REQUEST FOR PROPOSAL (RFP)
RFP # 25-031
Utility System Audit

The City of League City is now accepting sealed proposals from firms specializing in the analysis and correction of utility systems specific to billings and miss-billings, thereby increasing revenue for the City. Sealed proposals must be received by **2 p.m., CST, August 7th, 2025**. The clock located at the front desk in City Hall will be the official time. Proposals received after this deadline will not be opened and will be considered void and unacceptable.

Immediately following the due date and time proposals will be publicly opened, in a manner that does not reveal their contents, at **Johnnie Arolfo Civic Center, 400 West Walker Street League City, TX 77573.** The contents of all proposals will remain confidential until after a contract has been awarded by City Council.

The question deadline for this bid is **July 22nd** at **5:30 p.m**. The addendum deadline is **July 30th** at **5:30 p.m**.

The RFP packet may be obtained from the City's website at:
https://www.leaguecitytx.gov/bids.aspx

All inquiries about this RFP must be submitted in writing to the Purchasing Department via email: purchasing@leaguecitytx.gov.

First Publication: **July 8, 2025**
Second Publication: **July 15, 2025**

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City of League City
Request for Proposals #25-031
Utility System Audit

I. Introduction

The City of League City is soliciting proposals from interested and qualified vendors to support the review, analysis, and resolution of potential under-billings and mis-billings within its municipal utility systems. This effort aims to enhance the accuracy of utility billing and support the recovery of uncollected or incorrectly billed charges, ultimately contributing to improved revenue integrity for the City.

It is the City's intention to make a single award to satisfy all services listed in the Scope of Work but the City does reserve the right to make multiple awards to satisfy all services outlined in this RFP. The City intends to enter a three-year agreement with two one-year renewal options.

A. Clarification and Interpretation of RFP

1. The words "must" or "will" or "shall" in this RFP indicate mandatory requirements. Taking exception to any mandatory requirement will be grounds for rejection of the proposal.
2. The City desires to avoid any misunderstanding where it is assumed that a feature is included in the proposal and turns out to be an optional, extra cost feature. As such, any question answered with an indication of compliance will be considered included at no additional cost. Any service that is referred to in the body of this response (does not pertain to attachments and brochures) will be considered included in the basic offer.

B. Purpose

The purpose of this RFP is to provide minimum requirements, solicit proposals, and gain adequate information from which the City may evaluate the proposer's products and services as they compare to the other providers and as they pertain to the needs of the organization.

C. Confidential or Proprietary Information

Throughout the process of evaluating proposals and negotiating a contract, all information contained in proposals shall be kept confidential. Upon Council award of contract or rejection of all proposals, contracting information, as defined by Texas Government Code 552 and in this document, shall be open for public inspection. This includes successful and unsuccessful proposals. Exceptions may be made if releasing the information would harm City interests by providing an advantage to a competitor or bidder in a future competitive situation, or if information requested contains trade secrets, or proprietary information.

Any information that the potential vendor or Proposer believes may be considered proprietary, confidential or a trade secret should be stamped with the term CONFIDENTIAL on that part of the proposal. All proposals and parts of proposals which are not marked as confidential will be automatically considered public information after the contract is awarded. If the vendor, contractor, potential vendor, or potential Proposer wishes to claim that information is proprietary, they must demonstrate based on specific factual evidence that disclosing the information would

reveal an individual approach to work, organizational structure, staffing, internal operations, processes, or discounts, pricing methodology, cost data or other pricing information that will be used in future solicitation or bid documents; or give advantage to a competitor.

In the event that information contained in those sections marked confidential are included in an Open Records Request, the City will decline to release the information for the purpose of requesting an attorney general decision. The City will make a good faith effort to contact the vendor, so they may submit in writing to the attorney general the reasons why the information should be withheld or released. If the vendor cannot be contacted, the information may be released without further review. The process to be followed upon receipt of the request for information that potentially contains trade secrets, or proprietary or confidential information will be as follows:

1. City will make a good faith effort to notify the vendor in writing that the information has been requested within a reasonable time, but no more than ten (10) business days after receiving the request. This will include a copy of the written request for information, and a statement that the vendor is entitled to submit to the attorney general with ten (10) business days the reason(s) with the information should be withheld and a letter, memorandum, or brief in support of that reason.
2. The vendor who submits a letter, memorandum, or brief to the attorney general shall send a copy to the person who requested the information from the governmental body. If the letter, memorandum or brief contacts the substance of the information requested, the copy sent may be a redacted copy.
3. The attorney general shall promptly render a decision when requested, consistent with the standards of due process, determining whether the requested information requested contains trade secrets, or confidential or propriety information as defined in Texas Government code 552. The decision shall be rendered no later than the 45th business day after the date the attorney general received the request for a decision.

