



# City of Denton

City Hall  
215 E. McKinney St.  
Denton, Texas 76201  
[www.cityofdenton.com](http://www.cityofdenton.com)

## Meeting Agenda Public Utilities Board

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Monday, March 9, 2026

9:00 AM

Council Work Session Room

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### **REGISTRATION GUIDELINES FOR ADDRESSING THE PUBLIC UTILITIES BOARD**

Citizens will be able to participate in the following way:

- eComment – The agenda was posted online at <https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>. Once the agenda is posted, a link to make virtual comments using the eComment module will be made available next to the meeting listing on the Upcoming Events Calendar. Using eComment, Individuals may indicate support or opposition and submit a brief comment about a specific agenda item. eComments may be submitted up until the start of the meeting at which time the ability to make an eComment will be closed. eComments will be sent directly to members of the Public Utilities Board immediately upon submission and recorded by the Secretary into the Minutes of the Meeting.

After determining that a quorum is present, the Public Utilities Board of the City of Denton, Texas will convene in a Regular Meeting on Monday, March 9, 2026, at 9:00 a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

### **REGULAR MEETING**

#### **1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC**

This section of the agenda permits a person to make comments regarding public business on items as listed on the agenda. Each speaker will be allowed a maximum of four (4) minutes. Such person(s) shall have registered under the REGISTRATION GUIDELINES FOR ADDRESSING THE PUBLIC UTILITIES BOARD detailed at the beginning of this agenda. Registration is required prior to the time this agenda item is read into the record.

#### **2. CONSENT AGENDA**

Each of the items on the Consent Agenda is recommended by the Staff and approval thereof will be strictly on the basis of the Staff recommendations. Approval of the Consent Agenda authorizes the City Manager or designee to implement each item in accordance with the Staff recommendations. The Public Utilities Board has received background information and has had an opportunity to raise questions regarding these items prior to consideration.

Listed below are bids, purchase orders, contracts, and other items to be approved for payment or other action under the Consent Agenda (Agenda Items A – C). This listing is provided on the Consent Agenda to allow Public Utilities Board Members to discuss or withdraw an item prior to approval of the Consent Agenda. If no items are pulled, the Consent Agenda Items will be approved with one motion. If items are pulled for separate discussion, they may be considered as the first items following approval of the Consent Agenda.

- A. [PUB26-023](#) Consider recommending adoption of an ordinance of the City of Denton, a Texas

home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with Freese and Nichols, Inc., for the Lake Lewisville Water Treatment Plant Ozone Building Air Conditioning Installation Support for the Water Utilities Department as set forth in the contract; providing for the expenditure of funds therefor; and providing an effective date (RFQ 8213-016 - Professional Services Agreement for support services awarded to Freese and Nichols, Inc., in the not-to-exceed amount of \$114,984.00).

**Attachments:**      [Exhibit 1 - Agenda Information Sheet](#)  
                                 [Exhibit 2 - Ordinance and Contract](#)

- B. [PUB26-024](#) Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with 4X Construction Group, LLC, for the Cell 6 Construction Project at the Landfill for the Solid Waste and Recycling Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 8907 - awarded to 4X Construction Group, LLC, in the not-to-exceed amount of \$4,872,755.00).

**Attachments:**      [Exhibit 1 - Agenda Information Sheet](#)  
                                 [Exhibit 2 - Pricing Evaluation](#)  
                                 [Exhibit 3 - Ordinance and Contract](#)

- C. [PUB26-025](#) Consider recommending adoption of an ordinance of the City of Denton amending Chapter 26 of the Code of Ordinances to update section 26-23(4) amending utility billing adjustment period provisions; and providing a severability clause; providing a savings clause; providing for codification; and an effective date...Body

**Attachments:**      [Exhibit 1 - Agenda Information Sheet](#)  
                                 [Exhibit 2 - Ordinance Redline](#)  
                                 [Exhibit 3 - Ordinance](#)

### 3. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. [PUB26-027](#) Consider approval of the February 23, 2026 minutes.

**Attachments:**      [2.23.26 PUB Minutes](#)

- B. [PUB26-026](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the schedule of rates for Electric Service; providing for a repealer; providing for a severability clause; and providing for an effective date.

**Attachments:**      [Exhibit 2: Rate Ordinance Redline](#)  
                                 [Exhibit 3: Rate Ordinance](#)  
                                 [Exhibit 4: Presentaion](#)

- C. [PUB26-028](#) Management Reports
1. PCWRP Project 4 Memo
  2. Future Agenda Items
  3. New Business Action Items

- Attachments:
- [1. PCWRP Project 4 Memo](#)
  - [2. Future Agenda Items](#)
  - [3. New Business Action Items](#)

## 6. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Public Utilities Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

Following the completion of the Regular Meeting, the Public Utilities Board will convene in a Work Session at which the following items will be considered:

### WORK SESSION

- A. [PUB26-029](#) Receive a report, hold a discussion, and give staff direction regarding online card processing and cost recovery options.

- Attachments:
- [Exhibit 1 - Agenda Information Sheet](#)
  - [Exhibit 2 - Presentation](#)

Following the completion of the Work Session, the Public Utilities Board (PUB) will convene in a Closed Meeting to consider specific items when these items are listed below under the Closed Meeting section of this agenda. The Public Utilities Board (PUB) reserves the right to adjourn into a Closed Meeting on any item on its Open Meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

### CLOSED MEETING

Any final action, decision, or vote on a matter deliberated in a Closed Meeting will only be taken in an Open Meeting that is held in compliance with Texas Government Code, Chapter 551, except to the extent such final action, decision, or vote is taken in the Closed Meeting in accordance with the provisions of Section 551.086 of the Texas Government Code (The 'Public Power Exception'). The Public Utilities Board reserves the right to adjourn into a Closed Meeting or Executive Session as authorized by Texas Government Code, Section 551.001, et seq. (The Texas Open Meetings Act) on any item on its Open Meeting agenda or to reconvene in a continuation of the Closed Meeting on the Closed Meeting items noted above, in accordance with the Texas Open Meetings Act, including, without limitation Section 551.071-551.086 of the Texas Open Meetings Act.

- A. [PUB26-032](#) Deliberations Regarding Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086

Receive information from staff regarding the energy cost adjustment schedule of rates for large load commercial customers that include public power utility competitive data;

discuss, deliberate, and provide direction to staff regarding same. This agenda item is related to Individual Consideration Agenda item ID PUB26-026 and will be a placeholder if Public Utilities Board members have questions requiring confidential discussion as allowed by law.

CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on March 3, 2026, in advance of the three (3) business day posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

\_\_\_\_\_  
OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST TWO (2) BUSINESS DAYS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



# City of Denton

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**ACM:** Christine Taylor  
**DATE:** March 9, 2026

### **SUBJECT**

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with Freese and Nichols, Inc., for the Lake Lewisville Water Treatment Plant Ozone Building Air Conditioning Installation Support for the Water Utilities Department as set forth in the contract; providing for the expenditure of funds therefor; and providing an effective date (RFQ 8213-016 – Professional Services Agreement for support services awarded to Freese and Nichols, Inc., in the not-to-exceed amount of \$114,984.00).

### **STRATEGIC ALIGNMENT**

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

### **INFORMATION/BACKGROUND**

The Lake Lewisville Water Treatment Plant uses ozone as a highly effective disinfectant to eliminate bacteria, viruses, and other harmful microorganisms. Produced on-site and injected directly into the water, ozone rapidly oxidizes contaminants without leaving behind toxic chemical byproducts. This treatment enhances water clarity, taste, and odor, and is commonly used as a primary disinfectant or as part of advanced treatment processes to meet strict water quality standards.

The plant's ozone building contains sensitive electrical and mechanical systems essential to the disinfection process. Because ozone generation produces substantial heat, proper climate control is critical. Excessive temperature and humidity can damage equipment, shorten system lifespan, and increase the likelihood of unexpected failures. Installing a dedicated air conditioning unit is necessary to maintain a stable indoor environment that protects equipment from overheating and corrosion, ensuring long-term reliability and operational efficiency.

Water Utilities staff are requesting approval of a Professional Services Agreement with Freese and Nichols, Inc. (FNI) for the Lake Lewisville Water Treatment Plant Ozone Building Air Conditioning Installation Support project. The proposed scope includes evaluating the existing ventilation system, designing electrical controls, and providing support throughout the installation process.

Request for Qualifications for an engineering services list for various water and wastewater utilities projects for the Water Utilities Department was solicited using the City's formal solicitation process. City Council approved a pre-qualified list of professional service firms on March 5, 2024 (Ordinance 24-390).

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 5, 2024, City Council approved RFQ 8213 for a prequalified list of firms for engineering services for various water and wastewater utilities projects for the Water Utilities Department (Ordinance 24-390).

## **RECOMMENDATION**

Award a contract with Freese and Nichols, Inc., for the Lake Lewisville Water Treatment Plant Ozone Building Air Conditioning Installation Support for the Water Utilities Department, in a not-to-exceed amount of \$114,984.

## **PRINCIPAL PLACE OF BUSINESS**

Freese and Nichols, Inc.  
Denton, TX

## **SUSTAINABILITY MEASURES**

This agreement supports the design and installation of a dedicated air conditioning unit for the Ozone Building, ensuring optimal operating conditions for critical treatment equipment. Temperature and humidity control will safeguard sensitive systems, improve energy efficiency, and ensure safe, reliable operations throughout the water treatment process.

## **ESTIMATED SCHEDULE OF PROJECT**

The design will take approximately four (4) months from the Notice to Proceed.

## **FISCAL INFORMATION**

These services will be funded through the FY 2026 Capital Improvement Program account 630585523.1360.21100. Requisition #174019 has been entered into the Purchasing software system for \$114,984. The budgeted amount for this item is \$114,984.

## **EXHIBITS**

Exhibit 1: Agenda Information Sheet  
Exhibit 2: Ordinance and Contract

Respectfully submitted:  
Lori Hewell, 940-349-7100  
Purchasing Manager

For information concerning this acquisition, contact: David Brown, 940-349-8030.

Legal point of contact: Leah Bush at 940-349-8333.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH FREESE AND NICHOLS, INC., FOR THE LAKE LEWISVILLE WATER TREATMENT PLANT OZONE BUILDING AIR CONDITIONING INSTALLATION SUPPORT FOR THE WATER UTILITIES DEPARTMENT AS SET FORTH IN THE CONTRACT; PROVIDING FOR THE EXPENDITURE OF FUNDS THEREFOR; AND PROVIDING AN EFFECTIVE DATE (RFQ 8213-016 – PROFESSIONAL SERVICES AGREEMENT FOR SUPPORT SERVICES AWARDED TO FREESE AND NICHOLS, INC., IN THE NOT-TO-EXCEED AMOUNT OF \$114,984.00).

WHEREAS, on March 5, 2024, the City Council approved a pre-qualified engineer list for the Water and Wastewater Utilities Department (Ordinance 24-390), and the professional services provider (the “Provider”) mentioned in this ordinance is being selected as the most highly qualified on the basis of its demonstrated competence and qualifications to perform the proposed professional services; and

WHEREAS, this procurement was undertaken as part of the City’s governmental function [Water and sewer service]; and

WHEREAS, the fees under the proposed contract are fair and reasonable and are consistent with, and not higher than, the recommended practices and fees published by the professional associations applicable to the Provider’s profession, and such fees do not exceed the maximum provided by law; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Manager, or their designee, is hereby authorized to enter into an agreement with Freese and Nichols, Inc., for the Lake Lewisville Water Treatment Plant Ozone Building Air Conditioning Installation Support for the Water Utilities Department, a copy of which is attached hereto and incorporated by reference herein.

