

PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** (the “Agreement”) is made and entered by and between **NEW BRAUNFELS UTILITIES**, a Texas municipal owned utility (“NBU”), and **FREESE AND NICHOLS, INC.**, a Texas corporation (the “Professional”).

Section 1. Term of Agreement. This Agreement shall become effective the date on which the last party to this Agreement executes this Agreement and this Agreement shall not be binding until executed by all parties (the “Effective Date”). Once this Agreement is executed by both parties, this Agreement shall remain in effect until the completion date specified in Exhibit A, unless terminated as provided for in this Agreement. Subject to Section 271.904 of the Texas Local Government Code, as amended, Exhibit A shall provide, in either calendar days or by providing a final date, a time of completion prior to which the Professional shall have completed all tasks related to the Services (hereinafter defined).

Section 2. Scope of Services.

(A) The Professional shall perform the services described in Exhibit A (the “Services”) within the timeframe specified therein. The time limits for the Services stated in Exhibit A are of the essence of the Agreement. By executing this Agreement, the Professional confirms that the timeframe in Exhibit A is a reasonable period for performing the Services. The scope of work described in the Services constitutes the “Project.”

(B) The quality of Services provided hereunder shall be of the level of professional quality performed by professionals regularly rendering this type of service.

(C) The Professional shall perform the Services in compliance with all statutory, regulatory, and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

(D) The Professional may rely upon the accuracy of reports and surveys provided to it by NBU except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) Amount. The Professional shall be paid the amount set forth in Exhibit B as described herein.

(B) Billing Period. NBU shall pay the Professional within thirty (30) days after receipt and approval of invoices and based upon work satisfactorily performed and completed to date. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment. In the event any uncontested portions of any invoice are not paid within thirty (30) days of receipt and approval of the Professional’s invoice, the Professional shall have the right to suspend work.

(C) Reimbursable Expenses. Any and all reimbursable expenses related to the Project shall be described in the Services defined in Exhibit A and accounted for in the total compensation amount in Exhibit B. If these items are not specifically accounted for in both Exhibit A and Exhibit B, NBU shall not be required to pay such amounts unless otherwise agreed to in writing by both parties or unless agreed to pursuant to Section 4 of this Agreement.

Section 4. Changes to the Project Work; Additional Work.

(A) Changes to Work. The Professional shall make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If NBU finds it necessary to make changes to previously satisfactorily completed work or parts thereof, the Professional shall make such revisions if requested and as directed by NBU and such services shall be considered as additional work and paid for as specified under the following paragraph.

(B) Additional Work. NBU retains the right to make changes to the Services at any time by a written order. Work that is clearly not within the general description of the Services under this Agreement must be approved in writing by NBU by supplemental agreement before the additional work is undertaken by the Professional. If the Professional is of the opinion that any work is beyond that contemplated in this Agreement and the Services described in Exhibit A and therefore constitutes additional work, the Professional shall promptly notify NBU of that opinion in writing. If NBU agrees that such work does constitute additional work, then NBU and the Professional shall execute a supplemental agreement for the additional work and NBU shall compensate the Professional for the additional work on the same basis of the rates for the Services contained in Exhibit B. If the changes deduct from the extent of the scope of work for the Services, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by the Professional not previously approved as additional work shall be at risk of the Professional.

Section 5. Ownership of Documents. Upon completion or termination of this Agreement, all documents prepared by the Professional or furnished to the Professional by NBU shall be delivered to and become the property of NBU. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement shall be made available, upon request, to NBU without restriction or limitation on the further use of such materials; however, such materials are not intended or represented to be suitable for reuse by NBU or others. Any reuse of the materials related to the Services without prior verification or adaptation by the Professional for the specific purpose intended will be at NBU's sole risk and without liability to the Professional. Where applicable, the Professional shall retain all pre-existing proprietary rights in the materials provided to NBU but shall grant to NBU a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. The Professional may, at the Professional's expense, have copies made of the documents or any other data furnished to NBU under or pursuant to this Agreement.

Section 6. Personnel. The Professional shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. The Professional agrees that, upon commencement of the Services to be performed

under this Agreement, key personnel will not be removed or replaced without prior written notice to NBU. If key personnel are not available to perform the Services for a continuous period exceeding thirty (30) calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Professional shall immediately notify NBU of same and shall replace such personnel with personnel possessing substantially equal ability and qualifications.

Section 7. Licenses; Materials. The Professional shall maintain in current status all federal, state, and local licenses and permits required for the Professional to perform the Services and operate its business. NBU has no obligation to provide the Professional, its employees or subcontractors any business registrations or licenses required to perform the Services described in this Agreement. NBU has no obligation to provide tools, equipment, or materials to the Professional.

Section 8. Professional's Seal; Standard of Care. To the extent the Professional has a professional seal, the Professional shall place such seal on all final documents and data furnished by the Professional to NBU. Preliminary documents released from a license holder's control shall identify the purpose of the document, the engineer(s) of record and the engineer license number(s), and the release date on the title sheet of bound engineering reports, specifications, details, calculations or estimates, and each sheet of plans or drawings regardless of size or binding. As required by Section 271.904 of the Texas Local Government Code, as amended, all work and services provided under this Agreement will be performed with the professional skill and care ordinarily provided by competent engineers or architects, as applicable, practicing under the same or similar locality under the same or similar circumstances and professional license. The Professional shall perform its services as expeditiously as is prudent considering the ordinary professional skill of a competent engineer or architect, as applicable. The plans, specifications, and data provided by the Professional shall be adequate and sufficient to enable those performing the actual work to perform the work as and within the time contemplated by NBU and the Professional. NBU acknowledges that the Professional does not have control over the methods or means of work or the costs of labor, materials, or equipment. Unless otherwise agreed in writing, any estimates of costs by the Professional are for informational purposes only and are not guarantees.

Section 9. Indemnification.

(A) GENERAL. TO THE EXTENT PERMITTED BY LAW, INCLUDING SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE, THE PROFESSIONAL SHALL INDEMNIFY AND HOLD HARMLESS NBU AND EACH BOARD MEMBER, OFFICER, EMPLOYEE, AGENT, AND REPRESENTATIVE THEREOF (NBU AND ANY SUCH PERSON BEING HEREIN CALLED AN "INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND COURT COSTS) INCURRED BY ANY INDEMNIFIED PARTY WHICH ARE:

- i. DUE TO THE VIOLATION OF ANY ORDINANCE, REGULATION, STATUTE, OR OTHER LEGAL REQUIREMENT IN THE PERFORMANCE OF THIS AGREEMENT, BY THE**

PROFESSIONAL, ITS AGENT, EMPLOYEE, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL;

- ii. CAUSED BY OR RESULTING FROM ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION IN VIOLATION OF PROFESSIONAL'S STANDARD OF CARE, BY THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL;**
- iii. CAUSED BY OR RESULTING FROM ANY CLAIM ASSERTING INFRINGEMENT OR ALLEGED INFRINGEMENT OF A PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT IN CONNECTION WITH THE INFORMATION FURNISHED BY OR THROUGH THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL;**
- iv. DUE TO THE FAILURE OF THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL TO PAY THEIR CONSULTANTS OR SUBCONSULTANTS AMOUNTS DUE FOR SERVICES PROVIDED IN CONNECTION WITH THE PROJECT; OR**
- v. OTHERWISE ARISING OUT OF OR RESULTING FROM THE PERFORMANCE OF THE SERVICES UNDER THIS AGREEMENT, INCLUDING SUCH CLAIMS, DAMAGES, LOSSES OR EXPENSES ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY, INCLUDING LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT SUCH CLAIMS, DAMAGES, LOSSES, COSTS AND EXPENSES ARE CAUSED BY OR RESULT FROM ANY NEGLIGENT OR INTENTIONAL ACTS OR OMISSIONS OF THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL.**

(B) REIMBURSEMENT OF NBU'S FEES IN DEFENSE OF CLAIMS. TO THE EXTENT NBU INCURS ATTORNEY'S FEES IN DEFENSE OF ANY CLAIM ASSERTED AGAINST NBU THAT ARISES OR RESULTS FROM THE ALLEGED ACTS OR OMISSIONS OF THE PROFESSIONAL DESCRIBED IN THIS SECTION, THE PROFESSIONAL SHALL REIMBURSE NBU ITS REASONABLE ATTORNEY'S FEES IN PROPORTION TO THE PROFESSIONAL'S LIABILITY FOUND AFTER A FINAL ADJUDICATION OF LIABILITY.

