

**PROFESSIONAL ENGINEERING SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND FREESE AND NICHOLS, INC.,  
FOR THE AMERICAN WATER INFRASTRUCTURE ACT RECERTIFICATION PROJECT**

This Agreement for Professional Engineering Services, hereinafter called "Agreement," is entered into by the **Town of Prosper, Texas**, a municipal corporation, duly authorized to act by the Town Council of said Town, hereinafter called "Town," and **Freese and Nichols, Inc.**, a company authorized to do business in Texas, acting through a duly authorized officer, hereinafter called "Consultant," relative to Consultant providing professional engineering services to Town. Town and Consultant when mentioned collectively shall be referred to as the "Parties."

**WITNESSETH:**

**WHEREAS**, Town desires to obtain professional engineering services in connection with the American Water Infrastructure Act Recertification Project, hereinafter called "Project";

For the mutual promises and benefits herein described, Town and Consultant agree as follows:

1. **Term of Agreement.** This Agreement shall become effective on the date of its execution by both Parties, and shall continue in effect thereafter until terminated as provided herein.

2. **Services to be Performed by Consultant.** The Parties agree that Consultant shall perform such services as are set forth and described in **Exhibit A - Scope of Services** and incorporated herein as if written word for word. All services provided by Consultant hereunder shall be performed in accordance with the degree of care and skill ordinarily exercised under similar circumstances by competent members of their profession. In case of conflict in the language of Exhibit A and this Agreement, this Agreement shall govern and control. Deviations from the Scope of Services or other provisions of this Agreement may only be made by written agreement signed by all Parties to this Agreement.

3. **Prompt Performance by Consultant.** Consultant shall perform all duties and services and make all decisions called for hereunder promptly and without unreasonable delay as is necessary to cause Consultant's services hereunder to be timely and properly performed. Notwithstanding the foregoing, Consultant agrees to use diligent efforts to perform the services described herein and further defined in any specific task orders, in a manner consistent with these task orders; however, the Town understands and agrees that Consultant is retained to perform a professional service and such services must be bound, first and foremost, by the principles of sound professional judgment and reasonable diligence.

4. **Compensation of Consultant.** Town agrees to pay to Consultant for satisfactory completion of all services included in this Agreement a total fee of Fifty-Seven Thousand Dollars (\$57,000) for the Project as set forth and described in **Exhibit B - Compensation Schedule** and incorporated herein as if written word for word. Lump sum fees shall be billed monthly based on the percentage of completion. Hourly not to exceed fees shall be billed monthly based on hours of work that have been completed. Direct Costs for expenses such as mileage, copies, scans, sub-consultants, and similar costs are included in fees and shall be billed as completed.

Consultant agrees to submit statements to Town for professional services no more than once per month. These statements will be based upon Consultant's actual services performed and reimbursable expenses incurred, if any, and Town shall endeavor to make prompt payments. Each statement submitted by Consultant to Town shall be reasonably itemized to show the amount of work performed during that period. If Town fails to pay Consultant within sixty (60) calendar days of the receipt of Consultant's invoice, Consultant may, after giving ten (10) days written

notice to Town, suspend professional services until paid.

Nothing contained in this Agreement shall require Town to pay for any work that is unsatisfactory as reasonably determined by Town or which is not submitted in compliance with the terms of this Agreement.

The Scope of Services shall be strictly limited. Town shall not be required to pay any amount in excess of the original proposed amount unless Town shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

5. **Town's Obligations.** Town agrees that it will (i) designate a specific person as Town's representative, (ii) provide Consultant with any previous studies, reports, data, budget constraints, special Town requirements, or other pertinent information known to Town, when necessitated by a project, (iii) when needed, assist Consultant in obtaining access to properties necessary for performance of Consultant's work for Town, (iv) make prompt payments in response to Consultant's statements and (v) respond in a timely fashion to requests from Consultant. Consultant is entitled to rely upon and use, without independent verification and without liability, all information and services provided by Town or Town's representatives.

6. **Ownership and Reuse of Documents.** Upon completion of Consultant's services and receipt of payment in full therefore, Consultant agrees to provide Town with copies of all materials and documents prepared or assembled by Consultant under this Agreement and that Town may use them without Consultant's permission for any purpose relating to the Project. Any reuse of the documents not relating to the Project shall be at Town's risk. Consultant may retain in its files copies of all reports, drawings, specifications and all other pertinent information for the work it performs for Town.