SECTION 2. The City Manager, or their designee, is authorized to expend funds as required by the attached contract.

SECTION 3. The City Council of the City of Denton, hereby expressly delegates the authority to take any actions that may be required or permitted to be performed by the City of Denton under this ordinance to the City Manager of the City of Denton, or their designee.

SECTION 4. The findings in the preamble of this ordinance are incorporated herein by reference.

SECTION 5. This ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by \_\_\_\_\_ and seconded by \_\_\_\_\_. This ordinance was passed and approved by the following vote [\_\_\_ - \_\_\_]:

	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Absent</b>
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

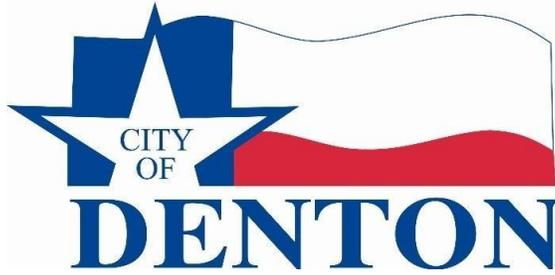
\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
INGRID REX, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: Leah Bush



## DocuSign City Council Transmittal Coversheet

PSA	8213-016
File Name	LLWTP Ozone Air Conditioning Installation Support
Purchasing Contact	Gabby Leeper
City Council Target Date	
Piggy Back Option	Not Applicable
Contract Expiration	
Ordinance	

## CITY OF DENTON, TEXAS

### STANDARD AGREEMENT FOR ENGINEERING RELATED PROFESSIONAL SERVICES

This AGREEMENT is between the City of Denton, a Texas home-rule municipality ("CITY"), and Freese and Nichols, Inc. with its corporate office at 801 Cherry St., Suite 2800, Fort Worth TX, 76102 and authorized to do business in Texas, ("ENGINEER"), for a PROJECT generally described as: LLWTP Ozone Building HVAC System (the "PROJECT").

#### **SECTION 1** **Scope of Services**

- A. The CITY hereby agrees to retain the ENGINEER, and the ENGINEER hereby agrees to perform, professional engineering services set forth in the Scope of Services attached hereto as Attachment A. These services shall be performed in connection with the PROJECT.
- B. Additional services, if any, will be requested in writing by the CITY. CITY shall not pay for any work performed by ENGINEER or its consultants, subcontractors and/or suppliers that has not been ordered in advance and in writing. It is specifically agreed that ENGINEER shall not be compensated for any additional work resulting from oral orders of any person.

#### **SECTION 2** **Compensation and Term of Agreement**

- A. The ENGINEER shall be compensated for all services provided pursuant to this AGREEMENT in an amount not to exceed \$114,984 in the manner and in accordance with the fee schedule as set forth in Attachment A. Payment shall be considered full compensation for all labor, materials, supplies, and equipment necessary to complete the services described in Attachment A.
- B. Unless otherwise terminated pursuant to Section 6. D. herein, this AGREEMENT shall be for a term beginning upon the effective date, as described below, and shall continue for a period which may reasonably be required for the completion of the PROJECT, until the expiration of the funds, or completion of the PROJECT and acceptance by the CITY, whichever occurs first. ENGINEER shall proceed diligently with the PROJECT to completion as described in the PROJECT schedule as set forth in Attachment A.

#### **SECTION 3** **Terms of Payment**

Payments to the ENGINEER will be made as follows:

## **A. Invoice and Payment**

- (1) The Engineer shall provide the City sufficient documentation, including but not limited to meeting the requirements set forth in the PROJECT schedule as set forth in Attachment A to reasonably substantiate the invoices.
- (2) The ENGINEER will issue monthly invoices for all work performed under this AGREEMENT. Invoices for the uncontested performance of the particular services are due and payable within 30 days of receipt by City.
- (3) Upon completion of services enumerated in Section 1, the final payment of any balance for the uncontested performance of the services will be due within 30 days of receipt of the final invoice.
- (4) In the event of a disputed or contested billing, only that portion so contested will be withheld from payment, and the undisputed portion will be paid. The CITY will exercise reasonableness in contesting any bill or portion thereof. No interest will accrue on any contested portion of the billing until mutually resolved.
- (5) If the CITY fails to make payment in full to ENGINEER for billings contested in good faith within 60 days of the amount due, the ENGINEER may, after giving 7 days' written notice to CITY, suspend services under this AGREEMENT until paid in full. In the event of suspension of services, the ENGINEER shall have no liability to CITY for delays or damages caused the CITY because of such suspension of services.

## **SECTION 4 Obligations of the Engineer**

### **A. General**

The ENGINEER will serve as the CITY's professional engineering representative under this AGREEMENT, providing professional engineering consultation and advice and furnishing customary services incidental thereto.

### **B. Standard of Care**

The ENGINEER shall perform its services:

- (1) with the professional skill and care ordinarily provided by competent engineers practicing in the same or similar locality and under the same or similar circumstances and professional license; and
- (2) as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer.

### **C. Subsurface Investigations**

- (1) The ENGINEER shall advise the CITY with regard to the necessity for subcontract work such as special surveys, tests, test borings, or other subsurface investigations in connection with design and engineering work to be performed hereunder. The ENGINEER shall also advise the CITY concerning the results of same. Such surveys, tests, and investigations shall be furnished by the CITY, unless otherwise specified in Attachment A.
- (2) In soils, foundation, groundwater, and other subsurface investigations, the actual characteristics may vary significantly between successive test points and sample intervals and at locations other than where observations, exploration, and investigations have been made. Because of the inherent uncertainties in subsurface evaluations, changed or unanticipated underground conditions may occur that could affect the total PROJECT cost and/or execution. These conditions and cost/execution effects are not the responsibility of the ENGINEER.

### **D. Preparation of Engineering Drawings**

The ENGINEER will provide to the CITY the original drawings of all plans in ink on reproducible mylar sheets and electronic files in .pdf format, or as otherwise approved by CITY, which shall become the property of the CITY. CITY may use such drawings in any manner it desires; provided, however, that the ENGINEER shall not be liable for the use of such drawings for any project other than the PROJECT described herein.

### **E. Engineer's Personnel at Construction Site**

- (1) The presence or duties of the ENGINEER's personnel at a construction site, whether as on-site representatives or otherwise, do not make the ENGINEER or its personnel in any way responsible for those duties that belong to the CITY and/or the CITY's construction contractors or other entities, and do not relieve the construction contractors or any other entity of their obligations, duties, and responsibilities, including, but not limited to, all construction methods, means, techniques, sequences, and procedures necessary for coordinating and completing all portions of the construction work in accordance with the AGREEMENT Documents and any health or safety precautions required by such construction work. The ENGINEER and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions.
- (2) Except to the extent of specific site visits expressly detailed and set forth in Attachment A, the ENGINEER or its personnel shall have no obligation or responsibility to visit the construction site to become familiar with the progress or quality of the completed work on the PROJECT or to determine, in general, if the work on the PROJECT is being performed in a manner indicating that the

PROJECT, when completed, will be in accordance with the AGREEMENT Documents, nor shall anything in the AGREEMENT Documents or this AGREEMENT between CITY and ENGINEER be construed as requiring ENGINEER to make exhaustive or continuous on-site inspections to discover latent defects in the work or otherwise check the quality or quantity of the work on the PROJECT. If the ENGINEER makes on-site observation(s) of a deviation from the AGREEMENT Documents, the ENGINEER shall inform the CITY.

- (3) When professional certification of performance or characteristics of materials, systems or equipment is reasonably required to perform the services set forth in the Scope of Services, the ENGINEER shall be entitled to rely upon such certification to establish materials, systems or equipment and performance criteria to be required in the AGREEMENT Documents.

## **F. Opinions of Probable Cost, Financial Considerations, and Schedules**

- (1) The ENGINEER shall provide opinions of probable costs based on the current available information at the time of preparation, in accordance with Attachment A.
- (2) In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for the PROJECT, the ENGINEER has no control over cost or price of labor and materials; unknown or latent conditions of existing equipment or structures that may affect operation or maintenance costs; competitive bidding procedures and market conditions; time or quality of performance by third parties; quality, type, management, or direction of operating personnel; and other economic and operational factors that may materially affect the ultimate PROJECT cost or schedule. Therefore, the ENGINEER makes no warranty that the CITY's actual PROJECT costs, financial aspects, economic feasibility, or schedules will not vary from the ENGINEER's opinions, analyses, projections, or estimates.

## **G. Construction Progress Payments**

Recommendations by the ENGINEER to the CITY for periodic construction progress payments to the construction contractor will be based on the ENGINEER's knowledge, information, and belief from selective sampling and observation that the work has progressed to the point indicated. Such recommendations do not represent that continuous or detailed examinations have been made by the ENGINEER to ascertain that the construction contractor has completed the work in exact accordance with the AGREEMENT Documents; that the final work will be acceptable in all respects; that the ENGINEER has made an examination to ascertain how or for what purpose the construction contractor has used the moneys paid; that title to any of the work, materials, or equipment has passed to the CITY free and clear of liens, claims, security interests, or encumbrances; or that there are not other matters at issue between the CITY and the construction contractor that affect the amount that should be paid.

## **H. Record Drawings**

Record drawings, if required, will be prepared, in part, on the basis of information compiled and furnished by others, and may not always represent the exact location, type of various components, or exact manner in which the PROJECT was finally constructed. The ENGINEER is not responsible for any errors or omissions in the information from others that is incorporated into the record drawings.

## **I. Right to Audit**

- (1) ENGINEER agrees that the CITY shall, until the expiration of five (5) years after final payment under this AGREEMENT, have access to and the right to examine and photocopy any directly pertinent books, documents, papers and records of the ENGINEER involving transactions relating to this AGREEMENT. ENGINEER agrees that the CITY shall have access during normal working hours to all necessary ENGINEER facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. The CITY shall give ENGINEER reasonable advance notice of intended audits.
- (2) ENGINEER further agrees to include in all its subconsultant agreements hereunder a provision to the effect that the subconsultant agrees that the CITY shall, until the expiration of five (5) years after final payment under the subcontract, have access to and the right to examine and photocopy any directly pertinent books, documents, papers and records of such subconsultant, involving transactions to the subcontract, and further, that the CITY shall have access during normal working hours to all subconsultant facilities, and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with the provisions of this section together with subsection (3) hereof. CITY shall give subconsultant reasonable advance notice of intended audits.
- (3) ENGINEER and subconsultant agree to photocopy such documents as may be requested by the CITY. The CITY agrees to reimburse ENGINEER for the cost of copies at the rate published in the Texas Administrative Code in effect as of the time copying is performed.