The obligations of the Professional under this Section shall survive the termination of this Agreement.

Section 10. Insurance.

(A) General.

- i. Insurer Qualifications. Without limiting any obligations or liabilities of the Professional, the Professional shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Texas with an A.M. Best, Inc. rating of A- or above with policies and forms satisfactory to NBU. Failure to maintain insurance as specified herein may result in termination of this Agreement at NBU's option.
- ii. No Representation of Coverage Adequacy. By requiring insurance, NBU does not represent that coverage and limits will be adequate to protect the Professional. NBU reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency will not relieve the Professional from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
- iii. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, directors, officials and employees as an Additional Insured as specified under the respective coverage sections of this Agreement.
- iv. Coverage Term. All insurance required herein shall be maintained in full force and effect until all the Services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by NBU, unless specified otherwise in this Agreement.
- v. Primary Insurance. The Professional's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of NBU as an Additional Insured.
- vi. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage will extend, either by keeping coverage in force or purchasing an extended reporting option, for three years after the conclusion of the term of this Agreement. Such continuing coverage will be evidenced by submission of annual certificates of insurance stating applicable coverage is in force and containing provisions as required herein for the three-year period.
- vii. Waiver. All policies (except for Professional Liability, if applicable), including Workers' Compensation insurance, will contain a waiver of rights of recovery (subrogation) against NBU, its agents, representatives, officials, officers and employees for any claims arising out of the Services performed by the Professional.

The Professional shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

- viii. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to NBU. The Professional shall be solely responsible for any such deductible or self-insured retention amount.
- ix. Use of Subcontractors. The Professional shall not use subcontractors for all or any work under this Agreement without the prior written consent of NBU in its sole discretion. If any work under this Agreement is subcontracted in any way, the Professional shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Agreement and insurance requirements set forth herein protecting NBU and the Professional. The Professional shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.
- x. Evidence of Insurance. Prior to commencing any the Services under this Agreement, the Professional shall provide NBU with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Professional's insurance provider(s) as evidence that policies are in place with acceptable insurers as specified herein and provide the required coverage, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Evidence of such insurance shall be attached as Exhibit C. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. NBU will rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it will be the Professional's responsibility to forward renewal certificates and declaration page(s) to NBU thirty (30) days prior to the expiration date. All certificates of insurance and declarations required by this Agreement will be identified by referencing this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded.

(B) Required Insurance Coverage. Any of the coverage set forth below may be waived by NBU in its sole discretion, but any such waiver must be signed by an authorized representative of NBU on or before the Effective Date of this Agreement.

- i. Commercial General Liability. The Professional shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than

\$1,000,000 for each occurrence and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products, completed operations, personal injury, and property damage. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

- ii. Vehicle Liability. The Professional shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on the Professional’s owned, hired and non-owned vehicles assigned to or used in the performance of the Services by the Professional under this Agreement. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.
- iii. Professional Liability. The Professional shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Professional, or anyone employed by the Professional, or anyone for whose negligent acts, mistakes, errors and omissions the Professional is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claim and \$2,000,000 annual aggregate. In the event the Professional Liability insurance policy is written on a “claims made” basis, coverage shall extend for three years after the conclusion of the term of this Agreement, and the Professional shall be required to submit certificates of insurance and a copy of the declaration page(s) of the insurance policies evidencing proper coverage is in effect as required above. Confidential information such as the policy premium or proprietary information may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement.
- iv. Workers’ Compensation and Employer’s Liability Insurance. The Professional shall maintain Workers’ Compensation insurance to cover the Professional’s employees engaged in the performance of the Services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee and \$1,000,000 disease policy limit.

(C) Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without thirty (30) days’ prior written notice to NBU.

Section 11. Termination.

(A) For NBU's Convenience. This Agreement is for the convenience of NBU and, as such, may be terminated by NBU for any reason upon thirty (30) days' written notice by NBU to the Professional. Upon termination for convenience, the Professional will be paid for the Services performed to the termination date less any offsets to which NBU may be entitled under the terms of this Agreement. By written notice to NBU, the Professional may suspend work if the Professional reasonably determines that working conditions at the site (outside the Professional's control) are unsafe, or in violation of applicable laws, or in the event NBU has not made timely payment in accordance with this Agreement, or for other circumstances not caused by the Professional that are materially interfering with the normal progress of the work. The Professional's suspension of work hereunder shall be without prejudice to any other remedy of the Professional at law or equity.

(B) For Cause. If either party violates any provision or fails to perform any obligation of this Agreement and such party fails to cure its nonperformance within thirty (30) days after written notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within thirty (30) days, then the defaulting party will have such additional period of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (i) provides written notice to the non-defaulting party and (ii) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event will any such cure period exceed ninety (90) days. Only one notice of nonperformance will be required during the term of this Agreement and in the event of a second breach or violation, the nondefaulting party may immediately terminate this Agreement without notice to the defaulting party. In the event of any termination for cause by NBU, payment will be made by NBU to the Professional for the undisputed portion of its fee due as of the termination date less any offsets to which NBU may be entitled under the terms of this Agreement.

(C) Non-Collusion. The Professional represents and warrants that the Professional has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to NBU under this Agreement. If NBU determines that the Professional gave, made, promised, paid or offered any gift, bonus, commission, money, or other consideration to NBU or any of its officers, agents, or employees to secure this Agreement, NBU may elect to cancel this Agreement by written notice to the Professional. The Professional further agrees that the Professional shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from NBU pursuant to this Agreement) for any of the Services performed by the Professional under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to the Professional, the Professional shall immediately report that fact to NBU and, NBU, at its sole option, may elect to cancel this Agreement by written notice to the Professional.

(D) Agreement Subject to Appropriation. This Agreement is subject to appropriation of funds. The provisions of this Agreement for payment of funds by NBU shall be effective when funds are

appropriated for purposes of this Agreement and are actually available for payment. NBU shall be the sole judge and authority in determining the availability of funds under this Agreement and NBU shall keep the Professional fully informed as to the availability of funds for the Agreement. The obligation of NBU to make any payment pursuant to this Agreement is a current expense of NBU, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of NBU. If sufficient funds are not appropriated to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of the then-current fiscal year and NBU and the Professional shall be relieved of any subsequent obligation under this Agreement.

Section 12. Miscellaneous.

(A) Independent Contractor. The Professional acknowledges that the Professional is an independent contractor of NBU and is not an employee, agent, official or representative of NBU. The Professional shall not represent, either expressly or through implication, that the Professional is an employee, agent, official or representative of NBU. Income taxes, self-employment taxes, social security taxes and the like shall be the sole responsibility of the Professional.

(B) Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Comal County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Comal County, Texas.

(C) Compliance with Laws. The Professional shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Professional shall furnish satisfactory proof of compliance to NBU.

(D) Amendments. This Agreement may only be amended, modified, or supplemented by a written amendment signed by persons duly authorized to enter into contracts on behalf of NBU and the Professional.

(E) Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement shall be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement shall promptly be physically amended to make such insertion or correction.

(F) Severability. If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect under applicable law, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(G) Entire Agreement; Interpretation; Parol Evidence. This Agreement and the related Exhibits constitute the entire agreement of the parties with respect to the subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded thereby. No representations, inducements or oral agreements have been made by any of the parties except as expressly set forth in this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement.

(H) No Assignment. Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party. Any purported assignment in violation of this Section shall be null and void.

