10% Contingency				\$48,367.69
	Grand Total				\$532,044.59

November 13, 2020



HR Green, Inc.
11011 Richmond Avenue, Suite 375
Houston, Texas 77042

Attn: Mr. Jesus M. Olivas, P.E.

Re: Cost Estimate for Geotechnical Engineering Services
3rd Street Reconstruction - Package No. 6
League City, Texas
Terracon Document No. P91205070.Supplement 1

Dear Mr. Olivas:

Terracon Consultants, Inc. (Terracon) understands we have been selected based upon qualifications to provide Geotechnical Engineering services for the above referenced project in League City, Texas. This document outlines our understanding of the scope of services to be performed by Terracon for this project and provides an estimate of the cost of our services.

Exhibit A	Project Understanding
Exhibit B	Scope of Services
Exhibit C	Compensation and Project Schedule

Our base fee to perform the scope of services described in this document is **\$3,600**. This fee is based on the assumption that the City of League City will provide traffic control services during our field program. See **Exhibit C** for consideration of additional services.

The work will be performed under the "Master Service Agreement for Sub-consultant Services" (MSA), dated August 24, 2018, between Terracon and HR Green, Inc. We understand that a work order referencing the MSA and this proposal will be issued by the client to authorize our services.

Sincerely,
Terracon Consultants, Inc.
(Texas Firm Registration No. F3272)

A handwritten signature in blue ink that reads "Rehan Khan".

Rehan Khan, P.E.
Project Engineer

Bobbie S. Hood, P.E.
Geotechnical Services Manager

EXHIBIT A - PROJECT UNDERSTANDING

Our scope of work is based on our understanding of the project as described to us by the client. We have not visited the site yet and aspects of the project that are undefined or assumed **are highlighted** as shown below. We request the design team provide input to verify this information prior to our initiation of field exploration activities.

Site Location

Item	Description
Site location	3 rd Street in between North Wisconsin Avenue and Alabama Avenue in League City, Texas.
Existing improvements ¹	Two-lane asphaltic concrete pavement with roadside ditches.
Current ground cover ¹	Asphaltic concrete.
Existing topography	Relatively level.
Site access	We expect that the site and exploration locations are accessible with our truck-mounted drilling equipment.

^{1.} Based on available aerial images.

Planned Construction

Item	Description
Project improvements	<p>Approximately 2,676 linear feet of pavement rehabilitation which will include the following:</p> <ul style="list-style-type: none"> ■ Milling the existing asphaltic concrete wearing surface and then overlaying the underlying pavement material with a new hot-mix asphaltic concrete (HMAC) surface course. ■ Full depth reconstruction wherein the existing pavement sections will be stripped and replaced with new pavement sections. <p>We assume that no utility improvements are planned.</p>
Final grade	We assume the reconstructed pavement will match the existing grade elevation.

EXHIBIT B - SCOPE OF SERVICES

Our proposed scope of services consists of a site visit, field exploration, laboratory testing, and engineering/project delivery. These services are described in the following sections.

Field Exploration

The field exploration program is planned to consist of the following:

Roadway Description	Approximate Length ¹ (feet)	No. of Borings	Boring Depth ² (feet)
3 rd Street: N. Wisconsin to Alabama	2,676	4	5
<div><div>1.</div> Street length provided by HR Green.</div> <div><div>2.</div> Below top of existing pavement.</div>			

Boring Layout and Elevations: We will use handheld GPS equipment to locate borings with an estimated horizontal accuracy of +/-25 feet. Field measurements from existing site features are sometimes utilized.

Subsurface Exploration Procedures: We will advance soil borings with a truck-mounted drill rig using continuous flight augers (solid stem). In addition, we plan to core at some locations to gather a better understanding of the existing pavement materials. During drilling, we plan to measure the approximate thicknesses of the pavement components at each boring location. Three samples are planned to be obtained in each 5-foot boring. Soil sampling is typically performed using open tube and/or split-barrel sampling procedures. In the open tube sampling procedure, an open, seamless steel tube with a sharp cutting edge is pushed hydraulically into the soil to obtain a relatively undisturbed sample. In the split barrel sampling procedure, a standard 2-inch outer diameter split barrel sampling spoon is driven into the ground by a 140-pound automatic hammer falling a distance of 30 inches. The number of blows required to advance the sampling spoon the last 12 inches of a normal 18-inch penetration is recorded as the Standard Penetration Test (SPT) resistance value. The SPT resistance values, also referred to as N-values, will be indicated on the boring logs at the test depths. The samples will be placed in appropriate containers, taken to our soil laboratory for testing, and classified by a geotechnical engineer. In addition, we will observe and record groundwater levels during drilling and sampling.

Since the borings will be located on existing pavements we anticipate that some form of traffic control will be required during our field activities. We assume the City of League City will provide traffic control during our field activities.