## J. INSURANCE

### (1) ENGINEER'S INSURANCE

- a. Commercial General Liability – the ENGINEER shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000.00 per each occurrence with a \$2,000,000.00 aggregate. If such Commercial General Liability insurance contains a general aggregate limit, it shall apply separately to this PROJECT or location.
  - i. The CITY shall be included as an additional insured with all rights of defense under the CGL, using ISO additional insured endorsement or a substitute providing equivalent coverage, and under the commercial umbrella, if any. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the CITY. The Commercial General Liability insurance policy shall have no exclusions or endorsements that would alter or nullify: premises/operations, products/completed operations, contractual, personal injury, or advertising injury, which are normally contained within the policy, unless the CITY specifically approves such exclusions in writing.
  - ii. ENGINEER waives all rights against the CITY and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained in accordance with this AGREEMENT.
- b. Business Auto – the ENGINEER shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident. Such insurance shall cover liability arising out of “any auto”, including owned, hired, and non-owned autos, when said vehicle is used in the course of the PROJECT. If the engineer owns no vehicles, coverage for hired or non-owned is acceptable.
  - i. ENGINEER waives all rights against the CITY and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the business auto liability or commercial umbrella liability insurance obtained by ENGINEER pursuant to this AGREEMENT or under any applicable auto physical damage coverage.
- c. Workers' Compensation – ENGINEER shall maintain workers compensation and employers liability insurance and, if necessary,

commercial umbrella liability insurance with a limit of not less than \$100,000.00 each accident for bodily injury by accident or \$100,000.00 each employee for bodily injury by disease, with \$500,000.00 policy limit.

- i. ENGINEER waives all rights against the CITY and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by workers compensation and employer's liability or commercial umbrella insurance obtained by ENGINEER pursuant to this AGREEMENT.
- d. Professional Liability – ENGINEER shall maintain professional liability, a claims-made policy, with a minimum of \$1,000,000.00 per claim and aggregate. The policy shall contain a retroactive date prior to the date of the AGREEMENT or the first date of services to be performed, whichever is earlier. Coverage shall be maintained for a period of 5 years following the completion of the AGREEMENT. An annual certificate of insurance specifically referencing this PROJECT shall be submitted to the CITY for each year following completion of the AGREEMENT.

## (2) GENERAL INSURANCE REQUIREMENTS

- a. Certificates of insurance evidencing that the ENGINEER has obtained all required insurance shall be attached to this AGREEMENT prior to its execution.
- b. Applicable policies shall be endorsed to name the CITY an Additional Insured thereon, subject to any defense provided by the policy, as its interests may appear. The term CITY shall include its employees, officers, officials, agents, and volunteers as respects the contracted services.
- c. Certificate(s) of insurance shall document that insurance coverage specified in this AGREEMENT are provided under applicable policies documented thereon.
- d. Any failure on part of the CITY to attach the required insurance documentation hereto shall not constitute a waiver of the insurance requirements.
- e. A minimum of thirty (30) days notice of cancellation or material change in coverage shall be provided to the CITY. A ten (10) days notice shall be acceptable in the event of non-payment of premium. Notice shall be sent to the respective Department Director (by name), City of Denton, 901 Texas Street, Denton, Texas 76209.
- f. Insurers for all policies must be authorized to do business in the State of

Texas and have a minimum rating of A:V or greater, in the current A.M. Best Key Rating Guide or have reasonably equivalent financial strength and solvency to the satisfaction of Risk Management.

- g. Any deductible or self insured retention in excess of \$25,000.00 that would change or alter the requirements herein is subject to approval by the CITY in writing, if coverage is not provided on a first-dollar basis. The CITY, at its sole discretion, may consent to alternative coverage maintained through insurance pools or risk retention groups. Dedicated financial resources or letters of credit may also be acceptable to the CITY.
- h. Applicable policies shall each be endorsed with a waiver of subrogation in favor of the CITY as respects the PROJECT.
- i. The CITY shall be entitled, upon its request and without incurring expense, to review the ENGINEER's insurance policies including endorsements thereto and, at the CITY's discretion; the ENGINEER may be required to provide proof of insurance premium payments.
- j. Lines of coverage, other than Professional Liability, underwritten on a claims-made basis, shall contain a retroactive date coincident with or prior to the date of the AGREEMENT. The certificate of insurance shall state both the retroactive date and that the coverage is claims-made.
- k. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption nor restrictive modification or changes from date of commencement of the PROJECT until final payment and termination of any coverage required to be maintained after final payments.
- l. The CITY shall not be responsible for the direct payment of any insurance premiums required by this AGREEMENT.
- m. Sub consultants and subcontractors to/of the ENGINEER shall be required by the ENGINEER to maintain the same or reasonably equivalent insurance coverage as required for the ENGINEER. When sub consultants/subcontractors maintain insurance coverage, ENGINEER shall provide CITY with documentation thereof on a certificate of insurance.

## **K. Independent Consultant**

The ENGINEER agrees to perform all services as an independent consultant and not as a subcontractor, agent, or employee of the CITY. The doctrine of *respondeat superior* shall not apply.

## **L. Disclosure**

The ENGINEER acknowledges to the CITY that it has made full disclosure in writing of any existing conflicts of interest or potential conflicts of interest, including personal financial interest, direct or indirect, in property abutting the proposed PROJECT and business relationships with abutting property cities. The ENGINEER further acknowledges that it will make disclosure in writing of any conflicts of interest that develop subsequent to the signing of this AGREEMENT and prior to final payment under the AGREEMENT.

## **M. Asbestos or Hazardous Substances**

- (1) If asbestos or hazardous substances in any form are encountered or suspected, the ENGINEER will stop its own work in the affected portions of the PROJECT to permit testing and evaluation.
- (2) If asbestos or other hazardous substances are suspected, the CITY may request the ENGINEER to assist in obtaining the services of a qualified subcontractor to manage the remediation activities of the PROJECT.

## **N. Permitting Authorities - Design Changes**

If permitting authorities require design changes so as to comply with published design criteria and/or current engineering practice standards which the ENGINEER should have been aware of at the time this AGREEMENT was executed, the ENGINEER shall revise plans and specifications, as required, at its own cost and expense. However, if design changes are required due to the changes in the permitting authorities' published design criteria and/or practice standards criteria which are published after the date of this AGREEMENT which the ENGINEER could not have been reasonably aware of, the ENGINEER shall notify the CITY of such changes and an adjustment in compensation will be made through an amendment to this AGREEMENT.

## **O. Schedule**

ENGINEER shall manage the PROJECT in accordance with the schedule developed per Attachment A to this AGREEMENT.

## **P. Equal Opportunity**

- (1) **Equal Employment Opportunity:** ENGINEER and ENGINEER's agents shall engage in any discriminatory employment practice. No person shall, on the grounds of race, sex, sexual orientation, age, disability, creed, color, genetic testing, or national origin, be refused the benefits of, or be otherwise subjected to discrimination under any activities resulting from this AGREEMENT.
- (2) **Americans with Disabilities Act (ADA) Compliance:** ENGINEER and

ENGINEER's agents shall not engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

## **SECTION 5** **Obligations of the City**

### **A. City-Furnished Data**

ENGINEER may rely upon the accuracy, timeliness, and completeness of the information provided by the CITY.

### **B. Access to Facilities and Property**

The CITY will make its facilities accessible to the ENGINEER as required for the ENGINEER's performance of its services. The CITY will perform, at no cost to the ENGINEER, such tests of equipment, machinery, pipelines, and other components of the CITY's facilities as may be required in connection with the ENGINEER's services. The CITY will be responsible for all acts of the CITY's personnel.

### **C. Advertisements, Permits, and Access**

Unless otherwise agreed to in the Scope of Services, the CITY will obtain, arrange, and pay for all advertisements for bids; permits and licenses required by local, state, or federal authorities; and land, easements, rights-of-way, and access necessary for the ENGINEER's services or PROJECT construction.

### **D. Timely Review**

The CITY will examine the ENGINEER's studies, reports, sketches, drawings, specifications, proposals, and other documents; obtain advice of an attorney, insurance counselor, accountant, auditor, bond and financial advisors, and other consultants as the CITY deems appropriate; and render in writing decisions required by the CITY in a timely manner in accordance with the PROJECT schedule prepared in accordance with Attachment A.

### **E. Prompt Notice**

The CITY will give prompt written notice to the ENGINEER whenever CITY observes or becomes aware of any development that affects the scope or timing of the ENGINEER's services or of any defect in the work of the ENGINEER or construction contractors.

### **F. Asbestos or Hazardous Substances Release.**

(1) CITY acknowledges ENGINEER will perform part of the work at CITY's

facilities that may contain hazardous materials, including asbestos containing materials, or conditions, and that ENGINEER had no prior role in the generation, treatment, storage, or disposition of such materials. In consideration of the associated risks that may give rise to claims by third parties or employees of City, City hereby releases ENGINEER from any damage or liability related to the presence of such materials.

- (2) The release required above shall not apply in the event the discharge, release or escape of hazardous substances, contaminants, or asbestos is a result of ENGINEER's negligence or if ENGINEER brings such hazardous substance, contaminant or asbestos onto the PROJECT.

## **G. Contractor Indemnification and Claims**

The CITY agrees to include in all construction contracts the provisions of Article IV.E. regarding the ENGINEER's Personnel at Construction Site, and provisions providing for contractor indemnification of the CITY and the ENGINEER for contractor's negligence.

## **H. Contractor Claims and Third-Party Beneficiaries**

- (1) The CITY agrees to include the following clause in all contracts with construction contractors and equipment or materials suppliers:

"Contractors, subcontractors and equipment and materials suppliers on the PROJECT, or their sureties, shall maintain no direct action against the ENGINEER, its officers, employees, and subcontractors, for any claim arising out of, in connection with, or resulting from the engineering services performed. Only the CITY will be the beneficiary of any undertaking by the ENGINEER."

- (2) This AGREEMENT gives no rights or benefits to anyone other than the CITY and the ENGINEER and there are no third-party beneficiaries.
- (3) The CITY will include in each agreement it enters into with any other entity or person regarding the PROJECT a provision that such entity or person shall have no third-party beneficiary rights under this AGREEMENT.
- (4) Nothing contained in this Section H. shall be construed as a waiver of any right the CITY has to bring a claim against ENGINEER.

## **I. CITY's Insurance**

- (1) The CITY may maintain property insurance on certain pre-existing structures associated with the PROJECT.
- (2) The CITY may secure Builders Risk/Installation insurance at the replacement

cost value of the PROJECT. The CITY may provide ENGINEER a copy of the policy or documentation of such on a certificate of insurance.

#### **J. Litigation Assistance**

The Scope of Services does not include costs of the ENGINEER for required or requested assistance to support, prepare, document, bring, defend, or assist in litigation undertaken or defended by the CITY. In the event CITY requests such services of the ENGINEER, this AGREEMENT shall be amended or a separate agreement will be negotiated between the parties.

#### **K. Changes**

The CITY may make or approve changes within the general Scope of Services in this AGREEMENT. If such changes affect the ENGINEER's cost of or time required for performance of the services, an equitable adjustment will be made through an amendment to this AGREEMENT with appropriate CITY approval.

### **SECTION 6** **General Legal Provisions**

#### **A. Authorization to Proceed**

ENGINEER shall be authorized to proceed with this AGREEMENT upon receipt of a written Notice to Proceed from the CITY.

#### **B. Reuse of Project Documents**

All designs, drawings, specifications, documents, and other work products of the ENGINEER, whether in hard copy or in electronic form, are instruments of service for this PROJECT, whether the PROJECT is completed or not. Reuse, change, or alteration by the CITY or by others acting through or on behalf of the CITY of any such instruments of service without the written permission of the ENGINEER will be at the CITY's sole risk. The CITY shall own the final designs, drawings, specifications and documents.

#### **C. Force Majeure**

The ENGINEER is not responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the ENGINEER that prevent ENGINEER's performance of its obligations hereunder.