(I) Subcontractors. The Professional shall not transfer any portion of the work related to the Services under this Agreement to any subcontractor without the prior written consent of NBU, which consent shall not be unreasonably withheld. The approval or acquiescence of NBU in the subletting of any work shall not relieve the Professional of any responsibility for work done by such subcontractor. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Professional.

(J) Waiver. No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(K) Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party will be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, which will be deemed to have accrued on the commencement of such action.

(L) Liens. All materials or services provided under this Agreement shall be free of all liens and, if NBU requests, a formal release of all liens shall be delivered to NBU.

(M) Offset.

- i. Offset for Damages. In addition to all other remedies at law or equity, NBU may offset from any money due to the Professional any amount the Professional owes to NBU for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement, including but not limited to all costs, expenses, fines, fees, and charges associated with obtaining performance from

alternative sources, shipping, handling, materials, equipment rental, travel expenses and associated costs.

- ii. Offset for Delinquent Fees or Taxes. NBU may offset from any money due to the Professional any amount the Professional owes to NBU for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

(N) Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to NBU:

New Braunfels Utilities
Attn: Director of Water Services
263 Main Plaza
New Braunfels, TX 78130

With copy to:

Purchasing Manager
New Braunfels Utilities
355 FM 306
New Braunfels, TX 78130

If to the Professional:

Freese and Nichols, Inc.
801 Cherry Street, Suite 2800
Fort Worth, Texas 76102

or at such other address, and to the attention of such other person or officer, as any party may designate by providing thirty (30) days' prior written notice of such change to the other party in the manner set forth in this Section. Notices shall be deemed received (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

(O) Confidentiality of Records. The Professional shall establish and maintain procedures and controls that are acceptable to NBU for the purpose of ensuring that information contained in its records or obtained from NBU or from others in carrying out the Professional's obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Professional's duties under this Agreement. Persons requesting such information should be referred to NBU. The Professional also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Professional as needed for the performance of duties under this Agreement.

(P) Right to Audit. NBU shall have the right to examine and audit the books and records of the Professional with regard to the Services, or any subsequent changes, at any reasonable time. Such books and records shall be maintained in accordance with generally accepted principles of accounting and shall be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

(Q) Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

(R) Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

(S) Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

(T) Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

(U) Exhibits. Except as specified in Subsection (V) of this Section, all exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

(V) Conflicting Terms. In the case of any conflicts between the terms of this Agreement and the Exhibits, the statements in the body of this Agreement shall govern. The Exhibits are intended to detail the technical scope of services, fee schedule, and the term of the contract only and shall not dictate Agreement terms.

(W) Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being

expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

(X) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

(Y) Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of NBU. NBU reserves the right to obtain like goods and services from another source when necessary.

Section 13. Force Majeure. If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances that are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, epidemic, pandemic, fire or other casualty, shortage of materials, adverse weather conditions (such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados), labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

Section 14. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271 of the Texas Local Government Code, as amended, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties shall first attempt to resolve the dispute by taking the steps described in this Section. First, the dissatisfied party shall deliver to the other party a written notice substantially describing the nature of the dispute, which notice shall request a written response to be delivered to the dissatisfied party not less than five (5) days after receipt of the notice of dispute. Second, if the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give five (5) days' written notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. Third, if those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

Section 15. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. The Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, as amended.

Section 16. Information Technology

(A) Limited Access. If necessary for the fulfillment of the Agreement, NBU may provide the Professional with non-exclusive, limited access to NBU's information technology infrastructure. The Professional understands and agrees to abide by NBU policies, standards, regulations and restrictions regarding access and usage of NBU's information technology infrastructure. The Professional shall reasonably enforce such policies, standards, regulations and restrictions with all the Professional's employees, agents or any tier of subcontractor granted access in the performance of this Agreement, and shall be granted and authorize only such access as may be necessary for the purpose of fulfilling the requirements of the Agreement. The Professional's employees, agents and subcontractors must receive prior, written approval from NBU before being granted access to NBU's information technology infrastructure and data and NBU, in its sole determination, shall determine accessibility and limitations thereto. The Professional agrees that the requirements of this Section shall be incorporated into all subcontractor agreements entered into by the Professional. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.

(B) Data Confidentiality. All data, regardless of form, including originals, images and reproductions, prepared by, obtained by or transmitted to the Professional in connection with this Agreement is confidential, proprietary information owned by NBU. Except as specifically provided in this Agreement, the Professional shall not intentionally disclose data generated in the performance of the Services to any third party without the prior, written consent of NBU.

(C) Data Security. Personal identifying information, financial account information, or restricted NBU information, whether electronic format or hard copy, is confidential and must be secured and protected at all times to avoid unauthorized access. At a minimum, the Professional must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices or removable storage devices.

(D) Compromised Security. In the event that data collected or obtained by the Professional in connection with this Agreement is believed to have been compromised, the Professional shall notify NBU immediately. **TO THE EXTENT PERMITTED BY SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, THE PROFESSIONAL SHALL INDEMNIFY AND HOLD NBU HARMLESS FROM ANY CLAIMS RESULTING FROM AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT BY THE PROFESSIONAL, ITS OFFICERS, EMPLOYEES, CONSULTANTS, AGENTS, ANY TIER OF SUBCONTRACTOR, OR ANY ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL.**

(E) Survival. The obligations of the Professional under this Section shall survive the termination of this Agreement.

Section 17. Prohibition on Contracts with Companies Boycotting Israel. The Professional hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, does not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement as described in Chapter 2271 of the Texas Government Code, as amended. The foregoing verification is made solely to comply with Chapter 2271.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 18. Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited. The Professional represents that neither it nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law and excludes the Professional and each of its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 19. Texas Public Information Act. The Professional recognizes that NBU is subject to the disclosure requirements of the Texas Public Information Act (the “PIA”). As part of its obligations within this Agreement, the Professional agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of the NBU’s obligations under the PIA. This acknowledgement and obligation are in addition to and complimentary to the NBU’s audit rights in section 12(P).

This provision applies if the Agreement has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

The Professional must (1) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to NBU for the duration of the Agreement; (2) promptly provide to NBU any contracting information related to the Agreement that is in the custody or possession of the Professional on request of NBU; and (3) on completion of the Agreement, either:

- (i) provide at no cost to NBU all contracting information related to the Agreement that is in the custody or possession of the Professional; or
- (ii) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and the Professional agrees that the Agreement can be terminated if the Professional knowingly or intentionally fails to comply with a requirement of that subchapter.

Section 20. Electronic Signatures. Pursuant to Chapter 322 of the Texas Business and Commerce Code, as amended, the parties agree to the use of electronic signatures herein and that the use of an electronic signature, whether digital or encrypted, is intended to have the same force and effect as a manual signature. Electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. Each party further agrees that if it agrees to conduct a transaction by electronic means in this Agreement, it may refuse to conduct other transactions by electronic means and that such right may not be waived by this Agreement.

(The remainder of this page intentionally left blank)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this the ____ day of _____, 20____.

NBU:
NEW BRAUNFELS UTILITIES,
a Texas municipal owned utility

By: _____
Name: Ian Taylor
Title: CEO

PROFESSIONAL:
FREESE AND NICHOLS INC.,
a Texas corporation

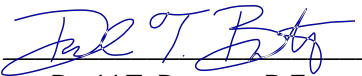
By: 
Name: David T. Bennett, P.E.
Title: Principal / Vice-President

Exhibit A

Services

The Professional shall provide all labor, material, and equipment necessary to provide project management, design, bid, and construction phase services, field services, and permitting and coordination with certain stakeholders (collectively the “Services”) for the Trinity Water Treatment Plant and Pump Station Expansion (the “Project”) located at 3295 Westpointe Drive, New Braunfels, TX 78132 (the “Project Site”). The Project shall include the facilities and/or improvements generally described below.

Water Treatment Plant

The Professional shall perform Services for the Water Treatment Plant (“WTP”) scope described below.