Our exploration team will prepare field logs as part of standard drilling operations including sampling depths, penetration distances, and other relevant sampling information. Field logs include visual classifications of materials observed during drilling, and our interpretation of subsurface

Cost Estimate for Geotechnical Engineering Services

3rd Street Reconstruction - Package No. 6 ■ League City, Texas

November 13, 2020 ■ Terracon Document No. P91195074.Revision 1



conditions between samples. Final boring logs, prepared from field logs, will represent the geotechnical engineer's interpretation and include modifications based on observations and laboratory tests.

Property Disturbance: We will backfill borings with auger cuttings after completion and patch the surface with ready-mix asphaltic concrete products. Our services do not include repair of the site beyond backfilling our boreholes. Excess auger cuttings will be dispersed in the general vicinity of the borehole. Because backfill material often settles below the surface after a period, we recommend boreholes be checked periodically and backfilled, if necessary. We can provide this service, or grout the boreholes for additional fees, at your request.

Safety

Terracon is currently not aware of environmental concerns at this project site that would create health or safety hazards associated with our exploration program; thus, our scope considers standard OSHA Level D Personal Protection Equipment (PPE) appropriate. Our scope of services does not include environmental site assessment services, but identification of unusual or unnatural materials encountered while drilling will be noted on our logs and discussed in our report.

Exploration efforts require borings (and possibly excavations) into the subsurface, therefore Terracon complies with local regulations to request a utility location service, Texas811, to help locate public utilities within the vicinity of the site. We consult with the owner/client regarding potential utilities or other unmarked underground hazards. Based upon the results of this consultation, we consider the need for alternative subsurface exploration methods, as the safety of our field crew is a priority.

All private utilities should be marked by the owner/client prior to commencement of field exploration. Terracon will not be responsible for damage to private utilities that are not made aware to us. If the owner/client is not able to accurately locate private utilities, Terracon can assist the owner/client by coordinating or subcontracting with a private utility locating services. Fees associated with the additional services are not included in our current scope of services. The detection of underground utilities is dependent upon the composition and construction of the utility line; some utilities are comprised of non-electrically conductive materials and may not be readily detected. The use of a private utility locate service would not relieve the owner of their responsibilities in identifying private underground utilities.

Terracon retains the right to stop work without penalty at any time we believe it is in the best interests of our employees or subcontractors to do so in order to reduce the risk of exposure to the coronavirus. Client agrees it will respond quickly to all requests for information made by Terracon related to our pre-task planning and risk assessment processes. Client acknowledges its responsibility for notifying us of any circumstances that present a risk of exposure to the

Cost Estimate for Geotechnical Engineering Services

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coronavirus or individuals who have tested positive for COVID-19 or are self-quarantining due to exhibiting symptoms associated with the coronavirus.

Site Access: Terracon must be granted access to the site by the property owner. By acceptance of this proposal, without information to the contrary, we consider this as authorization to access the property for conducting field exploration in accordance with the scope of services.

Laboratory Testing

The project engineer will review field data and assign laboratory tests to better understand the engineering properties of the soil strata. Based on our understanding of the project, the assigned tests may include the following:

- Moisture content
- Dry unit weight
- Atterberg limits
- Amount of materials in the soil finer than no. 200 sieve
- Unconfined compressive strength

Our laboratory testing program includes examination of soil samples by an engineer. Based on the results of our field and laboratory program, we describe and classify soil samples in accordance with the Unified Soil Classification System (USCS).

Engineering and Project Delivery

Results of our field and laboratory programs will be evaluated by a professional engineer. The engineer will develop a geotechnical site characterization, perform the engineering calculations necessary to evaluate foundation alternatives, and develop appropriate geotechnical engineering design criteria for earth-related phases of the project.

Your project will be delivered using our **GeoReport®** system. Upon initiation, we provide you and your design team the necessary link and password to access the website (if not previously registered). Each project includes a calendar to track the schedule, an interactive site map, a listing of team members, access to the project documents as they are uploaded to the site, and a collaboration portal. The typical delivery process includes the following:

- Project Planning – Proposal information, schedule and anticipated exploration plan will be posted for review and verification
- Site Characterization – Findings of the site exploration
- Geotechnical Engineering – Recommendations and geotechnical engineering report

When utilized, our collaboration portal documents communication, eliminating the need for long email threads. This collaborative effort allows prompt evaluation and discussion of options related

Cost Estimate for Geotechnical Engineering Services

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to the design and associated benefits and risks of each option. With the ability to inform all parties as the work progresses, decisions and consensus can be reached faster. In some cases, only minimal uploads and collaboration will be required, because options for design and construction are limited or unnecessary. This is typically the case for uncomplicated projects with no anomalies found at the site.

When services are complete, we will upload a printable version of our completed geotechnical engineering report, including the professional engineer's seal and signature, which documents our services. Previous submittals, collaboration and the report are maintained in our system. This allows future reference and integration into subsequent aspects of our services as the project goes through final design and construction.

The geotechnical engineering report will provide the following:

- Site plan and exploration plan;
- Boring logs with field and laboratory data;
- Stratification based on visual soil classification;
- Groundwater levels observed in borings during drilling and at 5-minute intervals for 15 minutes;
- Site and subgrade preparation; and
- Pavement repair or design and reconstruction guidelines.