#### **D. Termination**

(1) This AGREEMENT may be terminated:

- a. by the City for its convenience upon 30 days' written notice to ENGINEER.
  - b. by either the CITY or the ENGINEER for cause if either party fails substantially to perform through no fault of the other and the nonperforming party does not commence correction of such nonperformance within 5 days' written notice or thereafter fails to diligently complete the correction.
- (2) If this AGREEMENT is terminated for the convenience of the City, the ENGINEER will be paid for termination expenses as follows:
- a. Cost of reproduction of partial or complete studies, plans, specifications or other forms of ENGINEER'S work product;
  - b. Out-of-pocket expenses for purchasing electronic data files and other data storage supplies or services;
  - c. The time requirements for the ENGINEER'S personnel to document the work underway at the time of the CITY'S termination for convenience so that the work effort is suitable for long time storage.
- (3) Prior to proceeding with termination services, the ENGINEER will submit to the CITY an itemized statement of all termination expenses. The CITY'S approval will be obtained in writing prior to proceeding with termination services.

#### **E. Suspension, Delay, or Interruption to Work**

The CITY may suspend, delay, or interrupt the services of the ENGINEER for the convenience of the CITY. In the event of such suspension, delay, or interruption, an equitable adjustment in the PROJECT's schedule, commitment and cost of the ENGINEER's personnel and subcontractors, and ENGINEER's compensation will be made.

#### **F. Indemnification**

**IN ACCORDANCE WITH TEXAS LOCAL GOVERNMENT CODE SECTION 271.904, THE ENGINEER SHALL INDEMNIFY OR HOLD HARMLESS THE CITY AGAINST LIABILITY FOR ANY DAMAGE COMMITTED BY THE ENGINEER OR ENGINEER'S AGENT, CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH THE ENGINEER EXERCISES CONTROL TO THE EXTENT THAT THE DAMAGE IS CAUSED BY OR RESULTING FROM AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER. CITY IS ENTITLED TO RECOVER ITS REASONABLE ATTORNEY'S FEES IN PROPORTION TO THE ENGINEER'S LIABILITY.**

## **G. Assignment**

Neither party shall assign all or any part of this AGREEMENT without the prior written consent of the other party.

## **H. Jurisdiction**

The law of the State of Texas shall govern the validity of this AGREEMENT, its interpretation and performance, and any other claims related to it. The venue for any litigation related to this AGREEMENT shall be Denton County, Texas.

## **I. Severability and Survival**

If any of the provisions contained in this AGREEMENT are held for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision, and this AGREEMENT shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Sections 5.F., 6.B., 6.D., 6.F., 6.H., and 6.I. shall survive termination of this AGREEMENT for any cause.

## **J. Observe and Comply**

ENGINEER shall at all times observe and comply with all federal and State laws and regulations and with all City ordinances and regulations which in any way affect this AGREEMENT and the work hereunder, and shall observe and comply with all orders, laws ordinances and regulations which may exist or may be enacted later by governing bodies having jurisdiction or authority for such enactment. No plea of misunderstanding or ignorance thereof shall be considered. **ENGINEER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ALL OF ITS OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL CLAIMS OR LIABILITY ARISING OUT OF THE VIOLATION OF ANY SUCH ORDER, LAW, ORDINANCE, OR REGULATION, WHETHER IT BE BY ITSELF OR ITS EMPLOYEES.**

## **K. Immigration Nationality Act**

ENGINEER shall verify the identity and employment eligibility of its employees who perform work under this AGREEMENT, including completing the Employment Eligibility Verification Form (I-9). Upon request by CITY, ENGINEER shall provide CITY with copies of all I-9 forms and supporting eligibility documentation for each employee who performs work under this AGREEMENT. ENGINEER shall adhere to all Federal and State laws as well as establish appropriate procedures and controls so that no services will be performed by any ENGINEER employee who is not legally eligible to perform such services. **ENGINEER SHALL INDEMNIFY CITY AND HOLD CITY HARMLESS FROM ANY PENALTIES, LIABILITIES, OR LOSSES DUE TO VIOLATIONS OF THIS PARAGRAPH BY ENGINEER, ENGINEER'S EMPLOYEES, SUBCONTRACTORS, AGENTS, OR LICENSEES.** CITY, upon written notice to ENGINEER, shall have the

right to immediately terminate this AGREEMENT for violations of this provision by ENGINEER.

#### **L. Prohibition on Contracts with Companies Boycotting Israel**

Engineer acknowledges that in accordance with Chapter 2271 of the Texas Government Code, City is prohibited from entering into a contract with a company for 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. The terms “boycott Israel” and “company” shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. ***By signing this agreement, Engineer certifies that Engineer’s signature provides written verification to the City that Engineer: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the agreement.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

#### **M. Prohibition on Contracts with Companies Doing Business with Iran, Sudan, or a Foreign Terrorist Organization**

Sections 2252 and 2270 of the Texas Government Code restricts CITY from contracting with companies that do business with Iran, Sudan, or a foreign terrorist organization. ***By signing this agreement, Engineer certifies that Engineer’s signature provides written verification to the City that Engineer, pursuant to Chapters 2252 and 2270, is not ineligible to enter into this agreement and will not become ineligible to receive payments under this agreement by doing business with Iran, Sudan, or a foreign terrorist organization.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

#### **N. Prohibition on Contracts with Companies Boycotting Certain Energy Companies**

Engineer acknowledges that in accordance with Chapter 2274 of the Texas Government Code, City is prohibited from entering into a contract with a company for goods or services unless the contract contains written verification from the company that it (1) does not boycott energy companies; and (2) will not boycott energy companies during the term of the contract. The terms “boycott energy company” and “company” shall have the meanings ascribed to those terms in Section 809.001 of the Texas Government Code. ***By signing this agreement, Engineer certifies that Engineer’s signature provides written verification to the City that Engineer: (1) does not boycott energy companies; and (2) will not boycott energy companies during the term of the agreement.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

#### **O. Prohibition on Contracts with Companies Boycotting Certain Firearm Entities and Firearm Trade Associations**

Engineer acknowledges that in accordance with Chapter 2274 of the Texas Government Code, City is prohibited from entering into a contract with a company for goods or services unless the contract contains written verification from the company that it (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. The terms “discriminate against a firearm entity or firearm trade association,” “firearm entity” and “firearm trade association” shall have the meanings ascribed to those terms in Chapter 2274 of the Texas Government Code. ***By signing this agreement, Engineer certifies that Engineer’s signature provides written verification to the City that Engineer: (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

#### **P. Termination Right for Contracts with Companies Doing Business with Certain Foreign-Owned Companies**

The City of Denton may terminate this Contract immediately without any further liability if the City of Denton determines, in its sole judgment, that this Contract meets the requirements under Chapter 2274, and Engineer is, or will be in the future, (i) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or other designated country (ii) directly controlled by the Government of China, Iran, North Korea, Russia, or other designated country, or (iii) is headquartered in China, Iran, North Korea, Russia, or other designated country.

#### **Q. Prohibition Against Personal Interest in Contracts**

No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation as defined in the City’s Ethic Ordinance 23-1165 and in the City Charter chapter 2 article XI(Ethics). Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City. The Contractor shall complete and submit the City’s Conflict of Interest Questionnaire.

#### **R. Certificate of Interested Parties Electronic Filing**

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that the City may not enter into this contract

unless the Contractor submits a disclosure of interested parties (Form 1295) to the City at the time the Contractor submits the signed contract. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

Contractor will be required to furnish a Certificate of Interest Parties before the contract is awarded, in accordance with Government Code 2252.908.

The contractor shall:

1. Log onto the State Ethics Commission Website at :  
<https://www.ethics.state.tx.us/filinginfo/1295/>
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on page 2 of this contract.
5. Complete and sign the Form 1295
6. Email the form to [purchasing@cityofdenton.com](mailto:purchasing@cityofdenton.com) with the contract number in the subject line. (EX: Contract 1234 – Form 1295)

The City must acknowledge the receipt of the filed Form 1295 not later than the 30th day after Council award. Once a Form 1295 is acknowledged, it will be posted to the Texas Ethics Commission's website within seven business days.

## **S. Agreement Documents**

This AGREEMENT, including its attachments and schedules, constitutes the entire AGREEMENT, which supersedes all prior written or oral understandings, and may only be changed by a written amendment executed by both parties. This AGREEMENT may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument. The following attachments and schedules are hereby made a part of this AGREEMENT:

### **Attachment A - Scope of Services, Compensation, and Project Schedule**

These documents make up the AGREEMENT documents and what is called for by one shall be as binding as if called for by all. In the event of an inconsistency or conflict in any of the provisions of the AGREEMENT documents, the inconsistency or conflict shall be resolved by giving precedence first to the written AGREEMENT then to the AGREEMENT documents in the order in which they are listed above.

The parties agree to transact business electronically. Any statutory requirements that certain terms be in writing will be satisfied using electronic documents and signing. Electronic signing of this document will be deemed an original for all legal purposes.

Duly executed by each party's designated representative to be effective on \_\_\_\_\_.

BY:  
CITY OF DENTON, TEXAS

\_\_\_\_\_  
Sara Hensley, City Manager

BY:  
ENGINEER  
Freese Nichols, Inc.

Signed by: \_\_\_\_\_  
25981714034  
Authorized Agent, Title

Full Name: James Naylor \_\_\_\_\_

2026-1417285

\_\_\_\_\_  
TEXAS ETHICS COMMISSION  
CERTIFICATE NUMBER

THIS AGREEMENT HAS BEEN  
BOTH REVIEWED AND APPROVED  
as to financial and operational  
obligations and business terms.

Signed by: \_\_\_\_\_  
Signature

General Manager  
\_\_\_\_\_  
Title

Water Utilities and Street Operations  
\_\_\_\_\_  
Department



ATTEST:  
INGRID REX, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

Signed by: \_\_\_\_\_  
BY: Leah Bush \_\_\_\_\_  
2A936B08B5D7485...



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www.freese.com

## Attachment A

December 19, 2025

David Brown  
 City of Denton  
 901-B Texas St.  
 Denton, TX 76209

Re: LLWTP Ozone Building HVAC System

Mr. Brown:

Pursuant to your request for proposal (RFP) and our site visit on September 9, 2025, Freese and Nichols, Inc. (FNI) is pleased to provide the City of Denton (Owner) with this proposal for providing professional engineering services for the above referenced project. Caleb Barlow, PE will serve as project manager for this project.

### Scope of Services:

A detailed scope of services is included as Attachment SC.

### Time of Completion:

A detailed schedule of the activities, milestones and deliverables is included as Attachment A.

### Compensation:

FNI proposes to furnish professional services as described in Attachment SC for a total lump sum fee of \$114,984. The breakdown of our services is shown below:

Basic Services		FEE
1	Project Management	\$24,111
2	Feasibility Assessment	\$25,418
3a	Mechanical Design Phase Services	\$30,293
3b	Electrical Design Phase Services	\$13,115
4	Construction Phase General Representation	\$22,047
<b>Total Basic Services</b>		<b>\$114,984</b>

We appreciate the opportunity to assist the City of Denton with this project. If additional information or clarification is desired, please do not hesitate to contact us.

If you are in agreement with the services described and would like us to proceed with this assignment, please initiate contract proceedings.