- 1) WTP capacity expansion of 3.75 million gallons per day (“MGD”) to a total treatment capacity of 7.5 MGD, with the addition of up to three more membrane racks, a second feed water tank, a second backwash clarifier, two (2) feed pumps and motors, one (1) feed strainer, one (1) backwash recycling pump and motor, one (1) backwash equalization tank with pump and motor, one (1) coagulant bulk storage tank, piping, valves, associated control panels, and associated instrumentation. An evaluation of running the Wonderware software on a desktop versus a server will be performed. The WTP expansion shall include structural as required.
- 2) Site improvements including site piping, valves, driveway, site paving, sidewalk and field instrumentation. Design of driveway improvements will be coordinated with adjacent NBU Headquarters expansion project.
- 3) Expansion of the chlorine storage and feed system to be used for pre-oxidation and disinfection. Existing chlorinators may be replaced with larger units and one-ton container scale and components to attach spare chlorine storage shall be included and additional storage may be added. An additional chlorine feed point shall be designed as a bid-alternate in the event that the new wells have high hydrogen sulfide (“H₂S”) concentrations. If final water quality is such that this feed point is not needed, the bid alternate items will be removed from the project prior to construction.

- 4) Fluoride and liquid ammonium sulfate (“LAS”) feed systems shall be evaluated to determine which components need to be expanded or upgraded for project. Fluoride and LAS storage is adequate for full plant buildout and shall not be upsized as part of this project.
- 5) Existing heating, ventilation, and air conditioning (“HVAC”) system in WTP Membrane Building is sufficient to handle loads from planned plant expansion, therefore no upgrade or expansion to the HVAC system shall be performed as part of this project.

Water Pump Station

The Professional shall perform Services for the water pump station scope described below.

- 1) High service pump station capacity expansion of 3.75 MGD to a firm pump station capacity of 7.5 MGD with the addition of three (3) horizontal centrifugal pumps and motors which may have variable frequency drives (“VFD”)s), increasing the impeller and motor size of existing pumps, piping, valves, associated control panels, and associated instrumentation. The pump station improvements will include structural, as required.
- 2) Site improvements including site piping, valves, plant paving, sidewalk, site power distribution, and field instrumentation.
- 3) Additional electric service entrance utility transformer. The Professional shall coordinate added electric loads with electric utility company and make improvements to the power distribution system to accommodate added loads.

Raw Water Pipeline

The Professional shall perform Services for the raw water pipeline scope described below.

- 1) Approximately 300-1,000 linear feet (“LF”) of new 12” diameter raw water main shall be installed by open-cut methods including all appurtenances, to connect raw water line from the new well field to the 18” WTP feed piping. Routing and length of water main to be determined during preliminary design by coordinating with NBU and consultant designing well field collection piping.

- 2) Routing of well flush drainage piping to direct water from wells when they are flushed and GST overflow to either stormwater detention ponds or a drainage area in the adjacent NBU property.
- 3) The following crossings are assumed for both pipelines:
 - Zero (0) railroad crossings using trenchless construction;
 - Zero (0) TxDOT highway or county road crossing using trenchless construction; and
 - Zero (0) river crossings using trenchless construction.

Water Storage Tank

The Professional shall perform Services for the water storage tank scope described below.

- 1) New 1.5 million gallon (“MG”) concrete pre-stressed ground storage tank.
- 2) Site improvements including site piping, valves, site paving, and sidewalk.
- 3) Overflow connection to well blow off lines.

Wastewater Lift Station

The Professional shall perform Services for the wastewater lift station scope described below.

- 1) Expansion of the current 0.5 MGD Lift Station, including replacement of pump impellers and motors.
- 2) The Professional shall coordinate with NBU on the adjacent NBU Headquarters project to potentially take flows from that facility to the lift station, if the flows are within the hydraulic capacity limits of the planned expansion.
- 3) Make electrical improvements as necessary and upgrade back-up generator.

SERVICES

The Professional shall provide the following Services in accordance with the tasks described herein.

Task 1. Project Management

1. The Professional shall provide the following project management services described herein.
 - 1.1. SCHEDULE. The Professional shall develop a baseline design schedule for the Project and prepare updated design schedules for the Project on a monthly basis on or before the 25th day of each month for NBU to monitor progress and identify design submittal dates. Schedules shall be provided to the NBU Project Manager via email.
 - 1.2. QUALITY CONTROL. The Professional shall develop a quality assurance/quality control program for the Project, which shall be explained in detail via a written document and provided to NBU's Project Manager via email within 30 days of notice to proceed ("NTP").
 - 1.3. PROGRESS REPORTS. The Professional shall provide NBU with electronic monthly project progress reports and submit written invoices on or before the 25th day of each month for the previous month's effort. Progress reports shall be provided to the NBU Project Manager via email.
 - 1.4. MEETING AGENDA/MINUTES. The Professional shall provide meeting agenda one (1) day prior to meetings and provide a copy of the documented meeting minutes and action item logs to NBU's Project Manager within one (1) week after meetings.
 - 1.5. PROJECT CONTROLS. The Professional shall manage Project integration, scope, schedule, cost, quality, staff resources, sub-consultants, communications, risk analysis and management, and procurements as NBU directs, including, but not limited to, the following:
 - 1.5.1. assigning a senior advisor to oversee quality assurance;
 - 1.5.2. developing cost estimates using recent bid tabs from similar projects or vendor prices;
 - 1.5.3. using Microsoft Project or similar to manage the schedule; and
 - 1.5.4. coordinating communication with sub consultants through emails and meetings.

Task 2. Preliminary Engineering Phase

2. Upon NBU providing NTP to the Professional, the Professional shall perform the preliminary engineering phase services described herein.

2.1. MEETINGS. The Professional shall provide meeting agenda via email one (1) day prior to meeting and meeting minutes via email within one (1) week of the meeting to NBU for the following meetings:

- 2.1.1. project kick-off meeting with NBU (1 meeting);
- 2.1.2. monthly progress status meetings (3 meetings);
- 2.1.3. Preliminary Engineering Report (“PER”) Review meeting;
- 2.1.4. Franchise utilities meeting (1 meeting);
- 2.1.5. City of New Braunfels meeting (1 meeting);

2.2. WATER TREATMENT PLANT ANALYSIS. The Professional shall analyze the water treatment plant requirements as described herein.

- 2.2.1. The professional shall determine requirements for the membrane treatment system, feed to the membranes, backwash recycle, and chemical systems for the WTP expansion.
- 2.2.2. The Professional shall perform preliminary hydraulic and chemical feed and storage calculations.
- 2.2.3. The Professional shall coordinate with material and equipment vendors; The Professional shall coordinate with the low-pressure membrane vendor to verify all necessary components to support the addition of the low-pressure membrane units; and
- 2.2.4. The Professional shall determine electrical requirements for WTP components.

2.3. PUMP STATION ANALYSIS. The Professional shall analyze the pump station design requirements as herein.

2.3.1. The Professional shall determine the pump station system capacity and head requirements over the study period, determine the system operations protocols in conjunction with NBU, and prepare a hydraulic model of the pumping station, pipeline, and related facilities.

2.3.1.1. Hydraulic Model Preparation: The Professional shall utilize the InfoWater model developed as part of the ongoing Water Master Plan to create new model scenarios. Steady-state simulation scenarios shall be developed for existing and 10-year conditions. All proposed 2030 water system improvements shall be included in the 10-year model scenarios. Model scenarios shall include average

day and maximum day demand conditions as calculated in NBU's Water Master Plan. The Professional shall confirm that the flow control valves at Oak Run and Westpointe are still sufficient to accept the additional flow, per their original design.