EXHIBIT C - COMPENSATION AND PROJECT SCHEDULE

Compensation

Based upon our understanding of the site, the project as summarized in **Exhibit A** and our planned scope of services outlined in **Exhibit B**, our base fee is **\$3,600**. This fee is based on the assumption that City of League City will provide traffic control services for our field program.

Our scope of services does not include services associated with surveying of boring locations, traffic control, obtaining a drilling permit, or repair of damage to existing landscape. If such services are desired by the owner/client, we should be notified so we can adjust our scope of services.

Additional consultation (such as attendance on a project conference call, engineering analysis, review of project documents, etc.) requested will be performed on a time-and-materials basis. A Senior Engineer billing rate of \$180 per hour and Project Engineer billing rate of \$130 per hour will apply. The fee to provide additional consultation services will be in excess of the above provided fee to complete the geotechnical services and will not be incurred without prior approval of the client.

Unless instructed otherwise, we will submit our invoice(s) to the address shown at the beginning of this proposal. If conditions are encountered that require scope of work revisions and/or result in higher fees, we will contact you for approval prior to initiating these services. A supplemental proposal stating the modified scope of services as well as its effect on our fee will be prepared. We will not proceed without your authorization, as evidenced by your signature on a Change Order.

Project Schedule

We developed a schedule to complete the scope of services based upon our existing availability and understanding of your project schedule. This schedule does not account for any delays in field exploration beyond our control, such as weather conditions, permit delays, or lack of permission to access the boring locations. In the event the schedule provided is inconsistent with your needs, please contact us so we may consider alternatives.

GeoReport Stage	Posting Date from Notice to Proceed ^{1, 2}
Project Planning	5 working days
Site Characterization	15 working days
Geotechnical Engineering	20 working days

Cost Estimate for Geotechnical Engineering Services

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GeoReport Stage	Posting Date from Notice to Proceed ^{1, 2}
<ol style="list-style-type: none">1. Upon receipt of your notice to proceed we will activate the schedule component of our GeoReport website with specific, anticipated calendar dates for the three delivery points noted above as well as other pertinent events such as field exploration crews on-site, etc.2. We will maintain a current calendar of activities within our GeoReport website. In the event of a need to modify the schedule, the schedule will be updated to maintain a current awareness of our plans for delivery.	



10300 Westoffice Drive, Ste. 800
Houston, TX 77042
Phone: (713) 975-8769
Fax: (713) 975-0920
Engineering Firm Reg. No. F-4578
Surveying Firm Reg. No. 10075600
www.kuoassociates.com

November 12, 2020

Jesus M. Olivas, P.E.
Project Manager
HR Green, Inc.
11011 Richmond Ave., Suite 375
Houston, TX 77042

Re: **3rd Street** from N Wisconsin to Alabama, City of League City
Topographic Surveying, Basemap Plan & Construction Staking

Dear Mr. Olivas:

Kuo & Associates, Inc. is pleased to submit this proposal to perform the following: topographic surveying, preparation of basemap services for the above referenced project.

Item	Description
Item 1	Topographic Surveying
Item 2	Basemap Topo Plan
Item 3	Survey Control Map
Item 4	Establishing Design Center Line

The scope of work and fee will be as follows:

SCOPE OF WORK

Survey will be done along 3rd Street from N. Wisconsin to Alabama Street as shown in the **attached exhibits and table**. Estimated length of survey is approximately **2,676 feet**. To our understanding, survey to exclude any detail survey on the intersections on both end of the limit for each street

Survey shall conform to requirements of City of League City and Category 2 and 6 surveys TSPS Manual of Practice as applicable. In general, the scope for work will be including the following items and tasks:

Item 1: Topographic Survey:

- Horizontal and vertical controls will be established and tied to the Texas State Plane Coordinate System, South Central Zone NAD 83 and datum NAVD 88. Survey will be tied to the City of League City monument (if available) or nearby NGS monument.
- Cross sections will be surveyed at more or less 300' c-c including cross sections at each intersection along the project route.
- All planimetric features will be surveyed along the road right-of-way for a width from ROW to ROW. The survey will be extended on all sides of street at least up to ER, unless otherwise warranted for your design. Detail topo survey on the intersecting streets at each end of limited is excluded from the scope
- All visible existing utilities (i.e. manholes, culverts, power poles, etc.) will be located
- Attempt will be made to recover and verify sufficient monumentation along the existing roadway to establish estimated right-of-way lines for topographic surveying scope. Task of establishing estimated ROW may involve some limited abstracting and deed research, however, detail boundary category survey is excluded in determination.
- Signed and sealed field books containing notes as well as ASCII files of point numbers, coordinates, and descriptions will be provided.

Item 2: Basemap Plan

- Prepare a basemap plan with all topo features, elevations and estimated ROW. All deliverables will be as long strip in the AutoCAD format with side text on the top and bottom boundary of the drawing. All texts within the drawing will be "Leroy 80".