Contracting Information – information in a voucher or contract relating to the receipt of expenditure of public funds; solicitations or bid documents; communications sent between the City and a vendor, contractor, potential vendor or potential Proposer during solicitation, evaluation, or negotiation of a contract; documents, including bid tabulations, showing the criteria by which a government body evaluates each vendor; and communications and other information sent between City and a vendor or Proposer related to the performance of a final contract with City or work performed on behalf of City.

Trade Secrets – all forms and types if information including business, scientific, technical, economic, or engineering information and any formula, design, prototype, pattern, plan, compilation, program device, program, code, device, method, technique process, procedure, financial date, or list of actual or potential customers or suppliers, whether tangible or intangible and whether or however stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing if the owner of the trade secret has taken reasonable measures under the circumstances to the information secret and the information derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure of the information.

D. Background Information

League City is a home-rule, incorporated city with a 2024 population of approximately 121,598. The city encompasses approximately 52 square miles and is in the Houston metropolitan area. The city lies in northern Galveston County and southeast Harris County. League City is located approximately 26 miles southeast of downtown Houston and within 50 miles of Bush Intercontinental Airport. League City is experiencing rapid growth, adding approximately 3,000 residents a year. League City residents enjoy excellent schools, great parks, excellent public safety, recreational facilities, access to entertainment, and a unique heritage. The City is governed by a Council/Manager form of government and municipal services are provided by 584 full-time equivalents. The City Council is an elected body consisting of the Mayor and seven Council Members. The City Manager, John Baumgartner, is responsible for all functions of city government. The organization is divided into functional departments and divisions reporting to the City Manager, and two (2) Assistant City Managers. The City is a CDBG entitlement community that receives federal funding from the Department of Housing and Urban Development.

II. Instructions to Proposers

A. General

This section outlines specific instructions for proposal submissions. Proposers not adhering to these instructions may be disqualified without further consideration. The City shall have the right to cancel any or all item(s) without obligation if delivery is not made on or before the time specified.

1. At the public opening, there will be no disclosure of contents to competing firms, and all proposals will be kept confidential during the negotiation process. Except for trade secrets and confidential information which the firm identifies as proprietary, all proposals will be open for public inspection after the contract award. All proposals become the property of the City of League City. Proposers can attend in person at the address below:

   Johnnie Arolfo Civic Center
   400 West Walker Street
   League City, TX 77573

   Receipt of Proposals and Opening Sign-In Sheet will be uploaded to the City Website within 48 hours after proposal opening.

2. The City of League City requires comprehensive responses to every section within this RFP. Conciseness and clarity of content are emphasized and encouraged. Vague and general proposals will be considered non-responsive and will result in disqualifications. To facilitate the review of the responses, Firms shall follow the described proposal format. The intent of the proposal format requirements is to expedite review and evaluation. It is not the intent to constrain Vendors with regard to content, but to assure that the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review and evaluation. Failure to arrange the proposal as requested may result in the disqualification of the proposal. <u>It is requested that proposals be limited to no more than 25 pages, excluding cover page, resumes, sample documents and attachment A forms.</u> Proposals shall have 1" margins and be single-sided, single spaced, using Times New Roman 12-point font. All pages of the proposal must be numbered, and the proposal must contain an organized, paginated table of contents corresponding

to the sections and pages of the proposal. Preferred binding is paper clip, binder clip or three-ring binder.

B. Proposal Submission

The City will receive proposals electronically through Public Purchase or as hard copies delivered to the Purchasing Department.

1. Public Purchase – Electronic Submission
   Proposals can be received electronically through www.publicpurchase.com. Instructions for Public Purchase can be found on Attachment B. Please be advised it can take up to 24 hours for an account to become active with Public Purchase. If you need any assistance with the process, you can contact Public Purchase at support@publicpurchase.com .