- 2.3.1.2. System Curve Development: The Professional shall develop system head curves for the Trinity Booster Pump Station. System curves shall be developed for existing and 10-year conditions. The Professional shall review SCADA records for the Trinity Ground Storage Tank, Westpointe Elevated Storage Tank, and Mission Elevated Storage Tank to determine appropriate static head ranges to be used for the analysis.
- 2.3.2. The Professional shall determine the power requirements, electrical equipment need and layout and provide a one-line diagram and overall process diagram for the pump station.
- 2.3.3. The Professional shall determine size and capacity of pump stations, pipelines and related facilities.
- 2.3.4. The Professional shall coordinate with material and equipment vendors; and
- 2.3.5. The Professional shall determine structural requirements.
- 2.4. LIFT STATION ANALYSIS. The Professional shall analyze the lift station design requirements as described herein.
 - 2.4.1. The Professional shall review design documents and as-builts for the existing lift station;
 - 2.4.2. The Professional shall determine the required pump sizes for the lift station;
 - 2.4.3. The Professional shall coordinate with material and equipment vendors; and
 - 2.4.4. The Professional shall determine electrical requirements.
- 2.5. GROUND STORAGE TANK ANALYSIS. The Professional shall provide the analysis for the storage tanks as described herein.
 - 2.5.1. The Professional shall determine the tank overflow elevation and head range to be routed to detention pond built as part of NBU Headquarters project;
 - 2.5.2. The Professional shall determine the length and size of interior piping and valves to include the type of materials;

- 2.5.3. The Professional shall determine whether or not interior baffles for improved chlorine contact time are needed;
 - 2.5.4. The Professional shall identify basic site improvements;
 - 2.5.5. The Professional shall identify basic yard piping improvements; and
 - 2.5.6. The Professional shall provide electrical, instrumentation, and exterior lighting.
- 2.6. STORM WATER ANALYSIS. The Professional shall perform a storm water and overflow analysis in accordance with the City of New Braunfels' Engineering Design Manual as described herein.
- 2.6.1. The Professional shall evaluate site drainage for pre-project and project condition runoff hydrographs;
 - 2.6.2. The Professional shall prepare preliminary design/sizing of necessary onsite drainage improvements to accommodate increase in discharge due to additional impervious cover. This assumes that the proposed detention pond 15 from the New Braunfels Utilities Headquarters 80% schematic design can be modified through coordination to accept the additional runoff;
 - 2.6.3. The Professional shall verify that offsite drainage infrastructure is adequately sized to convey site runoff without adversely impacting adjacent parcels or infrastructure. If offsite improvements are required, the Professional will include a recommendation for improvements in the PER; and
 - 2.6.4. The Professional shall analyze the maximum expected flows if the tank overflows and will compare that flowrate to the storm water runoff and size the infrastructure as necessary.
 - 2.6.5. The Professional shall run an evaluation recommended as described above as part of the PER for stormwater runoff and water quality improvements. The evaluation will be completed in accordance with both the City of New Braunfels' Engineering Design Manual and Texas Commission on Environmental Quality ("TCEQ") requirements since the site is in the Edwards Aquifer Recharge Zone. Analysis will include sizing and layout of vegetative filter strips or similar water quality controls based on TCEQ calculation spreadsheet.
- 2.7. 30% DESIGN DOCUMENTS
- 2.7.1. The Professional shall perform up to one (1) preliminary site visit to gather project

information.

- 2.7.2. The Professional shall perform collection and review of existing data, reports, mapping, and records from NBU. The Professional shall review documents associated with the Project. The Professional shall provide analyses of NBU's requirements for the Project, including planning, surveys, site evaluations and comparative studies of prospective sites and solutions to the NBU Project Manager.
 - 2.7.3. The Professional shall prepare 30% design drawings including plan views of all proposed infrastructure within the Project Site and submit to NBU via email by the end date of the 30% Preliminary Design task in the Project Milestones table.
 - 2.7.4. The Professional shall prepare a Class 4 opinion of probable construction cost ("OPCC") based on 30% design drawings and submit to NBU via email by the end date of the 30% Preliminary Design task in the Project Milestones table.
- 2.8. PRELIMINARY ENGINEERING REPORT ("PER"). The Professional shall prepare a PER that includes 30% design plans and describes the scope of the Project for final design, permitting, constructability, OPCC and schedule. The PER shall include project implementation, phasing and packaging for all portions of the project. The Professional shall submit a draft PER by email in Portable Document Format ("PDF") to the NBU Project Manager for review and comment as well as a final PER incorporating all NBU comments. The final PER will be submitted by the Professional to the NBU Project Manager by email in PDF and shape ("SHP"), and send a mailed paper copy within 30 days of receiving comments.
- 2.9. DELIVERABLES. The Professional shall provide the following Preliminary Engineering Phase deliverables to NBU:
- 2.9.1. PER and Class 4 OPCC – one (1) PDF electronic file; and
 - 2.9.2. 30% design drawings – one (1) PDF electronic file, one SHP file and three (3) hard copies of 11x17 size plans.

Task 3. Final Design Phase

3. Upon NBU's approval of the PER and 30% design documents, the Professional shall perform the final design phase services described below.
 - 3.1. MEETINGS. The Professional shall provide meeting agenda via email one (1) day prior

to meeting and meeting minutes via email within one (1) week of the meeting to NBU for the following meetings:

- 3.1.1. 60% design review meeting;
 - 3.1.2. 90% design review meeting;
 - 3.1.3. monthly design meetings (8 meetings);
 - 3.1.4. meetings with franchise utilities (2 meetings); and
 - 3.1.5. permitting meeting with City of New Braunfels (2 meetings).
- 3.2. 60% DESIGN DOCUMENTS. The Professional shall prepare 60% plans, specifications and OPCC based on decisions made in the preliminary design phase. Design documents shall include:
- 3.2.1. plan view and/or site layout of the proposed facilities;
 - 3.2.2. a lighting layout;
 - 3.2.3. an electrical one-line diagram;
 - 3.2.4. mechanical drawings to include major design components of the water treatment plant, tank, lift station, pump station;
 - 3.2.5. call outs for major design items;
 - 3.2.6. table of contents for all required specifications and specifications that are provided by the Professional with the exception of NBU's standard specifications; and
 - 3.2.7. Class 3 OPCC based on 60% design documents.
- 3.3. 90% DESIGN DOCUMENTS. Upon approval of 60% design documents, the Professional shall prepare 90% plans, specifications and OPCC. 90% design documents shall include:
- 3.3.1. call outs for all design items on the plan sheets;
 - 3.3.2. complete specifications; and
 - 3.3.3. Class 2 OPCC based on 90% design documents.
- 3.4. 100% (FINAL) DESIGN DOCUMENTS. Upon approval of 90% design documents, the Professional shall prepare 100% plans, specifications and OPCC. 100% design documents shall include:
- 3.4.1. final signed and sealed set of construction drawings and specifications based on decisions made in the 90% design phase. NBU shall provide the Professional easement requirements for each parcel via email to incorporate into the plans;

- 3.4.2. project files to include; .dwg;
 - 3.4.3. preparation of the bid form.
 - 3.4.4. Class 1 OPCC based on 100% design documents.
- 3.5. DELIVERABLES. The Professional shall provide the following deliverables to the NBU Project Manager via email by the end date of the appropriate phase in the Project Milestones table:
- 3.5.1. 60% design – the Professional shall provide one (1) PDF electronic file in PDF, one (1) PDF electronic file of a Class 3 OPCC and three (3) hard copies of 11x17 size plans and specifications;
 - 3.5.2. 90% design – the Professional shall provide one (1) PDF electronic file in PDF, one (1) PDF electronic file of a Class 2 OPCC and three (3) hard copies of 11x17 size plans and specifications; and
 - 3.5.3. 100% design - the Professional shall provide one (1) PDF electronic file in PDF, one (1) PDF electronic file of a Class 1 OPCC and three (3) hard copies of 11x17 size plans and specifications.