Item 3: Survey Control Map

- A survey control map will be prepared showing swing ties to traverse and baseline points as well as TBM's. The survey control map will be signed and sealed by a Registered Professional Land Surveyor in charge of the project.

Item 4: Establishing Design Center Line

- Recovery of existing controls and reestablish as necessary
- Stake/set the design center line in the field for construction work

To our understanding the following are excluded from the scope of this proposal

- Boundary level survey for determining of right of way of the street
- Any kind of SUE survey
- Inverting any manholes/inlets
- Utility research and utility plan
- Profile for ground and utilities

FEE AND SCHEDULE:

The fee for the above-described work is estimated to be lump sum amount of **\$8,860.00** as shown itemized in the table below:

Item	Description	Fee
Item 1	Topographic Surveying	\$5,545.00
Item 2	Basemap Topo Plan	\$1,760.00
Item 3	Survey Control Map	\$900.00
Item 4	Establishing Design Center Line	\$655.00
Total		\$8,860.00

* See detail breakdown in the attached page

We estimate to complete the above work in 3 weeks upon your authorization to proceed.

We appreciate this opportunity to submit this proposal. If you need further information, please do not hesitate to contact me.

Sincerely,



Shaheen Chowdhury, P.E., R.P.L.S.
President

Street

2676 LF

Item 1: Level of Efforts for Topographic Survey									
Survey Tasks	sub tasks	Principal \$180.00	RPLS \$130.00	SIT \$75.00	CADD \$75.00	Crew \$145.00	Hrs	Cost	Total
Survey Controls	Setting controls					2	2	\$290.00	\$1,235.00
	Horizontal control work			0.5		2	2.5	\$327.50	
	Vertical control work			0.5		4	4.5	\$617.50	
Topo Survey	Limited Abstracting for ROW								\$4,310.00
	ROW estimate for scope of topo survey		1	2			3	\$280.00	
	Surveying roadway & topo features					24	24	\$3,480.00	
	QC/QA		2			2	4	\$550.00	
Project Management	Proj Management							\$0.00	\$0.00
Total									\$5,545.00

Cost per LF \$2.07

item 3: Level of Efforts for Survey Control Maps									
Survey Tasks	sub tasks	Principal \$180.00	RPLS \$130.00	SIT \$75.00	CADD \$75.00	Crew \$145.00	Hrs	Cost	Total
Survey Control Map	Preparing Survey control map			4	8		12	\$900.00	\$900.00

Item 2: Level of Efforts for Basemap Plan									
Tasks	sub tasks	Principal \$180.00	RPLS \$130.00	SIT \$75.00	CADD \$75.00	Crew \$145.00	Hrs	Cost	Total
Plan	Topo Plan			4	16		20	\$1,500.00	\$1,760.00
	QC/QA		2				2	\$260.00	

Item 4: Level of Efforts for Establishing Design Center Line									
Survey Tasks	sub tasks	Principal \$180.00	RPLS \$130.00	SIT \$75.00	CADD \$75.00	Crew \$145.00	Hrs	Cost	Total
Establish design center line	Establish design center line			1		4	5	\$655.00	\$655.00