Sincerely,

  
 James Naylor, PE, BCEE  
 Principal/Vice President

LLWTP Ozone Building HVAC System  
December 19, 2025

ATTACHMENT SC

## SCOPE OF SERVICES AND RESPONSIBILITIES OF CLIENT

### PROJECT UNDERSTANDING

The City of Denton (Client) desires to engage Freese and Nichols, Inc. (FNI) to evaluate, design, and provide construction-phase support for the replacement of the existing heating-only ventilation unit serving the Ozone Building at the Lake Lewisville Water Treatment Plant (LLWTP). The Client has procured a 30-ton air conditioning unit, which may serve as the replacement system. Based on discussions with the Client and preliminary site visit conducted on September 9, 2025, the project will include the following major work elements as part of the Basic Service

- A. Mechanical:
1. Analyze the feasibility of utilizing an existing, unused 30-ton HVAC unit procured by the City as a replacement for the current heating-only ventilator system.
  2. Evaluate the suitability of the existing ductwork for use with the proposed HVAC system.
  3. If the existing ductwork is determined to be inadequate, design new ductwork appropriate for the project application.
  4. Assess the applicable building and mechanical codes to determine if ventilation operation limited to alarm-only conditions is permissible.
  5. Develop the HVAC control sequence and coordinate design requirements with the electrical upgrades to ensure proper system operation and integration.
- B. Electrical:
1. Evaluate existing electrical system serving the heating ventilator system for the ability to serve the 30-ton HVAC unit.
  2. Design for power circuiting from the existing electrical system for accommodating the new unit.
  3. Ensure system meets current code and requirements.
  4. Design for relay based chemical detection power cut off to new HVAC unit. Dry contacts to be provided to the existing RTU PLC for remote monitoring of the system status.

FNI will accomplish the scope in three phases. The detailed scope of services is provided in Article I of this attachment.

- Feasibility Analysis Phase
- Design Phase
- Construction Phase

### ARTICLE I

**BASIC SERVICES:** FNI shall render the following professional services in connection with the development of the Project:

LLWTP Ozone Building HVAC System  
December 19, 2025

A. Project Management:

1. Perform general administrative duties associated with the Project, including progress monitoring and monthly progress reporting, scheduling, general correspondence, documentation, office administration, and invoice preparation for the scope items identified below. Documentation shall be in accordance with the regulatory requirements for the Project. These duties include maintaining regular contact with the City to help meet the needs of the City in a timely manner and executing the work per the work plan, budget, and schedule.

B. Project Kick-off

- a. Conduct a project kick-off meeting with the Client and the Client's Facilities team to 1) verify Client's requirements for the project, and 2) review the scope of services, schedule of deliverables, and other relevant information.
- b. FNI will provide detailed agenda before the project kick-off meeting and meeting minutes after the meeting.

C. Feasibility Analysis Phase

FNI shall provide professional services in this phase as follows:

- a. Site Visit and Data Collection  
Conduct a field visit to verify existing conditions, including the current HVAC equipment layout, duct routing, electrical service panels, and control connections in the Ozone Building.
- b. Load Analysis  
Perform a detailed load calculation to determine heating and cooling requirements for the space. Analysis will consider occupancy, process heat loads, equipment, ventilation rates, and envelope conditions.
- c. Equipment Compatibility Review  
Review the specifications of the Client-provided air-conditioning unit to determine its suitability and compatibility with existing building conditions and the identified load requirements.
- d. Existing Infrastructure Evaluation
  - i. Assess the condition and capacity of the existing ductwork to determine whether it can be reused or requires modification.
  - ii. Review electrical capacity and controls infrastructure to evaluate if existing systems can accommodate the new air-conditioning unit.
  - iii. Identify any modifications needed to support installation, start-up, and operation.
- e. Feasibility Report and Opinion of Probable Construction Cost (OPCC)
  - i. Develop a feasibility report summarizing findings, system compatibility, and recommendations for the proposed replacement.
  - ii. Develop a Class 4 opinion of probable construction cost per AACE International cost estimating standards.
  - iii. Submit the report to the Client for review and approval prior to proceeding with design.

LLWTP Ozone Building HVAC System  
December 19, 2025

D. Design Phase:

Upon Client's approval of the Feasibility Report, FNI shall proceed with detailed design of the proposed improvements.

a. Design Documents

Prepare plans, specifications, and technical details necessary to remove the existing heating-only ventilation unit and install the new 30-ton air-conditioning system. Drawings will address:

- i. Equipment placement
- ii. Ductwork modifications
- iii. Electrical power
- iv. Control system integration and interlocks
- v. Condensate management and airflow balancing

b. Deliverables

Prepare drawings, specifications, Construction Contract Documents, designs, and layouts of improvements to be constructed. FNI shall submit design deliverables for Client review and comment at the following stages:

- i. 75% Design Submittal
- ii. 100% Final Signed Design Package for use in contractor procurement and construction.

c. Furnish Client one (1) electronic copy (.pdf format) of drawings, specifications, and Opinions of Probable Construction Cost marked "Preliminary" for approval by Client, for each design submittal as described above. Upon final approval by Client, FNI will provide Client one (1) set of reproducible "Final" drawings and specifications in PDF format.

d. OPCC Updates

Provide updated Opinions of Probable Construction Cost at each submittal milestone.

e. Exclusions

- i. FNI will not provide procurement or bid-phase services. FNI will respond to design related questions during these phases.
- ii. FNI will not provide permitting services. Permitting and permit related fees will be the responsibility of the Client
- iii. Construction Phase services are limited and include only the items listed below.
- iv. The existing electrical system is assumed to have sufficient capacity and breaker space to support the new HVAC equipment. FNI will not provide significant upgrades, replacement or modifications to the existing electrical distribution system.

E. Bid or Negotiation Phase: Not Included

D. Construction Phase General Representation: Upon completion of the bid or negotiation phase services, FNI will proceed with the performance of construction phase general representation services as described below.

LLWTP Ozone Building HVAC System  
December 19, 2025

In performing these services, it is understood that FNI does not guarantee the City selected Contractor's performance, nor is FNI responsible for the supervision of the City selected Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the City selected Contractor, or any safety precautions and programs relating in any way to the condition of the premises, the work of the City selected Contractor or any Subcontractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the Project site or otherwise performing any of the work of the Project.

These services are based on the use of Client's standard General Conditions for construction projects. Modifications to these services required by use of other general conditions or contract administration procedures are an additional service. Client agrees to include provisions in the construction contract documents that will require the construction City selected Contractor to include FNI and their subconsultants on this project to be listed as 1) an additional insured and in any waiver of subrogation rights with respect to such liability insurance purchased and maintained by City selected Contractor for the Project (except workers' compensation and professional liability policies); and (2) an indemnified party in the City selected Contractor's indemnification provisions where the Client is named as an indemnified party. Construction Phase services are based on a construction duration of ten (10) months from the date of City selected Contractor's notice to proceed.

1. Make two (2) visits to the construction site to observe the progress and the quality of work and to attempt to determine in general if the work is proceeding in accordance with the Construction Contract Documents. FNI will report any observed defects or deficiencies in the work to Client. Visits to the site in excess of the specified number are an Additional Service.
2. Notify the Client of non-conforming work observed on site visits. Review quality related documents provided by the City selected Contractor such as test reports, equipment installation reports or other documentation required by the Construction contract documents.
3. Interpret the drawings and specifications for Client and City selected Contractor(s). Investigations, analyses, and studies requested by the City selected Contractor(s) and approved by Client, for substitutions of equipment and/or materials or deviations from the drawings and specifications is an additional service.
4. Conduct, in company with Client's representative, a final review of the Project for conformance with the design concept of the Project and general compliance with the Construction Contract Documents. Prepare a list of deficiencies to be corrected by the City selected Contractor before recommendation of final payment. Visiting the site to review completed work in excess of one (1) trip is an Additional Service.

ARTICLE II

**SPECIAL SERVICES:** Not Applicable.

LLWTP Ozone Building HVAC System  
December 19, 2025

ARTICLE III

**ADDITIONAL SERVICES:** Electrical design needed for upgrades if it is determined that the existing system is insufficient. All design activities will be coordinated with, and receive prior approval from, the City of Denton before work proceeds.

ARTICLE IV

**TIME OF COMPLETION:** FNI is authorized to commence work on the Project upon execution of this Agreement and agrees to complete the services in accordance with the schedule in **Attachment A**.

If FNI's services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in Client or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this Agreement and in Attachment CO.

ARTICLE V

**RESPONSIBILITIES OF CLIENT:** Client shall perform the following in a timely manner so as not to delay the services of FNI:

- A. Client recognizes and expects that change orders may be required to be issued during construction. The responsibility for the costs of change orders will be determined on the basis of applicable contractual obligations and professional liability standards. FNI will not be responsible for any change order costs due to unforeseen site conditions, changes made by or due to the Client or City selected Contractor, or any change order costs not caused by the negligent errors or omissions of FNI. Nothing in this provision creates a presumption that, or changes the professional liability standard for determining if, FNI is liable for change order costs. It is recommended that the Client budget a minimum of 5% for new construction and a minimum of 10% for construction that includes refurbishing existing structures.
- B. Designate in writing a person to act as Client'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 Client's policies and decisions with respect to FNI's services for the Project.
- C. Provide all criteria and full information as to Client's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which Client will require to be included in the drawings and specifications.
- D. Assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project.
- E. 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.

LLWTP Ozone Building HVAC System  
December 19, 2025

- F. 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 Client 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.
- G. Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
- H. Client shall make or arrange to have made all subsurface investigations, including but not limited to borings, test pits, soil resistivity surveys, and other subsurface explorations. Client shall also make or arrange to have made the interpretations of data and reports resulting from such investigations. All costs associated with such investigations shall be paid by Client.
- I. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as Client may require or FNI may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by City selected Contractor(s), such auditing service as Client may require to ascertain how or for what purpose any City selected Contractor has used the moneys paid under the construction contract, and such inspection services as Client may require to ascertain that City selected Contractor(s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.
- J. If Client designates a person to serve in the capacity of Resident Project Representative who is not FNI or FNI's agent or employee, the duties, responsibilities and limitations of authority of such Resident Project Representative(s) will be set forth in an Attachment attached to and made a part of this Agreement before the Construction Phase of the Project begins. Said attachment shall also set forth appropriate modifications of the Construction Phase General Representation services as defined in Attachment SC, Article I, D, together with such adjustment of compensation as appropriate.
- K. Attend the pre-bid conference, bid opening, preconstruction conferences, construction progress and other job-related meetings and substantial completion inspections and final payment inspections.
- L. Give prompt written notice to FNI whenever Client observes or otherwise becomes aware of any development that affects the scope or timing of FNI's services, or any defect or nonconformance of the work of any City selected Contractor.
- M. Furnish, or direct FNI to provide, Additional Services as stipulated in Attachment SC, Article III of this Agreement or other services as required.
- N. Bear all costs incident to compliance with the requirements of this Article V.

ARTICLE VI

**DESIGNATED REPRESENTATIVES:** FNI and Client designate the following representatives:

LLWTP Ozone Building HVAC System  
December 19, 2025

Owner's Designated Representative –

David Brown, Project Manager Water Utilities  
David.Brown@cityofdenton.com  
940-349-8480  
901-B Texas Street  
Denton, Texas 76209

FNI's Designated Representative –

James Naylor  
james.naylor@freese.com  
214-217-2223  
817-874-4187  
101 S. Locust Street, Suite 202  
Denton, Texas 76201

FNI's Accounting Representative –

Misty Ballard  
misty.ballard@freese.com  
817-735-7290  
801 Cherry Street, Suite 2800  
Ft Worth, Texas 76102





**CONFLICT OF INTEREST QUESTIONNAIRE - FORM CIQ**  
**For vendor or other person doing business with local governmental entity**

**This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.**

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) and by City of Denton Ethics Code, Ordinance 18-757.

By law this questionnaire must be filed with the records administrator of the local government 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.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

**1 Name of vendor who has a business relationship with local governmental entity.**

Freese and Nichols, Inc.