Task 4. Field Services

- 4. The Professional shall perform the field services described herein.
 - 4.1. TOPOGRAPHIC SURVEY. The Professional shall obtain a topographic and utility survey as described below.
 - 4.1.1. The Professional shall tie in all existing surface topographic features and structures within the survey limits shown in Figure 1. This survey shall include: tops of curbs, edges of pavement, pavement materials, driveways, sidewalks, retaining walls, drainage structures (top, edges and flow line), channels and drainage ways (tops, toes and flow line), manholes (rim, flow lines and diameters of pipes, type of material and photographs of the inside of manholes and drainage structures), including the same survey data for upstream and downstream manholes and structures that are outside of the survey limits for all gravity wastewater and drainage lines within the survey limits. Visible valves, meters, clean-outs, slabs, utility signs, utility poles and structures, fences, landscaping features, shrubbery, trees (including the approximate drip-line), tree canopies, buildings (edges within

the survey limits) mailboxes, etc. Trees shall be tagged and tabulated by size and species specific in compliance with the City of New Braunfels Tree Preservation ordinance as defined in the City of New Braunfels Zoning Ordinance Chapter 5.3-5i. The survey limits shall extend approximately 100 feet on intersecting streets. The Professional shall provide sufficient ground shots to create one (1) foot contours for the Project.

4.1.2. The Professional shall conduct a utility survey and locate existing utilities within the Project boundary in Figure 1. The Professional shall contact all utility service providers by calling Texas 811 and the NBU Project Manager to coordinate flagging of existing franchise utilities. The Professional shall request drawings of existing agency and municipal owned utilities and shall include locations of these utilities in the survey. The Professional shall tie in the locations of the discovered utilities on the survey. The Professional shall bear all costs for the Services associated with utility locates.

4.1.3. The Professional shall locate up to ten (10) geotechnical borings and tie them in to the Project survey.

4.1.4. The Professional shall set and install control points and/or benchmarks as required for the survey work (minimum 1-foot intervals). The Professional shall provide horizontal and vertical coordinates of the benchmarks in the required coordinate system and datum and show the benchmarks on the survey drawing.

4.1.5. The Professional shall research and review adjoining plats and deeds along the survey corridor. The Professional shall locate property corners and identify existing right of way (“ROW”), along the survey corridor, based on found monuments and record documents.

4.2. GEOTECHNICAL REPORT. The Professional shall conduct a geotechnical investigation to complete a Geotechnical Report (“GR”) for the Project as described herein.

4.2.1. Field Exploration:

4.2.1.1. The Professional shall determine the required boring locations on the Project Site. The Professional shall provide a Project Site boring location map to NBU via email prior to start of the field work that shows the exploratory borings

within the vicinity of the proposed improvements and along the proposed water main alignments.

- 4.2.1.2. The Professional shall coordinate with NBU, City of New Braunfels, and Texas 811 regarding underground utilities within the vicinity of the planned boring locations prior to commencement of the field exploration activities.
- 4.2.1.3. The Professional shall drill exploratory borings for the proposed improvements according to the schedule provided below:
 - 4.2.1.3.1. one (1) boring to a maximum depth of 60 feet below existing grade;
 - 4.2.1.3.2. six (6) borings to a maximum depth of 30 feet below existing grade;
 - 4.2.1.3.3. two (2) borings to a maximum depth of 25 feet below existing grade;
and
 - 4.2.1.3.4. four (4) pilot hole borings for the purpose of locating below-grade voids.
- 4.2.1.4. The borings conducted on the Project Site shall be advanced using standard rotary drilling equipment with continuous-flight augers or rotary wash methods. Subsurface samples shall be collected using 2-inch diameter split-spoon sampler in conjunction with the standard penetration test (“SPT”). Intermittent 3-inch diameter Shelby tube samples shall be collected in between the SPTs.
- 4.2.1.5. The Professional shall record groundwater observations within the borings at the time of drilling and at the completion of drilling and sampling.
- 4.2.1.6. The Professional shall backfill borings with auger cuttings upon completion of drilling and sampling.
- 4.2.1.7. The Professional shall patch borings drilled through pavement with like material (asphalt, concrete) upon completion of backfilling.
- 4.2.1.8. The Professional shall have personnel experienced in logging borings, directing the drilling, and handling and transporting the samples. The Professional shall provide visual classification of the subsurface stratigraphy in general accordance to the American Society for Testing and Materials (“ASTM”), standard number D2488 and the Unified Soil Classification System (“USCS”) during drilling and sampling.
- 4.2.2. The Professional shall provide laboratory testing to include the following:

- 4.2.2.1. testing by a geotechnical subconsultant on samples obtained from the borings to determine soil classification and pertinent engineering properties of the subsurface materials;
- 4.2.2.2. laboratory tests assigned for the specific subsurface materials encountered during exploration on the Project Site, but which are expected to include the following number and type of tests:
 - 4.2.2.2.1. Atterberg limits tests (up to a 9 tests);
 - 4.2.2.2.2. Percent Passing the #200 Sieve (up to 9 tests);
 - 4.2.2.2.3. Sieve Analysis (Gradation) tests (up to 9 tests);
 - 4.2.2.2.4. Moisture content tests (up to 9 tests); and
 - 4.2.2.2.5. Unconfined compressive strength tests (with unit weights; up to 9 tests).
- 4.2.3. The Professional shall prepare a GR that includes the following information and recommendations, as applicable:
 - 4.2.3.1. a summary of the field and laboratory sampling and testing program;
 - 4.2.3.2. boring logs and laboratory testing results;
 - 4.2.3.3. a review of general site conditions including descriptions of the site, the subsurface stratigraphy, groundwater conditions, and the presence and condition of fill materials, if encountered;
 - 4.2.3.4. trenchless water main construction feasibility and recommendations of auger boring and/or horizontal directional drilling;
 - 4.2.3.5. general discussion of expected construction related issues; and
 - 4.2.3.6. earthwork related recommendations for use during development of plans and specifications.
- 4.2.4. The Professional shall provide the final Geotech Report to the NBU Project Manager electronically as a 100% design deliverable with the specifications.

Task 5. Permitting & Stakeholders

5. The Professional shall coordinate with the following stakeholders/agencies as described herein.

5.1. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY. The Professional shall

prepare and submit permit applications to Texas Commission on Environmental Quality for approval of all design documents. The permit applications include the following:

5.1.1. Water Pollution Abatement Plan (“WPAP”);

5.1.1.1. The Professional will assist a different firm in preparing the WPAP for this project as part of an overall WPAP for the site and will not be solely responsible to prepare and submit the WPAP.

5.1.2. Variance letter/Exception Request;

5.1.3. Notification letter for sewer plans;

5.1.4. Approval letter for water systems;

5.1.4.1. The Professional will prepare a design report for the WTP as part of this submittal.

5.1.5. Updated CT Study Approval; and

5.1.6. Updated corrosion study

5.2. CITY OF NEW BRAUNFELS. The Professional shall prepare and submit permit applications to the City of New Braunfels to obtain permits for:

5.2.1. Site development permit; and

5.2.2. Tree removal,

5.3. EASEMENT ACQUISITION COORDINATION. The Professional shall coordinate and provide support to NBU and/or an NBU hired consultant to obtain easements for up to 1 parcel. The Professional shall provide the following easement acquisition coordination support services:

5.3.1. attend up to one (1) meeting per easement with NBU, the hired consultant and/or the property owner; and

5.3.2. review draft and final easement documents for up to 1 parcel.

5.4. COORDINATION WITH ADJACENT PROJECTS. The Professional shall coordinate with NBU and firms responsible for program management, design and construction of projects located adjacent to the Project Site including the NBU headquarters complex and expansion of the Trinity well field.

5.4.1. meetings with additional stakeholders to coordinate adjacent projects design and permitting (8 meetings).