7. **Town Objection to Personnel.** If at any time after entering into this Agreement, Town has any reasonable objection to any of Engineer's personnel, or any personnel, professionals and/or consultants retained by Engineer, Engineer shall promptly propose substitutes to whom Town has no reasonable objection, and Engineer's compensation shall be equitably adjusted to reflect any difference in Engineer's costs occasioned by such substitution.

8. **Insurance.** Consultant shall, at its own expense, purchase, maintain and keep in force throughout the duration of this Agreement applicable insurance policies as described in **Exhibit C - Insurance Requirements** and incorporated herein as if written word for word. Consultant shall submit to Town proof of such insurance prior to commencing any work for Town.

9. **Indemnification.** **CONSULTANT DOES HEREBY COVENANT AND AGREE TO RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND INVITEES FROM AND AGAINST LIABILITY, CLAIMS, SUITS, DEMANDS AND/OR CAUSES OF ACTION, (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION), WHICH MAY ARISE BY REASON OF DEATH OR INJURY TO PROPERTY OR PERSONS BUT ONLY TO THE EXTENT OCCASIONED BY THE NEGLIGENT ACT, ERROR OR OMISSION OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS AGREEMENT.**

**IN THE EVENT THAT TOWN AND CONSULTANT ARE CONCURRENTLY NEGLIGENT, THE PARTIES AGREE THAT ALL LIABILITY SHALL BE CALCULATED ON A COMPARATIVE BASIS OF FAULT AND RESPONSIBILITY AND THAT NEITHER PARTY SHALL BE REQUIRED TO DEFEND OR INDEMNIFY THE OTHER PARTY FOR THAT PARTY'S NEGLIGENT OR INTENTIONAL ACTS, ERRORS OR OMISSIONS.**

10. **Notices.** Any notices to be given hereunder by either Party to the other may be affected either by personal delivery, in writing, or by registered or certified mail to the following addresses:

Freese and Nichols, Inc.  
Melissa Brunger, P.E., Vice President  
12770 Merit Drive, Suite 900  
Dallas, TX 75251  
[Melissa.brunger@freese.com](mailto:Melissa.brunger@freese.com)

Town of Prosper  
Mario Canizares, Town Manager  
PO Box 307  
Prosper, TX 75078  
[mcanizares@prospertx.gov](mailto:mcanizares@prospertx.gov)

11. **Termination.** The obligation to provide further services under this Agreement may be terminated by either Party in writing upon thirty (30) calendar days notice. In the event of termination by Town, Consultant shall be entitled to payment for services rendered through receipt of the termination notice.

12. **Sole Parties and Entire Agreement.** This Agreement shall not create any rights or benefits to anyone except Town and Consultant, and contains the entire agreement between the Parties. Oral modifications to this Agreement shall have no force or effect.

13. **Assignment and Delegation.** Neither Town nor Consultant may assign its rights or delegate its duties without the written consent of the other Party. This Agreement is binding on Town and Consultant to the extent permitted by law. Nothing herein is to be construed as creating any personal liability on the part of any Town officer, employee or agent.

14. **Texas Law to Apply; Successors; Construction.** This Agreement shall be construed under and in accordance with the laws of the State of Texas. It shall be binding upon, and inure to the benefit of, the Parties hereto and their representatives, successors and assigns. Should any provisions in this Agreement later be held invalid, illegal or unenforceable, they shall be deemed void, and this Agreement shall be construed as if such provision had never been contained herein.

15. **Conflict of Interest.** Consultant agrees that it is aware of the prohibited interest requirement of the Town Charter, which is repeated in **Exhibit D - Conflict of Interest Affidavit** and incorporated herein as if written word for word, and will abide by the same. Further, a lawful representative of Consultant shall execute the Affidavit included in the exhibit. Consultant understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the Agreement voidable.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit E - Conflict of Interest Questionnaire** and incorporated herein as if written word for word.

16. **Venue.** The Parties herein agree that this Agreement shall be enforceable in Prosper, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in Collin County, Texas.

17. **Mediation.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

18. **Prevailing Party.** In the event a Party initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

19. **"Anti-Israel Boycott" Provision.** In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature to this Agreement that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.

20. **Signatories.** Town warrants and represents that the individual executing this Agreement on behalf of Town has full authority to execute this Agreement and bind Town to the same. Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Consultant to same.