2. Delivery or Mail – Hard Copies
   Hard copy proposals can be submitted with one (1) copy marked "original" and one (1) copy marked "copy", properly labeled and clearly marked with the RFP number and description. Hard copies should be delivered to:

City of League City
Purchasing Department
City Hall
300 West Walker
League City, TX 77573
Monday – Thursday 7:30 am to 5:30 pm
Friday: 7:30 am to 12:00 pm

Proposals sent via courier must be sealed in a separate envelope inside of the mailer.
Mark envelope/package: **RFP 25-031 Utility System Audit**

C. Proposal Timeline

The Proposer selection process will follow the timeline shown below. Estimated key milestone dates for the completion of the project are also included:

Request for Proposals Issued:	7/8/2025
Deadline for Submitting Questions:	7/22/2025 at 5:30 pm
Deadline for Q&A Addendum:	7/30/2025 at 5:30 pm
Proposal Submission Deadline:	8/7/2025 at 2pm
Anticipated Contract Start Date:	9/16/2025

III. Scope of Work

A. General

The City of League City is seeking proposals from qualified firms to work collaboratively with City staff in conducting a comprehensive review of utility billing and metering processes. The purpose of this initiative is to evaluate current systems and practices, with the goal of identifying any potential areas where revenue may be

under-collected or unaccounted for.

B. Categorical breakdown of scope

1. BILLING SYSTEM DEFICIENCIES AND UNBILLED SERVICES-
Billing system deficiencies are defined as any factor adversely affecting total collected revenue by the City on an account or meter. Examples of these factors are:

- misapplication of the City rate structure
- billing system accuracy
- unknown connections
- account coding errors
- chronic meter reading errors
- credits for water not returned to sewer

2.. METERING – The City conducts testing and repairs of meters within its system. It is anticipated that additional field investigation may result in the discovery of potentially problematic situations. The proposer will be provided billing and consumption history related to known utility consumers so that the proposer may review and research these consumers to verify correct billings. The proposer will provide the requisite manpower, portable Transit Time Flow Meter, hand tools, vehicle and equipment to identify problematic conditions in the field.

3. SERVICE THEFT – Theft of service includes illegal connections made to the utility's water distribution and wastewater collection systems and on open meter bypasses in the system. An illegal connection, for example, could consist of a straight pipe connection rather than a metered connection. Locations of all authorized meters and connections will be provided to the successful proposer. To facilitate detection of unauthorized meter bypass use, the Utility will provide information related to those accounts which are "locked", and their associated addresses.

IV. Proposal and Evaluation Format

Proposer's submission package shall consist of the following:

1. Completed Proposal Cover Sheet (see Attachment A)
2. Tab A – Program Criteria and Overall Plan
3. Tab B – Demonstrated Experience
4. Tab C – Technical Qualifications
5. Tab D – Pricing and Fees (Utilize Cost Sheet in Attachment A)
6. Tab E – Forms (see Attachment A)
    - Public Information Act
    - Conflict of Interest Questionnaire
    - HB 89 Verification Form
    - Optional: Brochures and/or Pictures

A. Proposal Format

By submission of a response to this RFP, proposer acknowledges full compliance with required specifications and all terms and conditions as detailed in the RFP.

1. TAB A – Program Criteria and Overall Plan
   a) Provide a brief description and history of the company.
   b) What is your plan to accomplish the stated scope of work?
   c) Can you explain in detail how you plan to track and document any revenue recovery that results from your work? Please include the steps and methods you'll use to measure, verify, and report the impact of your actions

2. TAB B – Demonstrated Experience
   a) Discuss the company's prior service experience in providing the proposed service to other organizations of comparable size to the City of League City.
   b) Provide a list of customer contracts in Texas where the services are provided.
   c) Proposer to provide at least five (5) references for agencies for which you have provided this type of service. Include the name of the agency, contact name, telephone numbers, email address, date/length of the contract.

3. TAB C – Technical Capabilities
   a) Provide detail of the hardware/software required to implement the service and its compatibility with current system.
   b) Describe in detail your product's data processing capabilities.
   c) Describe within your program the criteria to evaluate City billing policy as it relates to the end users of water and wastewater service of the City.
   d) What equipment or facilities will you require from the City?

4. TAB D - Pricing and Fees
   a) All rates and fees must be listed on the proposal cost sheet. The city will not be responsible for paying any fees not specifically listed. The fees and charges presented shall remain firm for the original term of the agreement.
   b) Describe how and when the fees apply.
   c) Details of any alternate method of compensation your company would consider.
   d) Identify and list all special services and identify charges pertaining to such service.