5.5. DELIVERABLES.

- 5.5.1. TCEQ submittal packages/ approval letters - one (1) PDF electronic copy of each;
- 5.5.2. City of New Braunfels permit - one (1) PDF electronic copy;

Task 6. Bid Phase Services

- 6. Upon completion of the final design, the Professional shall proceed with the bid phase Services for one bid package described below.
 - 6.1. PREBID CONFERENCE. The Professional shall attend one (1) pre-bid conference to be administered by NBU. The Professional shall assist NBU with preparation of agenda, provide NBU with meeting notes, and coordinate conference responses with NBU. Written responses to issues identified at the pre-bid conference shall be in the form of addenda issued after the conference.
 - 6.2. INTERPRET BID DOCUMENTS. The Professional shall assist NBU with responding to questions and interpreting bid documents and prepare addenda to the bid documents if necessary.
 - 6.3. BID EVALUATION. The Professional shall attend one (1) bid-opening conference to be administered by NBU. The Professional shall assist NBU in the opening and analyzing of the bids received for the Project. This includes researching contractor qualifications and references. The Professional shall recommend award of contract or other actions as appropriate to be taken by NBU in the form of a letter of recommendation.
 - 6.4. CONFORMED CONSTRUCTION DOCUMENTS. The Professional shall conform the construction documents by incorporating all addenda items into the plans and specifications.
 - 6.5. DELIVERABLES.
 - 6.5.1. Addenda - one (1) PDF electronic copy and bidders;

- 6.5.2. Letter of recommendation - one (1) PDF electronic copy; and
- 6.5.3. Conformed construction documents - one (1) PDF electronic copy and 3 hard copies.

Task 7. Construction Phase Services

7. Upon completion of the bid phase services, the Professional shall proceed with construction phase administration Services described herein.

7.1. FACILITY INTEGRATION AND OPERATIONS (“FIO”). The Professional shall develop an FIO memorandum that provides specific instructions on how the new facilities should be integrated into the existing water system, as well as special operating instructions. The FIO memorandum shall generally include:

- 7.1.1. Description of New Facilities – major components and equipment, purpose and intent and how new facilities tie to existing infrastructure.
- 7.1.2. Integration Requirements - completion & testing procedures, owner staff required, responsibilities and notifications.
- 7.1.3. Operational & Maintenance Requirements - design settings & controls, operating procedures and maintenance procedures.

7.2. MEETINGS AND SITE VISITS. The Professional shall provide the following services for meetings and site visits:

- 7.2.1. assist NBU in conducting one (1) pre-construction conference with the construction contractor and prepare agenda, prepare and provide NBU with meeting notes and coordinate conference responses with NBU;
- 7.2.2. conduct one (1) construction document control workshop for the contractor;
- 7.2.3. attend up to a total of 34 bi-weekly construction progress meetings. The Professional shall prepare agenda via email one (1) day prior to meeting, record and distribute meeting minutes via email within one (1) week of meeting to the NBU Project Manager and the contractor via email;
- 7.2.4. attend up to a total of 34 bi-weekly site visits during construction of the Project, as distinguished from the continuous services of a resident Project representative, to observe the progress and the quality of work and to determine if the work is proceeding in accordance with the contract documents. Bi-weekly site visits may

be scheduled so they are either directly before or after bi-weekly construction progress meetings. The Professional shall prepare and provide NBU with electronic observation reports via email for each site visit and notify NBU of any non-conforming work performed by the contractor, observed on the site visits;

7.2.5. conduct with NBU's representatives two (2) substantial completion inspections and punch list reviews of the Project for conformance with the design concept of the Project and compliance with the construction contract documents. The Professional shall prepare a list of deficiencies to be corrected by the contractors before recommendation of final payment;

7.2.6. conduct one (1) final completion inspection of the Project for conformance with the design concept of the Project and compliance with the construction contract documents. The Professional shall prepare final completion reports and make recommendation of final payment.

7.3. SUBMITTAL MANAGEMENT. The Professional shall use FNiManager, a document management system for construction documents. The Professional shall monitor the processing of contractor's submittals (shop drawings, requests for information, schedules, certified test reports, etc.), provide for filing and retrieval of Project documentation, and verify that the contractor is sending and processing submittals in accordance with the schedules. The Professional shall produce monthly reports and submit a pdf version to the NBU Project Manager via email indicating the status of all submittals in the review process

7.3.1. SUBMITTAL REVIEW. The Professional shall review all contractor submittals for compliance with the design concepts to include the following:

- 7.1.1.1. shop drawings (up to 80);
- 7.1.1.2. record data (up to 10);
- 7.1.1.3. requests for information (up to 20);
- 7.1.1.4. schedules (up to 16);
- 7.1.1.5. certified test reports (up to 10);
- 7.1.1.6. operation and maintenance manuals; and
- 7.1.1.7. miscellaneous submittals (up to 10).

7.4. CHANGE ORDERS. The Professional shall manage the field/change order documents,

requests for proposals, and contractor claim process for the Project as described herein.

7.4.1. The Professional shall establish procedures and document construction changes required to implement modifications to the Project.

7.4.2. The Professional shall process contract modifications and negotiate with the contractor at NBU's direction to determine the cost and time impacts of these changes.

7.4.3. The Professional shall prepare field/change order documentation for up to ten (10) field orders for minor alterations and up to five (5) change orders.

7.4.4. The Professional shall evaluate notices of contractor claims and make initial recommendations to NBU on the merit and value of the claim based on information submitted by the contractor or available Project documentation. The Professional shall negotiate a settlement value with the contractor at NBU's direction.

7.5. INTERPRET DRAWINGS AND SPECIFICATIONS. The Professional shall interpret the drawings and specifications for NBU and contractor during the course of construction per the schedule assumed herein.

7.6. PAY ESTIMATES. The Professional and NBU shall review and comment on monthly and final estimates for payment to the contractor pursuant to the general conditions of the construction contract during the course of the construction project per the schedule assumed herein.

7.7. RESIDENT PROFESSIONAL REPRESENTATIVE AND CONSTRUCTION MANAGEMENT. The Professional will have a full-time (40 hours per week) Resident Project Representative (RPR) on the Site for 16-months and provide an average of eight (8) hours per week of construction management time. The duties, responsibilities and the limitations of authority of the RPR, and designated assistants, are as follows:

7.7.1. RPR is the Professional's agent at the site, will act as directed by and under the supervision of the Professional's Construction Manager, and will confer with The Professional regarding RPR's actions. The RPR's dealings in matters pertaining to the on-site Work shall in general be with the Professional's Construction Manager and Contractor, keeping Owner advised as necessary. The RPR's dealings with Subcontractors shall only be through or with full knowledge and approval of Contractor. The RPR shall generally communicate with Owner with the knowledge

of and under the direction of the Professional's Construction Manager.

7.7.2. Duties and Responsibilities of RPR shall include:

- 7.7.2.1. Schedules: Review the progress schedule, schedule of Shop Drawing submittals and schedules of values prepared by Contractor and consult with the Professional concerning acceptability.
- 7.7.2.2. Conferences and Meetings: Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences and other Project-related meetings, and prepare and circulate copies of minutes thereof.
- 7.7.2.3. Liaison:
 - 7.7.2.3.1. Serve as the Professional's liaison with Contractor, working principally through Contractor's superintendent and assist in understanding the intent of Contract Documents; and assist the Professional in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's on-site operations.
 - 7.7.2.3.2. Assist in obtaining from Owner additional details or information, when requested.
- 7.7.2.4. Shop Drawings and Samples:
 - 7.7.2.4.1. Record date of receipt of Shop Drawings and Samples.
 - 7.7.2.4.2. Receive Samples which are furnished at the Site by Contractor and notify the Professional of availability of Samples for examination.
 - 7.7.2.4.3. Advise the Professional and Contractor of the commencement of any Work requiring a Shop Drawing or Sample if the submittal has not been approved by the Professional.
- 7.7.2.5. Review of Work, Rejection of Defective Work, Inspections and Tests:
 - 7.7.2.5.1. Conduct on-site observations of the Work in progress to determine if the Work is in general proceeding in accordance with the Contract Documents.
 - 7.7.2.5.2. Based on the information, knowledge and belief of RPR, report to NBU Project Manager whenever RPR believes that any Work will not produce a completed Project that conforms generally to the

Contract Documents or will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise the Professional of Work the RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.

7.7.2.5.3. Verify that tests, equipment and systems start-up and operating and maintenance training are conducted in the presence of appropriate personnel, and the Contractor maintains adequate records thereof; and observe record and report to NBU Project Manager appropriate details relative to the test procedures and start-ups.

7.7.2.5.4. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections and report to NBU Project Manager.