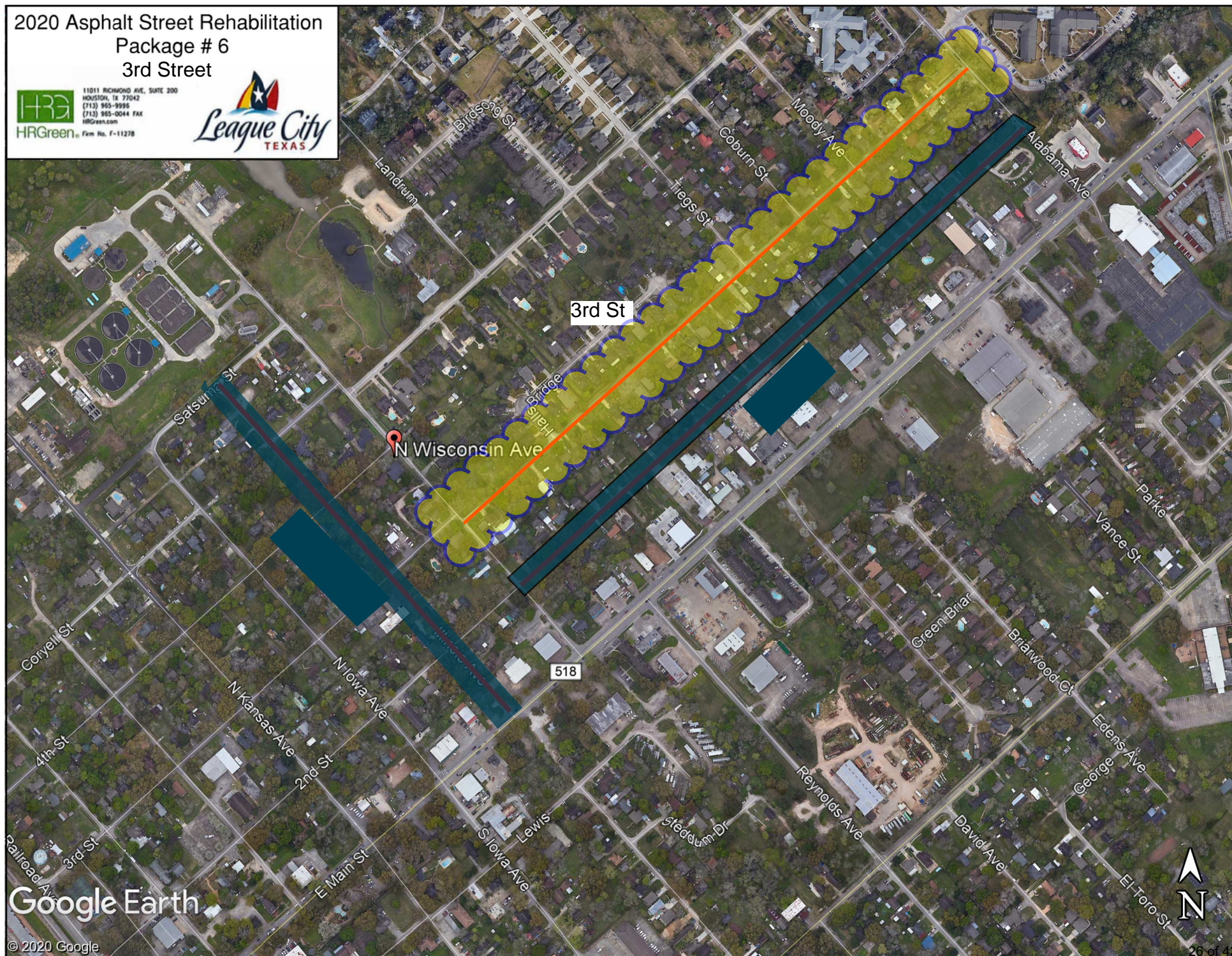
CITY OF LEAGUE CITY: PACKAGE #6 - VARIOUS STREETS ASPHALT OVERLAY

Street Name	Limits	Type	Length (FT)	Proposed Work Type
3rd Street	N. Wisconsin to Alabama	EXIST OPEN DITCH	2,676.0	MILL & OVERLAY

2020 Asphalt Street Rehabilitation
Package # 6
3rd Street



11011 RICHMOND AVE, SUITE 200
HOUSTON, TX 77042
(713) 965-9996
(713) 965-0044 FAX
HRGreen.com
Firm No. F-11278



Google Earth

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CITY OF LEAGUE CITY CDBG
ASPHALT OVERLAY AND FULL DEPTH RECONSTRUCTION 3RD STREET PACKAGE #6
Submittal Schedule