**IN WITNESS WHEREOF**, the Parties, having read and understood this Agreement, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**FREESE AND NICHOLS, INC.**

**TOWN OF PROSPER, TEXAS**

By: Clayton Barnard  
Signature

By: \_\_\_\_\_  
Signature

Clayton Barnard, P.E.  
Printed Name

Mario Canizares  
Printed Name

Vice-President / Principal  
Title

Town Manager  
Title

February 5<sup>th</sup>, 2026  
Date

\_\_\_\_\_  
Date

**EXHIBIT A  
SCOPE OF SERVICES**

**PROFESSIONAL ENGINEERING SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND FREESE AND NICHOLS, INC.,  
FOR THE AMERICAN WATER INFRASTRUCTURE ACT RECERTIFICATION PROJECT**

**I. PROJECT DESCRIPTION:**

In 2021, FNI supported the Town of Prosper (Town) in completing and certifying an RRA and ERP in compliance with the 2018 American Water Infrastructure Act (AWIA), Section 2013. AWIA Section 2013 requires systems to routinely update the RRA and ERP and recertify these items every 5 years. For small public water systems such as Prosper, which serve between 3,300 and 49,999 people, the first re-certification deadlines under AWIA are June 30, 2026 for the RRA, and December 31, 2026 for the ERP.

FNI is providing this proposal to offer engineering services in support of the review, update, and recertification of the water system's RRA and ERP to comply with the requirements of AWIA, Section 2013, and continue the Town's commitment to the resilience of its water system.

This scope of work includes the major components below:

**Basic Services** – included in this scope and fee:

Task A – Project Management and Meetings

Task B – RRA Update & Recertification Support

- Data Review and Updated Risk Scoring
- RRA Workshop
- Cybersecurity Evaluation
- Final RRA
- Final Documentation and Recertification Support

Task C - ERP Update & Recertification Support

- ERP Audit & Markup
- Final ERP Review & Recertification Support

The certification of the RRA and ERP will be submitted by the Town to the EPA. Certification of the RRA will be submitted by June 30, 2026, and the ERP by December 31, 2026, as required for systems serving between 3,300 and 49,999 people.

**II. TASK SUMMARY**

This project includes a review and update of the existing RRA and ERP, and a hosted workshop to gain the Town's input on the updated data inputs for the RRA. Deliverables will include a brief 10-page Technical Memorandum (Technical Memo) that describes the updated RRA and the updated ERP. Due to the sensitive nature of the content, the Technical Memo and updated ERP are recommended to be protected from public access within applicable law. Electronic document transfer for this project will be provided to the Town through a secure file-sharing platform. Confidential documents will not be emailed.

## **BASIC SERVICES (LUMP SUM)**

### **Task A: Project Management and Meetings**

#### A1. Kickoff Meeting

FNI will conduct a 1-hour kickoff meeting with Town staff to introduce the FNI project team and Town's team participants, review the scope of services, project schedule, and communication approaches.

#### A2. Project Administration

FNI will perform general administrative duties associated with the project, including planning, progress monitoring, and monthly progress reporting, scheduling, quality control/quality assurance, and invoicing for the Project. These duties include maintaining regular contact with the Town to promptly meet its needs and executing work according to the work plan, budget, and schedule.

### **Task B: RRA Update & Recertification Support**

#### B1. Review and Revision of RRA

##### a) Data Review and Updated Risk Scoring:

##### i) Data Review:

FNI will develop an initial data request and list of questions based on the Town's most current RRA and ERP documents. The data request will also include any updates to the following:

- a) Utility Risk Index (URI) parameters
- b) All categories of utility assets and associated threats
- c) Protective countermeasures, detection strategies, and mitigation
- d) Updated Water System GIS Data (shapefiles, geodatabase)
- e) Updated Emergency contacts and roles (internal and external) for the ERP
- f) Response actions for the ERP

##### ii) Updated Risk Scoring:

FNI will create a 2026 RRA spreadsheet to record updated inputs using the information gathered from the Town and calculate updated Utility Risk Index (URI) and risk & resiliency scores for the utility. To update the inputs, FNI will:

- a) Add new threat-asset pairs identified by the Town in the data request
- b) Update consequence costs with inflation rates
- c) Update vulnerability scores per changed prevention or mitigation measures reported in the data request
- d) Update threat likelihoods with current national threat information.