7.7.2.6. Interpretation of Contract Documents: Report to NBU Project Manager when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by the Professional.

7.7.2.7. Request for Revisions: Consider and evaluate Contractor's suggestions for revisions to Drawings or Specifications and report with RPR's recommendations to the Professional. Transmit to Contractor in writing decisions as issued by the Professional.

7.7.2.8. Records: Maintain at the job site orderly files for correspondence, reports of job conferences, Shop Drawings and Samples, reproductions of original Contract Documents, including all Work Change Directives, Addenda, Change Orders, Field Orders, Written Amendments, additional Drawings issued subsequent to the execution of the Contract, the Professional's clarifications and interpretations of the Contract Documents, progress reports, submittals and correspondence received from and delivered to Contractor and other Project related documents.

7.7.2.9. Reports:

7.7.2.9.1. Furnish to the Professional periodic reports as required of progress of the work and of Contractor's compliance with the progress schedule and schedule of Shop Drawings and Sample submittals.

7.7.2.9.2. Consult with NBU in advance of scheduled major tests, inspections or start of important phases of the Work.

7.7.2.9.3. Draft proposed Written Amendments, Change Orders and Work Change Directives, obtaining backup material from Contractor and recommend to NBU Written Amendments, Change Orders, Work Change Directives, and Field Orders.

7.7.2.9.4. When known, report immediately to NBU and Owner the occurrence of any accident.

7.7.2.10. Payment Requests: Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Owner, noting particularly the relationship of the payment requested to the schedule of values, Work completed and materials and equipment at the Site but not incorporated in the Work.

7.7.2.11. Certificates, Maintenance and Operation Manuals: During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to NBU for review and forwarding to Owner prior to final payment for the Work.

7.7.2.12. Completion:

7.7.2.12.1. Before NBU issues a Certificate of Substantial Completion, submit to Contractor a list of observed items requiring completion or correction.

7.7.2.12.2. Observe whether Contractor has performed inspections required by laws or regulations, ordinances, codes or order applicable to the Work, including but not limited to those to be performed by public

agencies having jurisdiction over the Work.

7.7.2.12.3. Conduct a final inspection in the company of the Professional, Owner and Contractor and prepare a final list of items to be completed or corrected.

7.7.2.12.4. Observe whether all items on final list have been completed or corrected and make recommendations to NBU concerning acceptance.

7.7.2.13. Limitations of Authority of RPR:

7.7.2.13.1. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items), unless authorized by engineer.

7.7.2.13.2. Shall not exceed limitations of engineer's authority as set forth in Agreement or the Contract Documents.

7.7.2.13.3. Shall not undertake any of the responsibilities of contractor, Subcontractor, Suppliers, or contractor's superintendent.

7.7.2.13.4. Shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advice or directions are specifically required by the Contract Documents.

7.7.2.13.5. Shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Work or any activities or operations of Owner or contractor.

7.7.2.13.6. Shall not accept shop drawing or sample submittals from anyone other than the contractor.

7.7.2.13.7. Shall not participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized by engineer.

7.8. CLOSE-OUT DOCUMENTS

7.8.1. RECORD DRAWINGS. The Professional shall prepare the record drawings based on the revised redline construction drawings and information furnished by the construction contractor reflecting changes in the Project made during construction.

The Professional shall prepare one (1) set of record drawings at the completion of the Project and submit to the NBU Project Manager as a PDF via email within 60 days of final completion.

7.8.2. ASSET INFORMATION. The Professional shall prepare a memorandum that provides the asset information listed below for all above grade facilities for insurance purposes within 30 days after substantial completion.

- Address
- Year Built
- Description
- Square Footage of Building
- Building Value
- Contents Value

7.9. DELIVERABLES. The Professional shall provide the following deliverables to NBU:

7.9.1. one (1) PDF electronic copy of FIO memorandum;

7.9.2. project site visit memos and construction progress meeting minutes;

7.9.3. one (1) PDF electronic copy of record drawings plans and specifications and at least one (1) georeferenced .dwg file of record drawings plans in accordance with NBU standards, with features adjusted to the location of GPS points collected in the field by the contractor; and

7.9.4. one (1) PDF electronic copy of Asset Information memorandum.

SUPPLEMENTAL SERVICES

Pursuant to Section 4(B) of this Agreement, the Professional shall seek prior written approval from NBU before commencing work on any supplemental services described in this Section. If NBU requests the Professional to perform the supplemental services, NBU and the Professional shall execute a supplemental services agreement or contract amendment, as appropriate, detailing the supplemental services to be performed and the completion date. The supplemental services shall only include Project specific professional engineering services contemplated by Chapter 2254 of the Texas Government Code. The Professional acknowledges the contract duration will not

increase as a result of engaging the supplemental service unless noted in the supplemental services agreement or contract amendment, as appropriate.

The supplemental services may include but are not limited to the following:

- 1) Additional Water Treatment for hydrogen sulfide (“H₂S”): Basic services assume that the new wells will have similar water quality to existing wells and does not include treatment for significantly higher levels of H₂S. Additional treatment for H₂S, beyond an additional chlorine feed point, will be a supplementary service.
- 2) Membrane Pilot Study: Based on previous coordination with the TCEQ, a new membrane pilot study will not need to be performed. If water quality of the new wells is significantly different than the water quality of the existing wells or if the TCEQ requires a pilot study for any other reason, the development of pilot study protocol, management and execution of the pilot study, and pilot study report will be a supplementary service and may impact the project schedule.
- 3) Additional Topographic Survey: Basic services include topographic survey for the route of up to 500 LF of raw water line from the new wells.
- 4) Equipment Pre-purchase: Up to three (3) additional procurement packages for pre-purchase of equipment (such as pumps, membranes, electrical gear).
- 5) Adjacent projects coordination or changes: Significant additional coordination with adjacent projects or changes to the scope of work resulting from coordination items with adjacent projects.
- 6) Prepare Water Pollution Abatement Plan (“WPAP”): the Professional may need to prepare and submit a WPAP amendment for this project on Trinity site.
- 7) Additional Design: Additional design due to unforeseen permitting, unforeseen site conditions, or changes to what was planned for the expansion during prior projects at the Project Site.
- 8) Addition RPR: Supplemental services for additional time of up to two (2) months of Resident project representative (RPR) services in the event that construction is delayed.

TIME OF COMPLETION

The Professional is authorized to commence work on the Services of the Project upon execution of this Agreement and agrees to complete these Services in accordance with the schedule below.

Project Milestones	Start Date	End Date
Notice to Proceed	8/2/21	
30% Preliminary Design	8/2/21	11/6/21
60% Final Design	11/7/21	3/13/22
90% Final Design	3/14/22	6/18/22
100% Final Design	6/19/22	7/18/22
Permitting	7/19/22	10/16/22
Bid Phase	7/19/22	12/15/22
Construction Phase to Substantial Completion	1/3/23	3/8/24
Final Completion and closeout	3/8/24	6/8/24

The Services shall be completed by June 8, 2024.

Exhibit B

Compensation

NBU agrees to pay the Professional for the Services and the Supplemental Services rendered under this Agreement in accordance with the tables below and made part of this Agreement.

Services

NBU shall pay the Professional for the Services during the term of this Agreement in an amount not to exceed \$2,268,081.

Task	Cost
Task 1: Project Management	\$172,605
Task 2: Preliminary Design Phase	\$265,294
Task 3: Final Design Phase	\$847,345
Task 4: Field Services	\$53,434
Task 5: Permitting & Stakeholders	\$82,640
Task 6: Bid Phase	\$38,415
Task 7: Construction Phase	\$808,348
Total	\$2,268,081

Supplemental Services

NBU shall pay the Professional for the Supplemental Services in an amount not to exceed \$362,527; provided, however, that NBU must provide written approval in the form of a supplemental services agreement or contract amendment, as appropriate, prior to the Professional performing the Supplemental Services.

Exhibit C
Evidence of Insurance

FIGURE 1
Survey Limit Exhibit