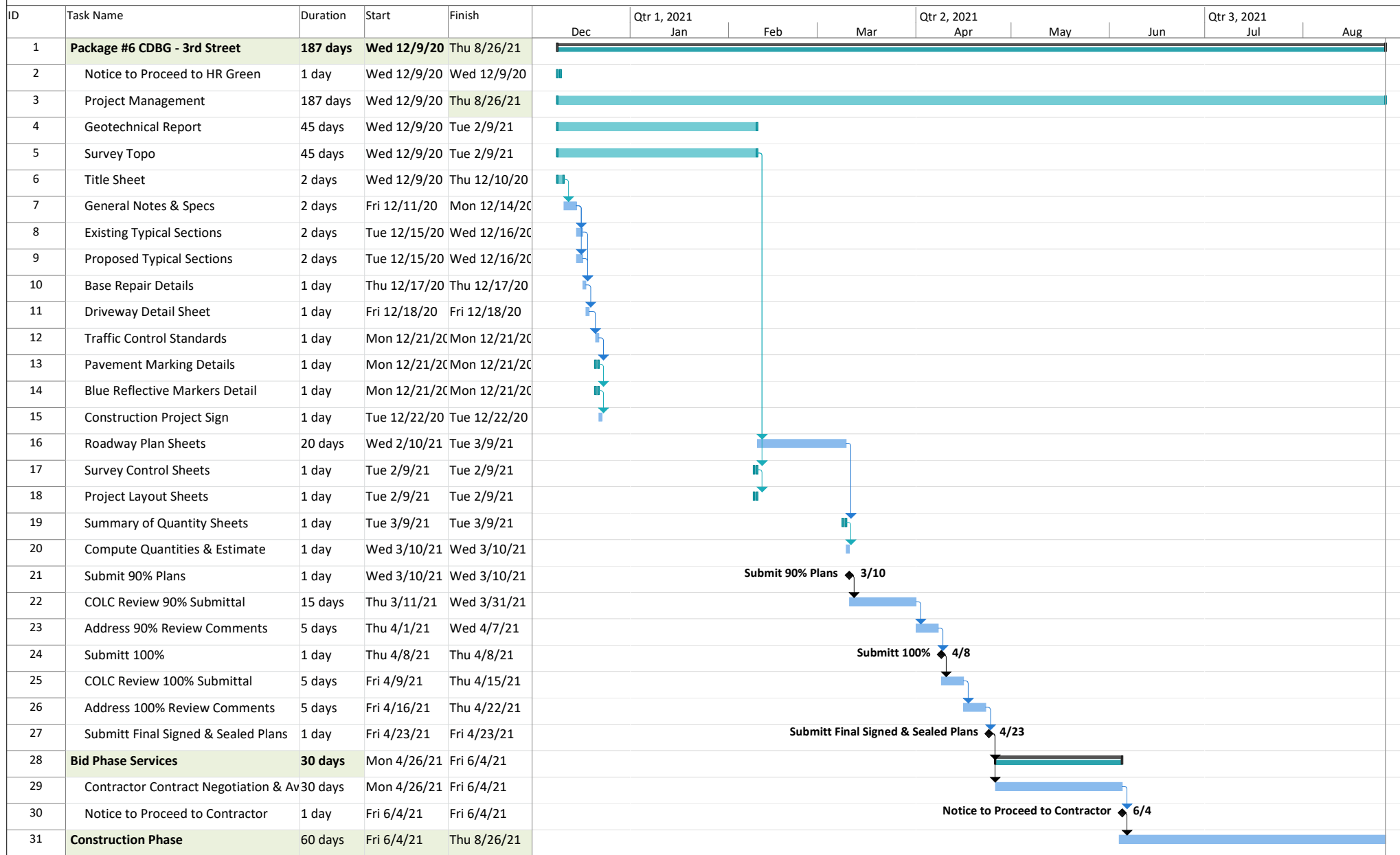


Exhibit B

PSA Exhibit B

Submittal Requirements:

- **Design Phase Services should be broken down into submittal types with the following requirements:**
 - **30% Submittals should, at a minimum, include the following:**
 1. Plans that contain the following information:
 - Cover Sheet
 - Field Survey Plan Sheet
 - Design Plan Sheets that show Existing Conditions and proposed concepts with the existing and proposed work clearly identified
 - Demo Plan
 - Typical Cross-Sections
 2. List of preliminary Utility Conflicts and contact information for appropriate utilities.
 3. Updated Design Schedule
 4. Preliminary Opinion of Probable Costs (OPCC)
 5. Permitting recommendations/requirements
 6. Traffic Impact Analysis (if needed)
 7. Draft H&H Study and/or Preliminary Engineering Report (if needed)
 8. Preliminary Land Acquisition Information (if needed)
 9. Preliminary Geotechnical findings (if needed)
 10. Preparation of Exhibits and attendance at Public Meeting (if needed)
 - **60% Submittals should, at a minimum, include the following:**
 1. Plans that contain the following information:
 - Cover Sheet w/ index
 - General Notes
 - Sheet Layout
 - Typical Cross-Sections
 - Survey Control
 - Demo Plan
 - Grading Plan (if needed)
 - Tree Protection and/or Landscape Plan (if needed)
 - Traffic Control Plan (if needed)
 - Proposed Drainage Area Map and calculations
 - Plan and Profile drawings with Station Numbers for Water, Sewer, Storm, Street
 - Intersection Details
 - Sidewalks, Traffic Signage, & Pavement Marking Plans
 - SW3P Plan Sheet(s) and Details
 - Standard CoLC Details applicable for project
 - Project Specific Requirements/Details/Notes such as
 - Electrical Plans/Details
 - Structural Plans/Details
 - Signal Plans/Details

2. Final ROW Documents for Land Acquisition (if needed)
 3. Completed Geotechnical Report (if needed)
 4. List of Updated Utility Conflicts and contact information for appropriate utilities.
 5. List of needed Permits, draft applications for needed Permits
 6. List of Technical Specifications that are needed for Project
 7. Updated Design Schedule
 8. Preliminary Construction Schedule
 9. Updated Preliminary OPCC
 10. Preparation of Exhibits and attendance at Public Meeting (if needed)
- **90% Submittals should, at a minimum, include the following:**
 1. Updated Design Plans noted above
 2. Submittal Letter addressing previous comments made on 60% Review
 3. Project Manual – Spec Book, Bid forms, etc.
 4. SW3P Manual with appropriate documentations/signatures as applicable
 5. Updated OPCC
 6. Approved Permits
 7. Final List of Utility Conflicts and contact information for appropriate utilities.
 8. A resubmittal of the 90% Submittal should take place until all comments have been addressed and Plans are ready to be signed.
 - **Bid Phase Services should, at a minimum, include the following:**
 - **100% Construction Plans submitted for final City signatures (a Digital Copy w/ signed cover sheet to be submitted prior to posting for bids).**
 - **Completed Project Manual**
 - **Completed SW3P Manual**
 - **Final OPCC**
 - **Updated Construction Schedule**
 - **Preparation of Exhibits and attendance at Public Meeting (if needed)**
 - **Assist with the advertisement of the project (if needed)**
 - **Address any RFI during Bid process (if needed)**
 - **Attend and Assist in running a Pre-Bid Meeting (if needed)**
 - **Provide Addendums to Bid Documents (if needed)**
 - **Once Bids are opened, prepare Bid Evaluation, check references, and provide recommendation of award to City**
 - **Construction Phase Services should, at a minimum, include the following:**
 - **Preparation of Exhibits and attendance at Public Meeting (if needed) prior to Project Start**
 - **Attendance at Construction Progress Meetings (if needed)**
 - **Periodic Site Visits (minimum 1 visit per month of construction)**
 - **Review, Track, and make recommendations related to RFIS, Material Submittals, Change Orders, etc.**
 - **Address found Design Conflicts in the Field**
 - **Provide paper & digital copies of As-Builts**