For new threat-asset pairs, FNI will use input from the Town and the best available industry knowledge to assign threat, vulnerability, and consequence values. Any assumptions made will be highlighted and reviewed with the Town during the RRA Workshop.

##### b) RRA Workshop:

FNI will conduct a two (2) hour in-person workshop with the Town's team to review the existing RRA. The workshop will cover the general activities below:

- i) Review of the previous RRA results

- ii) Discussion of the system's performance, observations and follow-up actions to any threats that occurred since the completion of the original RRA
- iii) Review of input values and assumptions, requesting input from the Town
- iv) Updates to countermeasures, and additional potential countermeasures and mitigation, including risk reduction and resiliency improvement and rough approximation conceptual cost to the Town
- v) Discussion of updated industry standards and best practices for resiliency

c) Updated RRA Spreadsheet and Technical Memo:

Based on the workshop discussion, FNI will adjust inputs and assumptions in the RRA spreadsheet to generate updated risk scores. FNI will develop a draft Technical Memo of approximately 10 pages, summarizing the updates since the first RRA. The Technical Memo will review the following topics:

- i) Summary of work performed to update the RRA, including new or changed inputs for assets and threats
- ii) Summary of updated risk and resilience scores
- iii) Updated countermeasures and mitigation recommendations

B2. Cybersecurity Evaluation

a) Data Review:

FNI will review the latest available documentation related to the Town's SCADA system, control system architecture, operational technology assets, and information security protocols.

b) Cybersecurity Evaluation Workshop:

FNI will lead a virtual 2-hour workshop to understand the current use of the SCADA system and remote access and reporting requirements, evaluate recommended cybersecurity controls and their current implementation. The workshop attendees should include a representative from management, SCADA, and IT. During the workshop, the team will go through the AWWA Cybersecurity Assessment tool. The initial online questions will be answered to determine the required controls for the SCADA system network. Once the controls are downloaded, each control is discussed and rated based on the current implementation.

c) Evaluation and Assessment Summary:

A draft summary will be provided for one round of Town review and comment. FNI will conduct a 60-minute review (virtual meeting) with the cybersecurity team on the assessment findings and document additional comments as a part of the Final RRA Review (Virtual Meeting) in Task B.3.a. FNI will incorporate the Town's feedback and provide the final cybersecurity summary as a section in the RRA Technical Memo (Task B.1.c).

B3. Final RRA Documentation & Certification of RRA

a) Final RRA Review Meeting:

FNI will share the results of the updated RRA and review the draft Technical Memo with the Town during a 90-minute Draft RRA review meeting. The objective of the meeting will be to share updated results and collect Town feedback before finalizing the RRA Spreadsheet and Technical Memo.

b) Final Documents:

Based on feedback received during the Final RRA Review, FNI will finalize the RRA Spreadsheet and Technical Memo.

c) RRA Certification Support:

EPA's portal requires a utility employee to perform the certification. FNI will assist the Town through a virtual work session to complete and submit the certification of the RRA through the online EPA portal before the RRA certification deadline. A copy of the certification will be maintained in the final RRA report.

### Task B Assumptions

1. The Town will provide available data within three (3) weeks of receiving the data request and any follow-up information from the workshop or Final RRA meeting within two (2) weeks of those meetings. If requested information is not provided within these timeframes, FNI will proceed with completion of the RRA using information available from previous RRAs, data already provided, and reasonable assumptions based on current industry standards to ensure compliance with regulatory deadlines.
2. The Town will recertify the RRA using EPA's portal before June 30, 2026.

### **Task C: ERP Update & Recertification Support**

For this task, FNI will perform an audit and provide recommended updates for the Town's ERP. FNI recommends the Town perform the update of the ERP document because it is beneficial for Town staff to be in contact with their critical partner organizations and suppliers to update contact information, and it helps Town staff become familiar with the organization and content of the plan. Following the Town's update of the plan, FNI will perform a final review and provide certification support to the Town to recertify the Town's ERP to the EPA.

#### C1. ERP Update

a) Initial ERP Audit and Markup:

FNI will conduct an audit of the Town's ERP to verify it complies with the requirements of AWIA Section 2013 and to identify content that should be updated based on the results of the updated RRA. FNI will provide ERP markups with descriptions of recommended updates for the Town to incorporate into the ERP.