**2  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 7<sup>th</sup> business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3 Name of local government officer about whom the information in this section is being disclosed.**

\_\_\_\_\_  
Name of Officer

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. This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes  No

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 named in this section AND the taxable income is not received from the local governmental entity?

Yes  No

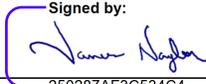
C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?

Yes  No

D. Describe each employment or business and family relationship with the local government officer named in this section.

**4  I have no Conflict of Interest to disclose.**

**5** Signed by:



2/9/2026

Signature of Vendor doing business with the governmental entity

Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/ Docs/LG/hm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

- (A) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:
  - (2) the vendor:
    - (A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that
      - (i) a contract between the local governmental entity and vendor has been executed; or
      - (ii) the local governmental entity is considering entering into a contract with the vendor;
    - (B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:
      - (i) a contract between the local governmental entity and vendor has been executed; or
      - (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:
  - (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
  - (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
  - (3) has a family relationship with a local government officer of that local governmental entity.
- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:
  - (1) the date that the vendor:
    - (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
    - (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
  - (2) the date the vendor becomes aware:
    - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
    - (B) that the vendor has given one or more gifts described by Subsection (a); or
    - (C) of a family relationship with a local government officer.

### **City of Denton Ethics Code Ordinance Number 18-757**

**Definitions:**

**Relative:** a family member related to a City Official within the third 3<sup>rd</sup> degree of affinity (marriage) or consanguinity (blood or adoption)

**City Official:** for purpose of this article, the term consists of the Council Members, Department Heads, or member of the Board of Ethics, Planning and zoning Commission Members, Board of Adjustment, Historic Landmark Commission, or Public Utilities Board

**Vendor:** a person who provides or seeks to provide goods, services, and/or real property to the City in exchange for compensation. This definition does not include those property owners from whom the City acquires public right-of-way or other real property interests for public use.

Per the City of Denton Ethics Code, Section 2-273. – Prohibitions

- (3) It shall be a violation of this Article for a Vendor to offer or give a Gift to City Official exceeding fifty dollars (\$50.00) per gift, or multiple gifts cumulatively valued at more than two hundred dollars (\$200.00) per a single fiscal year.

Per the City of Denton Ethics Code, Section 2-282. – Disposition (b), (5) Ineligibility

If the Board of Ethics finds that a Vendor has violated this Article, the Board may recommend to the City Manager that the Vendor be deemed ineligible to enter into a City contract or other arrangement for goods, services, or real property, for a period of one (1) year.

## Certificate Of Completion

Envelope Id: 7FA7B6DE-F629-4453-B34E-4264631A3BDF

Status: Sent

Subject: Please DocuSign: City Council Contract 8213-016 LLWTP Ozone Air Conditioning Installation support

Source Envelope:

Document Pages: 31

Signatures: 4

Envelope Originator:

Certificate Pages: 6

Initials: 1

Gabby Leeper

AutoNav: Enabled

901B Texas Street

Envelopeld Stamping: Enabled

Denton, TX 76209

Time Zone: (UTC-06:00) Central Time (US & Canada)

Gabby.Leeper@cityofdenton.com

IP Address: 198.49.140.10

## Record Tracking

Status: Original

Holder: Gabby Leeper

Location: DocuSign

1/23/2026 10:39:52 AM

Gabby.Leeper@cityofdenton.com

## Signer Events

## Signature

## Timestamp

Gabby Leeper

**Completed**

Sent: 1/23/2026 10:49:57 AM

Gabby.Leeper@cityofdenton.com

Viewed: 1/23/2026 10:51:23 AM

Senior Buyer

Signed: 1/23/2026 10:52:26 AM

City of Denton

Using IP Address: 198.49.140.10

Security Level: Email, Account Authentication  
(None)

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Lori Hewell

Initial

Sent: 1/23/2026 10:52:29 AM

lori.hewell@cityofdenton.com

Viewed: 1/23/2026 11:10:23 AM

Purchasing Manager

Signed: 1/23/2026 11:10:54 AM

City of Denton

Signature Adoption: Pre-selected Style

Security Level: Email, Account Authentication  
(None)

Using IP Address: 198.49.140.10

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Leah Bush

Signed by:  
  
2A936B08B5D7485...

Sent: 1/23/2026 11:12:09 AM

leah.bush@cityofdenton.com

Viewed: 1/23/2026 3:50:12 PM

Security Level: Email, Account Authentication  
(None)

Signed: 1/23/2026 4:20:30 PM

Signature Adoption: Pre-selected Style

Using IP Address: 198.49.140.104

**Electronic Record and Signature Disclosure:**  
Accepted: 1/23/2026 3:50:12 PM  
ID: 926f1acd-9552-438a-b8e2-4ef72674405b

James Naylor

Signed by:  
  
250287AF3C534C4...

Sent: 1/23/2026 4:20:33 PM

james.naylor@freese.com

Viewed: 1/26/2026 9:53:04 AM

Principal/Vice President

Signed: 2/9/2026 1:04:47 PM

Security Level: Email, Account Authentication  
(None)

Signature Adoption: Uploaded Signature Image

Using IP Address: 198.211.208.110

**Electronic Record and Signature Disclosure:**  
Accepted: 1/30/2026 3:52:14 PM  
ID: f8b1e448-7f2f-4f7c-9325-1ad7f474eff2

**Signer Events**

Stephen D Gay  
Stephen.Gay@cityofdenton.com  
General Manager  
Water Utilities  
Security Level: Email, Account Authentication (None)

**Signature**

Signed by:  
  
FEB48BB9728E4A9...  
Signature Adoption: Pre-selected Style  
Using IP Address: 198.49.140.10

**Timestamp**

Sent: 2/9/2026 1:04:50 PM  
Viewed: 2/9/2026 1:08:45 PM  
Signed: 2/9/2026 1:24:20 PM

**Electronic Record and Signature Disclosure:**

Accepted: 2/9/2026 1:08:45 PM  
ID: 242f8ffe-3cbc-44fc-b2a9-39c9837689ea

Cheyenne Defee  
cheyenne.defee@cityofdenton.com  
Procurement Administration Supervisor  
City of Denton  
Security Level: Email, Account Authentication (None)

Sent: 2/9/2026 1:24:24 PM

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Sara Hensley  
sara.hensley@cityofdenton.com  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Ingred Rex  
Ingrid.Rex@cityofdenton.com  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

**In Person Signer Events**

**Signature**

**Timestamp**

**Editor Delivery Events**

**Status**

**Timestamp**

**Agent Delivery Events**

**Status**

**Timestamp**

**Intermediary Delivery Events**

**Status**

**Timestamp**

**Certified Delivery Events**

**Status**

**Timestamp**

**Carbon Copy Events**

**Status**

**Timestamp**

Cheyenne Defee  
cheyenne.defee@cityofdenton.com  
Procurement Administration Supervisor  
City of Denton  
Security Level: Email, Account Authentication (None)

**COPIED**

Sent: 1/23/2026 10:52:29 AM

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Marcella Lunn  
marcella.lunn@cityofdenton.com  
Senior Deputy City Attorney  
City of Denton  
Security Level: Email, Account Authentication (None)

**COPIED**

Sent: 1/23/2026 11:12:11 AM

Carbon Copy Events	Status	Timestamp
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**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Gretna Jones  
gretna.jones@cityofdenton.com  
Legal Secretary  
City of Denton  
Security Level: Email, Account Authentication  
(None)

**COPIED**

Sent: 2/9/2026 1:24:24 PM  
Viewed: 2/10/2026 12:54:28 PM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

City Secretary Office  
citysecretary@cityofdenton.com  
Security Level: Email, Account Authentication  
(None)

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

David Brown  
David.Brown@cityofdenton.com  
Security Level: Email, Account Authentication  
(None)

**Electronic Record and Signature Disclosure:**  
Accepted: 10/2/2025 10:49:22 AM  
ID: ae29c722-3235-4146-98a2-e5c5378d30ca

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	1/23/2026 10:49:57 AM
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Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

**How to contact City of Denton:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [purchasing@cityofdenton.com](mailto:purchasing@cityofdenton.com)

**To advise City of Denton of your new e-mail address**

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at [melissa.kraft@cityofdenton.com](mailto:melissa.kraft@cityofdenton.com) and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

**To request paper copies from City of Denton**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to [purchasing@cityofdenton.com](mailto:purchasing@cityofdenton.com) and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with City of Denton**

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to [purchasing@cityofdenton.com](mailto:purchasing@cityofdenton.com) and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

**Required hardware and software**

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> <li>•Allow per session cookies</li> <li>•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li> </ul>

\*\* These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

**Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
www.cityofdenton.com

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**ACM:** Christine Taylor  
**DATE:** March 9, 2026

### SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with 4X Construction Group, LLC, for the Cell 6 Construction Project at the Landfill for the Solid Waste and Recycling Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 8907 – awarded to 4X Construction Group, LLC, in the not-to-exceed amount of \$4,872,755.00).

### STRATEGIC ALIGNMENT

This action supports Key Focus Area: Promote Sustainability and the Environment.

### INFORMATION/BACKGROUND

Cell 4 is the current landfill cell the Solid Waste & Recycling Department is utilizing for disposal and is forecasted to be approximately 90% full by March 2026. The new Cell 6 is approximately 16 acres and is located East of Cell 4. Cell 6 will be excavated to an elevation of approximately 562 feet above sea level and lined with a 60 mil HDPE liner and the protective cover system. The total projected excavated quantity will be approximately 300,000 cubic yards, which will be stored on site and used for cover. Available airspace for disposal will be approximately 2.2M cubic yards or six (6) years of capacity.

The Cell 6 Construction Project has a total estimated project construction cost of \$4,872,755. This estimate includes a \$4,640,719.25 total base bid amount and a contingency of \$232,035.75. The contingency allowance is for the sole use of the City and will be subject to written authorization by the City’s Project Manager and Program Manager.

Competitive Sealed Proposals were sent to 1,344 prospective suppliers of this item, including 84 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertise in the local newspaper. Two (2) proposals were received, references were checked, and proposals were evaluated based upon published criteria, including personnel, quality and reputation, schedule, safety record, and price. Best and Final Offers (BAFO) were requested from the top firms. Based upon this evaluation, 4X Construction Group, LLC was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	911, 912, 913, and 914
Notifications sent for Solicitation sent in IonWave:	1,344
Number of Suppliers that viewed Solicitation in IonWave:	47

HUB-Historically Underutilized Business Invitations sent out:	162
SBE-Small Business Enterprise Invitations sent out:	424
Responses from Solicitation:	2

### **RECOMMENDATION**

Award a contract with 4X Construction Group, LLC, for the Cell 6 Construction Project at the Landfill for the Solid Waste and Recycling Department, in a not-to-exceed amount of \$4,872,755.

### **PRINCIPAL PLACE OF BUSINESS**

4X Construction Group, LLC  
Mansfield, TX

### **ESTIMATED SCHEDULE OF PROJECT**

Delivery of the items will occur within 270 days after receipt of order.

### **FISCAL INFORMATION**

These services will be funded from Cell 6 Project account 660270595.1365.40100. Requisition #173955 has been entered into the Purchasing software system in the amount of \$4,640,719.25. The budgeted amount for this item is for a total of \$4,872,755.

### **EXHIBITS**

Exhibit 1: Agenda Information Sheet  
Exhibit 2: Pricing Evaluation  
Exhibit 3: Ordinance and Contract

Respectfully submitted:  
Lori Hewell, 940-349-7100  
Purchasing Manager

For information concerning this acquisition, contact: Randall Morris, 940-349-8049.