Exhibit C – CDBG Requirements

I. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable; for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the federal regulations specified in 24 CFR 570.506, and any other records that are pertinent to the activities to be funded under this Agreement. Such records shall include, but are not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG Program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records demonstrating compliance with citizen participation requirements;
- f. Records demonstrating compliance regarding acquisition, displacement, relocation, and replacement housing;
- g. Records documenting compliance with the fair housing and equal opportunity components of the CDBG Program;
- h. Financial records as required by 24 CFR 570.502;

- i. Agreements and other records related to lump sum disbursements to private financial institutions financing rehabilitation as prescribed in 570.513; and
- j. Records required to be maintained in accordance with other applicable laws and regulations set forth in subpart K of 24 CFR 570.

2. Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement, or after the resolution of all federal audit findings, whichever occurs later. Records for non-expendable property acquired with funds under this Agreement shall be retained for four (4) years after final payment has been received.

3. Reports

The Subrecipient shall furnish reports to the Grantee which include, but may not be limited to, the following:

- a. Reimbursement Request Reports and back-up documentation.
- b. Client Data Reports.
- c. Employee Data Reports submitted to the Grantee with the first reimbursement request and thereafter whenever a change in employment status occurs.
- d. A Performance Report submitted at the end of the Agreement period.

Reimbursement Requests and Client Data Reports shall be submitted at least quarterly, and preferably monthly. Reports shall be submitted within ten (10) working days of the end of the reporting period.

The performance report and final reimbursement request is due no later than thirty (30) calendar days after the end of the Agreement period.

The Subrecipient shall insure recognition of the role of HUD and the City in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to the funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

4. Reversion of Assets

The Subrecipient shall transfer any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds to the Grantee. Any real property that was acquired or improved in whole or in part with CDBG

funds in excess of \$25,000 must continue to meet the eligibility criteria and shall conform with the “changes in use” restrictions specified in 24 CFR 570.503(b)(7).

5. Real Property Records

The Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform with the “changes in use” restrictions specified in 24 CFR 570.505.

6. National Objectives

The Subrecipient agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this Agreement meet one or more of the CDBG Program's national objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.

7. Close-outs

The Subrecipient’s obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and receivable accounts to the Grantee), and determining the custodianship of records.

8. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, its designees or the Federal Government, at any time during normal business hours, as often as the Grantee deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within thirty (30) days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with the current City policy concerning Subrecipient audits.

C. Reporting & Payment Procedures

1. Budgets

The Subrecipient must submit a budget to the Grantee. The Grantee and the Subrecipient may agree to revise the budget from time to time in accordance with existing City policies.

2. Program Income

The Subrecipient shall report on a monthly basis all program income as defined in 24 CFR 570.500(a) generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the Subrecipient shall comply with the requirements set forth in 24 CFR 570.504(c). By way of further limitations, the Subrecipient may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the Grantee at the end of the Agreement period as specified in 24 CFR 570.503(b)(2)-(5). Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

3. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Grantee share of administrative costs and shall submit such plan to the Grantee for approval.

4. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and City policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this Agreement for costs incurred by the Grantee on behalf of the Subrecipient.

D. Procurement

1. Compliance

The Subrecipient shall comply with current City policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. Any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds must either be:

- a. Used by the Subrecipient to meet one of the national objectives in 24 CFR 570.200(a)(2) and (3) until five (5) years after expiration or termination of the Grantee's Agreement with HUD; or
- b. Transferred to the Grantee; or
- c. Disposed of in a manner that results in the amount of the then current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition thereof, or improvements to, the property being reimbursed to the Grantee. Such reimbursement is not required if disposed of more than five (5) years after the expiration or termination of this Agreement.
- d. Further, if within five (5) years of the termination or expiration of this Agreement, the Subrecipient ceases to use any or all personal property attributable to CDBG funds to meet a national objective, the personal property shall either revert to the Grantee or be disposed of in accordance with the applicable federal rules and regulations, including, but not limited to OMB Circular A-110.
- e. The Grantee, in its sole discretion, shall determine whether or not the Subrecipient use of any property meets a national objective and primary objective contained in 24 CFR 570.200 (a)(2) and (3).
- f. After the expiration of five (5) years, the Subrecipient shall have no obligation to comply with this section regarding real or personal property.
- g. Nothing contained herein shall be construed to conflict with the duties of the Subrecipient as set forth in the Texas Bus. Org. Code Ann. Section 22.001, et seq or any other applicable statute.