FNI will host a meeting to review the recommendations resulting from the ERP Audit. The meeting will include a discussion of recommended updates and information needed for the Town to complete the updates. The meeting may include a discussion of the usefulness of the current ERP and the overlap of information with other emergency documents.

b) Development of Updated Content:

Updated detection measures, and protocols will be provided for incorporation into the ERP. FNI may include up to ten (10) pages of additional recommended text to assist in any significant recommended updates. Review and discussion of the updated content created by the Town or FNI will be reviewed in a 1-hr virtual progress meeting, if needed.

## C2. Final ERP Review & Recertification Support

### a) Final ERP Review:

Following the update and incorporation of new content into the ERP, FNI will review the final plan and provide one round of comments.

If necessary, a final ERP meeting will be held to discuss comments on the final ERP, review plans for continued training and exercises on the plan, and the recertification process.

### b) Recertification Support:

FNI will assist the Town through a virtual work session to complete and submit the certification of the ERP through the online EPA portal, if needed.

## Task C Assumptions

1. The Town will perform the updates to the ERP document including updating contact information, applying the markups and additional language provided by FNI.
2. The Town will complete the ERP Certification using EPA's portal before December 31, 2026.

## **SPECIAL SERVICES**

No special services have been identified.

**ADDITIONAL SERVICES:** Additional Services to be performed by Consultant, if authorized by the Town, which are not included in the above described scope of services, are described as follows:

- A. Providing consultation concerning the replacement of any Work damaged by fire or other cause during the construction and providing services as may be required in connection with the replacement of such Work.
- B. Investigations involving consideration of operation, maintenance and overhead expenses, and the preparation of rate schedules, earnings and expense statements, feasibility studies, appraisals, evaluations, assessment schedules, and material audits or inventories required for certification of force account construction performed by the Town.
- C. Preparing applications and supporting documents for government grants, loans, or planning advances and providing data for detailed applications.
- D. Preparing Operation and Maintenance Manuals or conducting operator training.
- E. Assisting the Town in preparing for, or appearing at litigation, mediation, arbitration, dispute review boards, or other legal and/or administrative proceedings in the defense or prosecution of claims disputes with Contractor(s).
- F. Performing investigations, studies, and analysis of substitutions of equipment and/or materials or deviations from the drawings and specifications.
- G. Performing investigations, studies, and analysis of work proposed by construction contractors to correct defective work.
- H. Design, contract modifications, studies or analysis required to comply with local, State, Federal or other regulatory agencies that become effective after the date of this Agreement.

- I. Any services required as a result of default of the contractor(s) or the failure, for any reason, of the contractor(s) to complete the work within the contract time.
- J. Providing services made necessary because of unforeseen, concealed, or differing site conditions or due to the presence of hazardous substances in any form.
- K. Providing services to review or evaluate construction contractor(s) claim(s), provided said claims are supported by causes not within the control of Consultant.
- L. Providing value engineering studies or reviews of cost savings proposed by construction contractors after bids have been submitted.
- M. Provide follow-up professional services during Contractor's warranty period.
- N. Furnishing the services of a Resident Project Representative to act as the Town's on-site representative during the Construction Phase.
- O. Detailed settlement studies or other engineering issues resulting from soft soil conditions or other unexpected Site conditions.
- P. Cathodic control design and construction consisting of field evaluations, engineering analysis and construction services.
- Q. Providing easement acquisition services.

### **III. DELIVERABLES**

- |   |  |
|---|--|
| Task A - Project Management and Meetings      | -Meeting agendas and minutes within seven (7) days to summarize the discussion items, decisions, and action items<br>-Project invoices and monthly one-page reports summarizing project progress and next steps  |
| Task B - RRA Update & Recertification Support | -Slides, Agenda, and Minutes from the RRA Workshop and Final RRA review meeting, provided electronically<br>-Technical Memo summarizing the results of the RRA, provided electronically<br>-RRA spreadsheet (Excel), provided as an attachment to the Technical Memo, as a separate file |
| Task C - ERP Update & Recertification Support | -One copy of the audited ERP for the Town's update, provided electronically<br>-Review comments on the Town's Final Updated ERP document, provided electronically  |

### **IV. TIME OF COMPLETION**

The Basic Services are proposed as a lump sum fee of Fifty-Seven Thousand Dollars (\$57,000). FNI will complete Task B (Risk and Resilience Assessment) by the EPA deadline of June 30, 2026. Task C (Emergency Response Plan) will be completed by December 31, 2026. To meet AWIA regulations, the RRA certification should be completed by the Town before June 30, 2026, and the ERP certification should be completed before December 31, 2026.