Legal point of contact: Leah Bush at 940-349-8333.

**Exhibit 2**  
**CSP 8907 - Pricing Evaluation for Cell 6 Construction Project**

Respondent's Business Name:	<b>4X Construction Group, LLC</b>	FCS Construction
Principal Place of Business (City and State):	<b>Mansfield, TX</b>	Frisco, TX
<b>Total Base Bid</b>	<b>\$4,640,719.25</b>	\$4,668,007.95

<b>Contingency:</b>	<b>\$232,035.75</b>
<b>Total Contract NTE Amount:</b>	<b>\$4,872,755.00</b>

<b>Evaluation</b>		
<b>Scoring Criteria</b>	<b>4X Construction Group, LLC</b>	<b>FCS Construction</b>
Offeror's Key Personnel - 10%	<b>8.00</b>	6.67
Quality, Reputation, and Ability to Complete Similar Projects on Schedule and Within Budget - 10%	<b>6.67</b>	7.33
Detailed Schedule and Written Plan - 25%	<b>20.00</b>	16.67
Offeror's Safety Record - 5%	<b>4.33</b>	4.33
Price, Total Cost of Ownership - 50%	<b>50.00</b>	49.71
<b>Total Score:</b>	<b>89.00</b>	84.71

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH 4X CONSTRUCTION GROUP, LLC, FOR THE CELL 6 CONSTRUCTION PROJECT AT THE LANDFILL FOR THE SOLID WASTE AND RECYCLING DEPARTMENT; PROVIDING FOR THE EXPENDITURE OF FUNDS THEREFOR; AND PROVIDING AN EFFECTIVE DATE (CSP 8907 – AWARDED TO 4X CONSTRUCTION GROUP, LLC, IN THE NOT-TO-EXCEED AMOUNT OF \$4,872,755.00).

WHEREAS, the City has solicited, received, and evaluated competitive proposals for the Cell 6 Construction Project at the Landfill for the Solid Waste and Recycling Department; and

WHEREAS, the City Manager, or a designated employee, has received, reviewed, and recommended that the herein described proposals are the most advantageous to the City considering the relative importance of price and the other evaluation factors included in the competitive sealed proposals; and

WHEREAS, this procurement was undertaken as part of the City’s governmental function; and

WHEREAS, the City Council has provided in the City Budget for the appropriation of funds to be used for the purchase of the materials, equipment, supplies, or services approved and accepted herein; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The items in the following numbered competitive sealed proposal for materials, equipment, supplies, or services shown in the “Competitive Sealed Proposals” on file in the office of the Purchasing Agent, are hereby accepted and approved as being the most advantageous to the City considering the relative importance of price and the other evaluation factors included in the competitive sealed proposal.

<u>CSP</u> <u>NUMBER</u>	<u>CONTRACTOR</u>	<u>AMOUNT</u>
8907	4X Construction Group, LLC	\$4,872,755.00

SECTION 2. That by the acceptance and approval of the above numbered items of the submitted proposals, the City accepts the offer of the persons submitting the proposals for such items and agrees to purchase the materials, equipment, supplies, or services in accordance with the terms, specifications, standards, quantities, and for the specified sums contained in the Proposal Invitations, Proposals, and related documents.

SECTION 3. That should the City and person submitting approved and accepted items wish

to enter into a formal written agreement as a result of the acceptance, approval, and awarding of the proposals, the City Manager, or their designated representative, is hereby authorized to execute the written contract which shall be attached hereto; provided that the written contract is in accordance with the terms, conditions, specifications, standards, quantities, and specified sums contained in the Proposal and related documents herein approved and accepted.

SECTION 4. The City Council of the City of Denton hereby expressly delegates the authority to take any actions that may be required or permitted to be performed by the City of Denton under this ordinance to the City Manager of the City of Denton, or their designee.

SECTION 5. By the acceptance and approval of the above enumerated bids, the City Council hereby authorizes the expenditure of funds therefor in the amount and in accordance with the approved bids.

SECTION 6. This ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by \_\_\_\_\_ and seconded by \_\_\_\_\_. This ordinance was passed and approved by the following vote [\_\_\_ - \_\_\_]:

	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Absent</b>
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

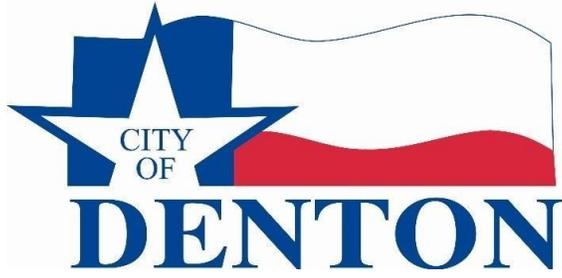
\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
INGRID REX, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: Leah Bush



## DocuSign City Council Transmittal Coversheet

FILE	8907
File Name	CELL 6 CONSTRUCTION PROJECT
Purchasing Contact	Crystal westbrook
City Council Target Date	
Piggy Back Option	Not Applicable
Contract Expiration	
Ordinance	



## 1 4.5 Liquidated Damages:

2 A. Contractor recognizes that time is of the essence to achieve Milestones, Substantial  
3 Completion, and Final Acceptance of the Work, and City will suffer financial and other  
4 losses if the Work is not completed within the times specified in the Contract Documents.  
5 The Contractor also recognizes the delays, expense and difficulties involved in proving,  
6 in a legal or arbitration proceeding, the actual loss suffered by the City if the Work related  
7 to the Milestones, Substantial Completion, or Final Acceptance is not completed on time.  
8 Accordingly, instead of requiring any such proof, Contractor agrees that liquidated  
9 damages for delay (but not as a penalty):

- 10 1. Substantial Completion: If the Contractor neglects, refuses, or fails to achieve  
11 Substantial Completion, as defined in the Supplementary Conditions, within the time  
12 (as duly adjusted pursuant to the Contract) specified in Paragraph 4.2, Contractor  
13 shall pay City Five Hundred Dollars (\$500.00) for each day that expires after such  
14 time, until Substantial Completion is achieved.
- 15 2. Final Acceptance: If Contractor neglects, refuse, or fails to complete the Work within  
16 the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.3, for  
17 completion and readiness for Final Payment, Contractor shall pay City One Thousand  
18 Dollars (\$1,000.00) for each day that expires after such time, until the date  
19 determined by City as stated in the City-issued Letter of Final Acceptance.

20 **Article 5. CONTRACT DOCUMENTS**

## 21 5.1 CONTENTS:

22 A. The Contract comprises the entire agreement between City and Contractor concerning the  
23 Work and consists of this Agreement and the items set forth below. The Contract  
24 Documents consist of all items below other than this Agreement:

- 25 1. Attachments to this Agreement:  
26 a. Proposal Form  
27 1) Proposal Form  
28 2) Unit Price Proposal Form  
29 3) Vendor Compliance to State Law Non-Resident Offeror  
30 b. Current Prevailing Wage Rate Table  
31 c. Worker's Compensation Affidavit  
32 d. General Conditions.  
33 e. Supplementary Conditions.
- 34 2. The following located in File Purchasing file number 8907 at:  
35  
36 [https://lfpubweb.cityofdenton.com/MaterialsManagement/Browse.aspx?id=19&](https://lfpubweb.cityofdenton.com/MaterialsManagement/Browse.aspx?id=19&dbid=0&repo=MaterialsManagement&cr=1)  
37 [dbid=0&repo=MaterialsManagement&cr=1](https://lfpubweb.cityofdenton.com/MaterialsManagement/Browse.aspx?id=19&dbid=0&repo=MaterialsManagement&cr=1)  
38  
39 a. Specifications described in the Table of Contents (Section 00 00 00) of the  
40 Project's Contract Documents.  
41 b. Drawings.  
42 c. Addenda.  
43 d. Documentation submitted by Contractor prior to Notice of Award.
- 44 3. The following which shall be issued after the Effective Date of this Agreement and  
45 delivered to the City within ten (10) days of the Effective Date and before beginning  
46 Work:  
47

- 1 a. Payment Bond
- 2 b. Performance Bond
- 3 c. Maintenance Bond
- 4 d. Power of Attorney for the Bonds
- 5 e. Form 1295 – Certificate of Interested Parties (email to City’s Materials
- 6 Management department)
- 7 f. Insurance Certificate
- 8 4. Specifications specifically made a part of the Contract Documents by attachment or,
- 9 if not attached, as incorporated by reference and described in the Table of Contents
- 10 of the Project’s Contract Documents.
- 11 5. The following which may be delivered or issued after the Effective Date of the
- 12 Agreement and, if issued, become an incorporated part of the Contract Documents:
- 13 a. Notice to Proceed.
- 14 b. Field Orders.
- 15 c. Change Orders.
- 16 d. Letter of Final Acceptance.
- 17
- 18

**Article 6. INDEMNIFICATION**

**6.1 Contractor covenants and agrees to indemnify, hold harmless and defend, at its own EXPENSE, THE CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS FOR PERSONAL INJURY OR DEATH, ARISING OUT OF, OR ALLEGED TO ARISE OUT OF, RELATED TO OR IN CONNECTION WITH THE WORK AND SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THIS CONTRACT. THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE CITY. THIS INDEMNITY PROVISION IS INTENDED TO INCLUDE, WITHOUT LIMITATION, INDEMNITY FOR ANY AND ALL COSTS, EXPENSES AND LEGAL FEES INCURRED BY THE CITY IN DEFENDING AGAINST SUCH CLAIMS AND CAUSES OF ACTIONS.**

**6.2 CONTRACTOR COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND, AT ITS OWN EXPENSE, THE CITY, ITS OFFICERS, SERVANTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS FOR, LOSS OF, DAMAGE TO, OR DESTRUCTION OF, PROPERTY OF THE CITY OR OF A THIRD PARTY, ARISING OUT OF, OR ALLEGED TO ARISE OUT OF, RELATED TO OR IN CONNECTION WITH THE WORK AND SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THIS CONTRACT. THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE CITY. THIS INDEMNITY PROVISION IS INTENDED TO INCLUDE, WITHOUT LIMITATION, INDEMNITY FOR ANY AND ALL COSTS, EXPENSES AND LEGAL FEES INCURRED BY THE CITY IN DEFENDING AGAINST SUCH CLAIMS AND CAUSES OF ACTIONS.**

**Article 7. MISCELLANEOUS**

**7.1 Capitalized Terms.**

Unless otherwise stated herein, capitalized terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

**7.2 Assignment of Contract.**

This Agreement, including all of the Contract Documents may not be assigned by the Contractor without the advance express written consent of the City.

1 7.3 Successors and Assigns.

2 City and Contractor each binds itself, its partners, successors, assigns and legal  
3 representatives to the other party hereto, in respect to all covenants, agreements and  
4 obligations contained in the Contract Documents.

5 7.4 Severability.

6 Any provision or part of the Contract Documents held to be unconstitutional, void or  
7 unenforceable by a court of competent jurisdiction shall be deemed stricken, and all  
8 remaining provisions shall continue to be valid and binding upon City and Contractor.

9 7.5 Venue and Waiver of Sovereign Immunity.

10 This Agreement, including all of the Contract Documents is performable in the State of  
11 Texas. Venue shall be in the state district courts of Denton County, Texas. The City's  
12 sovereign immunity is waived only to the extent set forth and in accordance with the  
13 provisions of Subchapter I, Chapter 271 of the Texas Local Government Code or as otherwise  
14 specifically waived by law. The City does not waive its sovereign immunity to suit in federal  
15 court.