2. OMB Standards

The Subrecipient shall procure materials in accordance with the requirements of OMB Circular A-110, Procurement Standards, and shall subsequently follow Property Management Standards, covering utilization and disposal of property.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

4. Relocation, Acquisition & Displacement

The Subrecipient agrees to comply with 24 CFR 570.606 relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, nonprofit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds. The Subrecipient agrees to comply with applicable Grantee Ordinances, Resolutions, and Policies concerning displacement of individuals from their residences.

II. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 as amended by Executive Order 12259 and Executive Order 12892.

2. Nondiscrimination

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance. The Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Grantee setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 and 24 CFR 570, Part K. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 701 and 794) which prohibits discrimination against the handicapped in any federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out an Affirmative Action Program in keeping with the principles as provided in the President's Executive Order 11246 of September 24, 1965.

2. Women/Minority Business Enterprises

The Subrecipient will use its best efforts to afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "minority and female business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian Americans, and American Indians. The Subrecipient may rely on written representations by sub-Subrecipients regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its sub-Subrecipients to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized federal officials for the purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other agreement or understanding, a notice, to be provided by the Subrecipient's contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity/Affirmative Action Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Sub-Agreement Provisions

The Subrecipient will include the provisions of Paragraphs VIII A, Civil Rights, and B, Affirmative Action, in every Sub-Agreement or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities; sectarian, or religious activities; lobbying, political patronage, and/or activities that constitute nepotism.

2. Occupational Safety and Health Act

Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participant's health or safety.

3. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Agreement Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 3141-3148, 3161, 3162, 3701-3706 and 3708) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient shall maintain documentation which demonstrates compliance with hour and wage requirements of these acts and laws. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of single family residential property designed for residential use for less than eight (8) contiguous households, all contractors engaged under agreements in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this Agreement, shall comply with federal requirements adopted by the Grantee pertaining to such agreements and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Parts 1, and 3 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such agreements subject to such regulations, provisions meeting the requirements of this paragraph, for such agreements in excess of \$10,000.00.

The Subrecipient shall also comply with 24 CFR 70 which sets out the circumstances under which individuals who volunteer their services may be used.

4. "Section 3" Clause

- a. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- b. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- c. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- d. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- e. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135

- require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- f. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
 - g. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code, as indicated by the affirming signature on Exhibit "C."

3. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no persons who exercise or have exercised any functions or responsibilities with respect to CDBG activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. The Subrecipient further covenants that, in the performance of this Agreement, no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person

who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or subrecipients which are receiving funds under the CDBG Entitlement Program. The Subrecipient affirms compliance with this paragraph by signature on Exhibit “D”.

4. Architectural Barriers Act and the Americans with Disabilities Act

The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) which requires certain federal and federally funded buildings and other facilities to be designed, constructed, or altered in accordance with the standards that ensure accessibility to, and use by, physically handicapped people. The Subrecipient also agrees to comply with any federal regulations issued pursuant to compliance with the Americans with Disabilities Act (42 U.S.C. 12131, et seq.) which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulation in force during the term of this Agreement.

5. Sub-Agreements

a. Approvals

The Subrecipient shall not enter into any sub-agreements with any agency or individual in the performance of this Agreement without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure Agreement compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any sub-agreement executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to ensure that all sub-agreements let in the performance of this Agreement shall be awarded on a fair and open

competition basis. Executed copies of all sub-agreements shall be forwarded to the Grantee along with documentation concerning the selection process.

6. Copyright

If this Agreement results in any copyrightable material, the Grantee and/or HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use the work for government purposes.

7. Religious Organization

The Subrecipient agrees that funds provided under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j).

III. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient agrees to comply with the following regulations insofar as they apply to the performance of this Agreement:

- The Clean Air Act, 42 U.S.C., 7401, et seq., particularly sections 176© & (d); 40 CFR Parts 6, 51, and 93
- The Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR, Part 50, as amended.
- The National Environmental Policy Act of 1969. 42 U.S.C. 4321, et seq.
- HUD Environmental Review Procedures (24 CFR, Parts 50 & 58).

B. Flood Disaster Protection

The Subrecipient agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128 & 5154a, et seq.) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Agreement, as it may apply to the provisions of this Agreement.

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement. Particular attention should be placed on Subpart B—The Section 106 Process, including notifying tribal entities identified in HUD’s Tribal Directory Assessment Tool.

In general, this requires concurrence from the Texas Historical Commission (State Historic Preservation Officers – SHPO) and the Tribal Historic Preservation Officers (THPO), for all rehabilitation, demolition or modifications of historic properties that are forty-five (45) years old or older or that are included on a federal, state, or local historic property list or various applicable tribal property lists. Additionally, this requires concurrence from the SHPO and THPO for new construction and rehabilitation within a Historic District or elsewhere within League City unless the project is deemed Exempt or Categorically Excluded not subject to Section 58.5.