## **V. RESPONSIBILITIES OF THE TOWN**

Town shall perform the following in a timely manner so as not to delay the services of FNI:

- A. Designate in writing a person to act as the Town's representative with respect to the services to be rendered under this Agreement. Such person shall have contract authority to transmit instructions, receive information, interpret, and define the Town's policies and decisions with respect to FNI's services for the Project.
- B. Provide all criteria and full information as to the Town's requirements for the Project.
- C. Assist FNI by placing at FNI's disposal all available information pertinent to the Project, including previous reports and any other data relative to the Project.
- D. Arrange for access to and make all provisions for FNI to enter upon public and private property as required for FNI to perform services under this Agreement.
- E. Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by FNI, obtain advice of an attorney, insurance counselor, and other consultants as the Town deems appropriate for such examination, and render in writing decisions pertaining thereto within a reasonable time so as not to delay, or cause rework in, the services of FNI.
- F. Provide such accounting, independent cost estimating, and insurance counseling services as may be required for the Project, such legal services as the Town may require or FNI may reasonably request regarding legal issues pertaining to the Project.
- G. Give prompt written notice to FNI whenever the Town observes or otherwise becomes aware of any development that affects the scope or timing of FNI's services.

**EXHIBIT B  
COMPENSATION/PRICING SCHEDULE**

**PROFESSIONAL ENGINEERING SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND FREESE AND NICHOLS, INC.,  
FOR THE AMERICAN WATER INFRASTRUCTURE ACT RECERTIFICATION PROJECT**

**I. COMPENSATION SCHEDULE**

Task	Completion Schedule	Compensation Schedule
Notice-to-Proceed	February 2026	
Task A - Project Management and Meetings	December 2026	\$5,200
Task B - RRA Update & Recertification Support	June 2026	\$40,600
Task C - ERP Update & Recertification Support	December 2026	\$11,200
<b>Total Compensation</b>		<b>\$57,000</b>

**II. COMPENSATION SUMMARY**

Basic Services (Lump Sum)	Amount
Task A - Project Management and Meetings	\$5,200
Task B - RRA Update & Recertification Support	\$40,600
Task C - ERP Update & Recertification Support	\$11,200
<b>Total Basic Services:</b>	<b>\$57,000</b>

Special Services (Hourly Not-to-Exceed)	Amount
None	\$0
<b>Total Special Services:</b>	<b>\$0</b>

Direct Expenses	Amount
None	\$0
<b>Total Direct Expenses:</b>	<b>\$0</b>

## EXHIBIT B COMPENSATION/PRICING SCHEDULE

### COMPENSATION

ATTACHMENT CO

Compensation to FNI for Basic Services in Attachment SC shall be the lump sum of Fifty Seven Thousand Dollars (\$57,000).

If FNI sees the Scope of Services changing so that Additional Services are needed, including but not limited to those services described as Additional Services in Attachment SC, FNI will notify OWNER for OWNER's approval before proceeding. Additional Services shall be computed based on the following Schedule of Charges.

<u>Position</u>	<u>Hourly Rate</u>	
	<u>Min</u>	<u>Max</u>
Professional 1	105	202
Professional 2	123	209
Professional 3	152	321
Professional 4	166	386
Professional 5	220	400
Professional 6	249	468
Construction Manager 1	116	177
Construction Manager 2	130	213
Construction Manager 3	170	220
Construction Manager 4	180	274
Construction Manager 5	220	335
Construction Manager 6	296	400
Construction Representative 1	94	116
Construction Representative 2	105	134
Construction Representative 3	112	202
Construction Representative 4	144	213
CAD Technician/Designer 1	76	137
CAD Technician/Designer 2	108	216
CAD Technician/Designer 3	144	256
Corporate Project Support 1	80	177
Corporate Project Support 2	87	260
Corporate Project Support 3	108	375
Intern / Coop	58	105