5. TAB E – Forms (Attachment A)
   a) Completed City of League City Texas Public Information Act
   b) If required, provide a completed copy of the Conflict-of-Interest Questionnaire (Form CIQ).
   c) Completed HB 89 Verification Form
   d) Optional: Brochures and/or Pictures

B. Proposal Evaluation Process

All proposals will be screened by an evaluation committee. The evaluation committee shall screen and rate all the responses that are submitted. Evaluation ratings will be on a 100-point scale and those proposers selected for a short list may be invited to attend an interview, at the proposer's own expense. Any invitation for an oral presentation will

be solely for the purpose of clarifying proposals received from each qualifying proposer and will not represent any decision on the part of the evaluation committee as to the selection of a successful proposer.

The City's process is as follows:

1. City staff shall recommend an evaluation committee which will be used to evaluate all proposals. During the evaluation process, Proposers may be asked for additional information or clarification of proposal as needed. The City will evaluate all proposals based on the following criteria. The City will evaluate all proposals based on the following criteria:

Criteria	Points
Program Criteria and Overall Plan	20
Demonstrated Experience	20
Technical Qualifications	20
Pricing and Fees	40
Total points	100

2. Pricing and fees will be evaluated based on the total cost. The formula used will be: overall lowest submitted price/submitted price * 40.

3. Once proposals are scored, the evaluation team will select finalist and decide whether interviews should be conducted. Should interviews be conducted, each evaluation team member will award each finalist up to 30 points for their oral presentation and can amend proposal scores based on the interview.

4. Proposal and interview scores will be combined, and the highest overall proposal identified. City will then begin contract negotiations with that Proposer.

5. Should negotiations be unsuccessful, the City shall enter negotiations with the next, highest ranked vendor. The process shall continue until an agreement is reached with a qualified vendor.

6. This RFP does not commit the City to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response. All finalist(s) shall pay their own costs incurred in preparing for, traveling to and attending interviews.

7. The City reserves the right to negotiate the final fee prior to recommending any Vendor for a contract.

The City reserves the right to use all pertinent information (also learned from sources other than disclosed in the RFP process) that might affect the City's judgement as the appropriateness of an award to the best evaluated proposer. The information maybe appended to proposal evaluation process results.

V. Procedure and Conditions

A. General

This will be a contract, upon the mutual agreement of the parties. The terms, conditions, and/or requirements for the contract are to be evidenced in this RFP and incorporated into the City's standard agreement. A copy of the City's standard agreement, including its terms, is included in this RFP. The City, acting through the City Manager or their designee, reserves

the right to deviate from the terms, conditions, or requirements of this RFP when, in their sole discretion, such deviation is deemed to be in the best interest of the City. Proposers acknowledge and accept that the City's authority includes discretion to determine the applicability of any deviations on a case-by-case basis and that such decisions are final and non-appealable. By submitting a proposal, proposers agree to the terms of this reservation of rights and waive any claim against the City, its officials, or employees for the exercise of such discretion.

PROCEDURE :

MULTIPLE CONTRACTORS: The City reserves the right to make a single award or multiple awards, whichever is in the best interest of the City.
DOCUMENTATION: Proposers shall provide with this response all documentation required by this Request For Proposal (RFP). Failure to provide this information may result in rejection of proposal.

QUANTITIES: The quantities indicated are estimated based upon the best available information. The City reserves the right to increase or decrease the quantities by any amount deemed necessary to meet its needs without any adjustments in the bid price.

TAX EXEMPTION: The City is not liable to proposers for any federal, state, or local taxes for which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). Accordingly, those taxes may not be added to any item. The City's Tax Exemption Certificate will be furnished by the City on request of the proposer.

DISCUSSIONS: Formal or informal communication involving an oral or written exchange of information for the primary purpose of obtaining information essential for determining the acceptability of a proposal may occur. Any discussions of this nature are only intended to clarify the City's understanding of submissions.

EVALUATION PROCESS: It is the City's intent to enter into a contract with the proposer that offers the "best value" for the desired project. After receipt of the proposals, City of League City will evaluate the proposals based upon the evaluation criteria set forth in the RFP. The City has, at its sole discretion, the ability to negotiate with the proposer determined to be the highest ranked after completion of the evaluations.