#### Rates for In-House Services and Equipment

<u>Mileage</u>	<u>Bulk Printing and Reproduction</u>		<u>Equipment</u>	
Standard IRS Rates		<u>B&amp;W</u>	<u>Color</u>	Valve Crew Vehicle (hour) \$75
	Small Format (per copy)	\$0.10	\$0.25	Pressure Data Logger (each) \$500
<u>Technology Charge</u>	Large Format (per sq. ft.)			Water Quality Meter (per day) \$100
\$8.50 per hour	Bond	\$0.25	\$0.75	Microscope (each) \$150
	Glossy / Mylar	\$0.75	\$1.25	Ultrasonic Thickness Guage (per day) \$275
	Vinyl / Adhesive	\$1.50	\$2.00	Coating Inspection Kit (per day) \$275
	Mounting (per sq. ft.)	\$2.00		Flushing / Cfactor (each) \$500
	Binding (per binding)	\$0.25		Backpack Electrofisher (each) \$1,000
				<u>Survey Grade</u> <u>Standard</u>
				Drone (per day) \$200 \$100
				GPS (per day) \$150 \$50

#### **OTHER DIRECT EXPENSES:**

Other direct expenses are reimbursed at actual cost times a multiplier of 1.15. They include outside printing and reproduction expense, communication expense, travel, transportation and subsistence away from the FNI office. For other miscellaneous expenses directly related to the work, including costs of laboratory analysis, test, and other work required to be done by independent persons other than staff members, these services will be billed at a cost times a multiplier of 1.15. For Resident Representative services performed by non-FNI employees and CAD services performed in-house by non-FNI employees where FNI provides workspace and equipment to perform such services, these services will be billed at cost times a multiplier of 2.0. This markup approximates the cost to FNI if an FNI employee was performing the same or similar services.

**These ranges and/or rates will be adjusted annually in February. Last updated 2025.**

360022025

## **EXHIBIT C INSURANCE REQUIREMENTS**

Service provider shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the service provider. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

### **A. MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable, except for professional liability.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.
4. Professional Liability, also known as Errors and Omissions coverage.

### **B. MINIMUM LIMITS OF INSURANCE**

Service Provider shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$500,000 per occurrence /\$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
  - a. Premises / Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Personal Injury
  - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease- Policy Limit, and \$100,000 Disease- Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.
4. Professional Liability aka Errors and Omissions: \$500,000 per occurrence and in the aggregate.

### **C. DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.

**D. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the provider, products and completed operations of the provider, premises owned, occupied or used by the provider. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
- b. The provider's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the provider's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- d. The provider's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the insured's limits of liability.

2. Workers Compensation and Employer's Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the provider for the Town.

3. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

4. Professional Liability and / or Errors and Omissions:

"Claims made" policy is acceptable coverage, which must be maintained during the course of the project, and up to two (2) years after completion and acceptance of the project by the Town.

**E. ACCEPTABILITY OF INSURERS**

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than **A- VI**, or better.

**F. VERIFICATION OF COVERAGE**

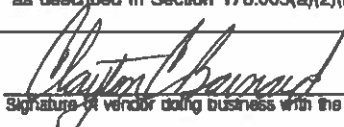
Service Provider shall provide the Town with certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

Certificate holder to be listed as follows:

Town of Prosper  
P.O. Box 307  
Prosper, TX 75078



**EXHIBIT E  
CONFLICT OF INTEREST QUESTIONNAIRE**

<b>CONFLICT OF INTEREST QUESTIONNAIRE</b>		<b>FORM CIQ</b>
For vendor doing business with local governmental entity		
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	<b>OFFICE USE ONLY</b>  Date Received	
<p><b>1</b> Name of vendor who has a business relationship with local governmental entity.</p> <p align="center">Freese and Nichols, Inc</p>		
<p><b>2</b> <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>		
<p><b>3</b> Name of local government officer about whom the information is being disclosed.</p> <p align="center">N/A</p> <p align="center">_____ Name of Officer</p>		
<p><b>4</b> Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p align="center">N/A</p> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p align="center"> <input type="checkbox"/> Yes      <input type="checkbox"/> No                 </p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p align="center"> <input type="checkbox"/> Yes      <input type="checkbox"/> No                 </p>		
<p><b>5</b> Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p> <p align="center">N/A</p>		
<p><b>6</b> <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>		
<p><b>7</b></p> <p align="center">                   Signature of vendor doing business with the governmental entity             </p> <p align="right">                 2-5-2020                  Date             </p>		