The City may elect to conduct discussions with the proposers deemed to be in the competitive range for award. If discussions are held, proposers identified in the competitive range will be given equal opportunity to discuss and submit revisions to their proposals. Revisions of proposals are accomplished by formally requesting Best and Final Offers (BAFOs) at the conclusion of discussions with a deadline set for receipt of BAFOs and including instructions as to exactly what should be submitted in response to the BAFO.

After consideration of all BAFO responses, the City will select the top ranked proposer and the parties will enter into contract negotiations. In the event the City and the top ranked proposer's contract negotiations fail and the parties are unable to come to mutually agreed terms, the City reserves the right to move on to the next top ranked proposer and enter into contract negotiations with said next top ranked proposer.

COSTS TO SUBMIT: The City of League City will not be liable for any costs incurred by any proposer in preparation of a submittal in response to this request, in conduct of a presentation, or any other activities related to the response of this RFP.

INSURANCE REQUIREMENTS: Proposer shall maintain, at his sole cost, at all times while performing work hereunder, the insurance and bond coverage set forth in the contract with companies satisfactory to the City with full policy limits applying, but not less than stated. A certificate evidencing the required insurance and specifically citing the indemnification provision set forth in the contract shall be delivered to the City within fifteen (15) days that Notice to Proceed has been accepted by Contractor.

ADDENDA: Any interpretations, corrections or changes to this RFP and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of League City Purchasing Office. Any changes to specifications will be made in writing and posted on the City's website at: (Insert Website) . Proposers shall acknowledge receipt of all addenda on the Bidder Certification/Addenda Acknowledgement form found within this document.

LATE PROPOSALS: Proposals received by the City after the submission deadline will be considered void and unacceptable. City of League City is not responsible for lateness or non-delivery of mail, carrier, etc. The date/time stamp at the Purchasing Department's desk at City Hall, 300 West Walker Street, League City, Texas, 77573 shall be the official time of receipt.

ALTERING PROPOSALS: Proposals cannot be altered or amended after submission deadline. Any alterations or erasures made before opening time and must be initialed by the signer of the proposer, guaranteeing authenticity.

AWARD: The City has the right to award a contract upon the conditions, terms and specifications contained in a proposal submitted to the City for a period of up to ninety (90) days following the date specified for the opening of proposals.

Because the City is a governmental entity that must follow State and Federal laws and has an obligation to protect its taxpayers, the City requires that certain terms be included in the contract that result from this solicitation. Your response to this solicitation is an offer to contract with the City based on the terms, conditions, and specifications contained in this solicitation. If any of the mandatory contract terms are unacceptable to you, please do not respond to this solicitation.

PAYMENT PROVISIONS: The City's payments under the contract, including the time of payment and the payment of interest on overdue amounts, are subject to Chapter 2251, Texas Government Code.

CONTRACTUAL LIMITATIONS PERIOD: Any provision of the contract that establishes a limitations period that does not run against the City by law or that is shorter than two (2) years is void. (Sections 16.061 and 16.070, Texas Civil Practice and Remedies Code).

CONFLICT OF INTEREST: No public official shall have interest in this contract accept in accordance with Vernon's Texas Codes Annotated, Local Government Code Title 5, Subtitle C, Chapter 171.

ETHICS: The proposer shall not offer or accept gifts or anything of value or enter into any business arrangement with any employee, official or agent of City of League City. More than one proposal on any one contract from a proposer or individual under different names shall be grounds for rejection of all proposals in which the proposer or individual has an interest. One or all proposals will be rejected if there is any reason to believe that collusion exists between proposers. Proposers must make every effort to comply Chapter 176 of the Texas Local Government Code. Chapter 176 mandates the public disclosure of certain information

concerning persons doing business or seeking to do business with the City of League City, including affiliations and business and financial relationships such persons may have with City of League City officers. By doing business or seeking to do business with the City of League City, including submitting a response to this RFP, you acknowledge that you have been notified of the requirements of Chapter 176 of the Texas Local Government Code and you are representing that you are in compliance with them.

Conflict of Interest Questionnaire found within this document must be completed and turned in with each proposal.

PURCHASE ORDER: City of League City may generate a purchase order to the successful proposer. The purchase order number must appear on all invoices, packing lists and all related correspondence. City of League City will not be responsible for any orders placed and/or delivered without a valid purchase order number.

DELIVERY: Any delivery and freight charges (FOB City of League City designated location) are to be included in the proposal price.

INVOICES: Invoices must be itemized, and purchase order number must be referenced on original invoice. Any invoice, which cannot be verified by the contract price and/or is otherwise incorrect, will be returned to the proposer for correction. Invoices submitted for payment shall be e-mailed to: City of League City, Accounts Payable at, (Insert Email Address). Invoices can be mailed to Attn: Accounts Payable, to the address: 300 W. Walker St., League City, TX 77573. Periodic payments will be made within thirty (30) days of invoice date or satisfactory delivery of the product or service, whichever is later, provided that all other requirements as detailed in the contract have been fulfilled.

INTERLOCAL AGREEMENT: Chapter 791, Texas Government Code and Chapter 271, Subchapter F, Texas Local Government Code, authorizes cities to enter into Interlocal purchasing agreements to take advantage of potential cost savings resulting from cooperative purchasing efforts. Successful proposer(s) agree(s) to extend prices and terms to all entities, who have entered into or will enter into joint Purchasing Interlocal Cooperation Agreements with the City of League City.

CONTINGENCIES: Before submitting their bid, Proposers should make a careful examination of the scope of work and of the difficulties involved in its proper execution. Proposers should include in their proposal all costs they deem proper and sufficient to cover all contingencies essential to the completion of the compensation and classification study, notwithstanding that every item or contingency is not specifically mentioned herein.

CERTIFICATE OF INTERESTED PARTIES: Applies to all contracts that must be approved by the City Council. In accordance with House Bill 1295, for certain contracts entered into on or after January 1, 2016, the successful proposer must submit a Certificate of Interested Parties (Form 1295) at the time the signed contract is submitted to the City. This applies to any contract of any amount that must be approved by the City Council. Form 1295 must be filed electronically with the Texas Ethics Commission using the online filing application located at: https://prd.tecprd.ethicsefile.com/TECCertInt/pages/login/certLogin.jsf

RENEWALS: Renewal options executed under this RFP may occur only if, a renewal option is expressly referenced in this RFP and upon the execution of a new written agreement by both parties. A renewal is intended to serve as an extension of the original agreement, under the same or substantially similar terms. The inclusion of a renewal option in this RFP shall not be construed as a commitment or obligation by either party to enter into a renewal. As such, the

City retains the right, in its sole discretion, to accept or reject any proposed renewal or associated renewal terms.

Sample

PROFESSIONAL SERVICES AGREEMENT

(Version 9-22-2023)

This AGREEMENT ("Agreement") is entered by and between **Click or tap here to enter text.** (the "Professional"), located at **Click or tap here to enter text.** 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 **Click or tap here to enter text.**. Services related to design, bid, or construction of a public work shall conform to the requirements set forth in **Exhibit B**, if applicable. If there is a conflict between the terms of this Agreement and Exhibits A (or B, if applicable), the terms of this Agreement will prevail.

2. **Term and Termination:** This Agreement shall commence on **Click or tap to enter a date.** and shall expire on **Click or tap to enter a date.** 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 $**Click or tap here to enter text.** 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 **Choose an item.** 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:** Liquidated damages **Choose an item. applicable to this transaction.** 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, SUBCONTRACTOR, 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:** The Parties stipulate that in entering into this Agreement, the City is performing a solely governmental function and not a proprietary function. 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. **Prohibitions Pursuant to Texas Government Code:** By executing this Agreement Professional verifies that Profession (1) does not boycott Israel and will not during the term of this Agreement per Section 2274.002; (2) is not engaged in business with Iran, Sudan, or any company on the list referenced in Section 2252.152; (3) does not boycott energy companies and will not during the term of this Agreement per 2274.002; and (4) does not have a practice, policy, guidance, or directive of this Agreement against a firearm entity or firearm trade association and will not during the term of this Agreement per 2274.002.

(signature block on next page)

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

Click or tap here to enter text. - "Professional"

_____
Click or tap here to enter text.

CITY OF LEAGUE CITY – "City"

_____
Click or tap here to enter text.

Attest:

_____
Diana Stapp, City Secretary

Approved as to Form:

_____
Office of the City Attorney

Exhibit A

Scope of Services/Description of Products/Payment Schedule
(Click or tap here to enter text. pages, including this page)

Click or tap here to enter text.

Exhibit B

Choose an item.