16 7.6 Authority to Sign.

17 Contractor hereby certifies that the person signing the Agreement on its behalf is the duly  
18 authorized signatory of the Contractor.

19

20 7.7 Prohibition on Contracts with Companies Boycotting Israel.

21

22 Contractor acknowledges that in accordance with Chapter 2270 of the Texas Government  
23 Code, the City is prohibited from entering into a contract with a company for goods or  
24 services unless the contract contains a written verification from the company that it: (1)  
25 does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

26 The terms "boycott Israel" and "company" shall have the meanings ascribed to those terms  
27 in Section 808.001 of the Texas Government Code. **By signing this contract, Contractor**  
28 **certifies that Contractor's signature provides written verification to the City that**  
29 **Contractor: (1) does not boycott Israel; and (2) will not boycott Israel during the term of**  
30 **the contract.**

31

32 7.8 Prohibition on Contracts with Companies Boycotting Certain Energy Companies.

33

34 Contractor acknowledges that in accordance with Chapter 2274 of the Texas Government  
35 Code, City is prohibited from entering into a contract with a company for goods or services  
36 unless the contract contains written verification from the company that it (1) does not boycott  
37 energy companies; and (2) will not boycott energy companies during the term of the contract.  
38 The terms "boycott energy company" and "company" shall have the meanings ascribed to  
39 those terms in Section 809.001 of the Texas Government Code. **By signing this agreement,**  
40 **Contractor certifies that Contractor's signature provides written verification to the City**  
41 **that Contractor: (1) does not boycott energy companies; and (2) will not boycott energy**  
42 **companies during the term of the agreement.** Failure to meet or maintain the requirements  
43 under this provision will be considered a material breach.  
44

1 7.9 Prohibition on Contracts with Companies Boycotting Certain Firearm Entities and Firearm  
 2 Trade Associations.  
 3

4 Contractor acknowledges that in accordance with Chapter 2274 of the Texas Government  
 5 Code, City is prohibited from entering into a contract with a company for goods or services  
 6 unless the contract contains written verification from the company that it (1) does not have  
 7 a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm  
 8 trade association; and (2) will not discriminate during the term of the contract against a  
 9 firearm entity or firearm trade association. The terms “discriminate against a firearm entity  
 10 or firearm trade association,” “firearm entity” and “firearm trade association” shall have the  
 11 meanings ascribed to those terms in Chapter 2274 of the Texas Government Code. **By**  
 12 **signing this agreement, Contractor certifies that Contractor’s signature provides written**  
 13 **verification to the City that Contractor: (1) does not have a practice, policy, guidance, or**  
 14 **directive that discriminates against a firearm entity or firearm trade association; and (2)**  
 15 **will not discriminate during the term of the contract against a firearm entity or firearm**  
 16 **trade association.** Failure to meet or maintain the requirements under this provision will be  
 17 considered a material breach.  
 18

19 8.0 Prohibition on Contracts with Companies Doing Business with Iran, Sudan, or a Foreign  
 20 Terrorist Organization.  
 21

22 Sections 2252 and 2270 of the Texas Government Code restricts CITY from contracting with  
 23 companies that do business with Iran, Sudan, or a foreign terrorist organization. **By signing**  
 24 **this agreement, Contractor certifies that Contractor’s signature provides written**  
 25 **verification to the City that Contractor, pursuant to Chapters 2252 and 2270, is not**  
 26 **ineligible to enter into this agreement and will not become ineligible to receive payments**  
 27 **under this agreement by doing business with Iran, Sudan, or a foreign terrorist**  
 28 **organization.** Failure to meet or maintain the requirements under this provision will be  
 29 considered a material breach.  
 30

31 8.1 Termination Right for Contracts with Companies Doing Business with Certain Foreign-  
 32 Owned Companies.  
 33

34 The City of Denton may terminate this Contract immediately without any further liability if  
 35 the City of Denton determines, in its sole judgment, that this Contract meets the requirements  
 36 under Chapter 2274, and Contractor is, or will be in the future, (i) owned by or the majority  
 37 of stock or other ownership interest of the company is held or controlled by individuals who  
 38 are citizens of China, Iran, North Korea, Russia, or other designated country (ii) directly  
 39 controlled by the Government of China, Iran, North Korea, Russia, or other designated  
 40 country, or (iii) is headquartered in China, Iran, North Korea, Russia, or other designated  
 41 country.  
 42

43 7.8 Immigration Nationality Act.

1 Contractor shall verify the identity and employment eligibility of its employees who perform  
2 work under this Agreement, including completing the Employment Eligibility Verification  
3 Form (I-9). Upon request by City, Contractor shall provide City with copies of all I-9 forms  
4 and supporting eligibility documentation for each employee who performs work under this  
5 Agreement. Contractor shall adhere to all Federal and State laws as well as establish  
6 appropriate procedures and controls so that no services will be performed by any Contractor  
7 employee who is not legally eligible to perform such services. **CONTRACTOR SHALL**  
8 **INDEMNIFY CITY AND HOLD CITY HARMLESS FROM ANY PENALTIES,**  
9 **LIABILITIES, OR LOSSES DUE TO VIOLATIONS OF THIS PARAGRAPH BY**  
10 **CONTRACTOR, CONTRACTOR’S EMPLOYEES, SUBCONTRACTORS,**  
11 **AGENTS, OR LICENSEES.** City, upon written notice to Contractor, shall have the right  
12 to immediately terminate this Agreement for violations of this provision by Contractor.

13  
14 7.9 No Third-Party Beneficiaries.

15  
16 This Agreement gives no rights or benefits to anyone other than the City and the Contractor  
17 and there are no third-party beneficiaries.

18  
19 7.10 No Cause of Action Against Engineer.

20  
21 Contractor, its subcontractors and equipment and materials suppliers on the Project or their  
22 sureties, shall maintain no direct action against the Engineer, its officers, employees, and  
23 subcontractors, for any claim arising out of, in connection with, or resulting from the engineering  
24 services performed. Only the City will be the beneficiary of any undertaking by the Engineer.  
25 The presence or duties of the Engineer's personnel at a construction site, whether as on-site  
26 representatives or otherwise, do not make the Engineer or its personnel in any way  
27 responsible to Contractor or any other entity for those duties that belong to the City, and do  
28 not relieve Contractor or any other entity of its obligations, duties, and responsibilities,  
29 including, but not limited to, all construction methods, means, techniques, sequences, and  
30 procedures necessary for performing, coordinating and completing all portions of the Work  
31 in accordance with the Contract Documents and any health or safety precautions required by  
32 such Work. The Engineer and its personnel have no authority to exercise any control over  
33 any construction contractor or other entity or their employees in connection with their work  
34 or any health or safety precautions.

35  
36 SIGNATURE PAGE TO FOLLOW  
37

1 IN WITNESS WHEREOF, City and Contractor have each executed this Agreement to be effective  
2 as of the date subscribed by the City’s City Manager or his designee (“Effective Date”).  
3

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CITY OF DENTON  
  
BY: \_\_\_\_\_  
  
TITLE: \_\_\_\_\_  
  
DATE: \_\_\_\_\_

20 THIS AGREEMENT HAS BEEN  
21 BOTH REVIEWED AND APPROVED  
22 as to financial and operational obligations and  
23 business terms.

CONTRACTOR  
4X CONSTRUCTION GROUP, LLC  
DocuSigned by:  
  
BY: \_\_\_\_\_  
C84CF2E734CB491  
AUTHORIZED AGENT

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Signed by:  
  
C3C63BE563154A1  
Brenda Haney  
SIGNATURE PRINTED NAME  
Director  
TITLE  
Solid Waste & Recycling  
DEPARTMENT

Jeff Parrish  
NAME  
Managing Member  
TITLE  
817-779-3290  
PHONE NUMBER  
jeff.parrish@4xconstruction.com  
EMAIL ADDRESS

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40  
41  
42  
43  
44

ATTEST:  
\_\_\_\_\_  
\_\_\_\_\_

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55

TEXAS ETHICS COMMISSION  
1295 CERTIFICATE NUMBER

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APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY  
Signed by:  
  
2A036B08B5D7485...

**SECTION 00 41 01**  
**PROPOSAL FORM - CSP**

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TO: *City of Denton*  
c/o: Purchasing Division  
901-B Texas Street  
Denton, Texas 76209

FOR: *Cell 6 Excavation and Liner & 1590 Separation Liner Construction*

**1 Enter into Agreement**

The undersigned Offeror proposes and agrees, if this Proposal is accepted, to enter into an Agreement with City in the form included in the Proposal Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Unit Price Proposal and within the Contract Time indicated in this Proposal and in accordance with the other terms and conditions of the Contract Documents.

**2 OFFEROR Acknowledgements and Certification**

- 2.1 In submitting this Proposal, Offeror accepts all of the terms and conditions of the INVITATION TO OFFORERS and INSTRUCTIONS TO OFFORERS, including without limitation those dealing with the disposition of Offeror’s Bond.
- 2.2 Offeror is aware of all costs to provide the required insurance, will do so pending contract award, and will provide a valid insurance certificate meeting all requirements within 14 days of notification of award.
- 2.3 Offeror certifies that this Proposal is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
- 2.4 Offeror has not directly or indirectly induced or solicited any other Offeror to submit a false or sham Proposal.
- 2.5 Offeror has not solicited or induced any individual or entity to refrain from proposing.
- 2.6 Offeror has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph:
  - a. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the proposal process.
  - b. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the proposal process to the detriment of City (b) to establish proposal prices at artificial non-competitive levels, or (c) to deprive City of the benefits of free and open competition.
  - c. "collusive practice" means a scheme or arrangement between two or more Offerors, with or without the knowledge of City, a purpose of which is to establish proposal prices at artificial, non-competitive levels.

1 d. "coercive practice" means harming or threatening to harm, directly or indirectly,  
2 persons or their property to influence their participation in the proposal process  
3 or affect the execution of the Contract.  
4

5 2.7 The Offeror acknowledges and agrees to comply with the requirements of City Ethics  
6 Ordinance No. 18-757.  
7

8 **3 Time of Completion**  
9

10 3.1 The Work will be Substantially Complete as defined in the Supplementary Conditions  
11 within 240 days after the date when the Contract Time commences to run, which is the day  
12 indicated in the Notice to Proceed, plus any extension thereof allowed in accordance with  
13 Article 11 of the General Conditions.

14 3.2 The Work will be complete for Final Acceptance within 270 days after the date when the  
15 Contract Time commences to run, which is the day indicated in the Notice to Proceed, plus  
16 any extension thereof allowed in accordance with Article 11 of the General Conditions.

17 3.3 Offeror accepts the provisions of the Agreement as to Liquidated Damages in the event of  
18 failure to obtain Milestones (if applicable), Substantial Completion, and Final Acceptance  
19 within the times specified in the Agreement.  
20

21 **4 Attached to this Proposal**  
22

23 4.1 The following documents are attached to and made a part of this Proposal:

- 24 a. Section 00 35 14 – Conflict of Interest Affidavit – CSP
- 25 b. Section 00 41 01 – This Proposal Form – CSP
- 26 c. **Section 00 42 44 – Unit Price Proposal Form – CSP – Excel Electronic Copy**  
27 **(either included in the hard copy Proposal, or submitted via Ionwave)**
- 28 d. Section 00 43 14 – Required Offeror’s Bond – CSP, issued by a surety meeting the  
29 requirements of Paragraph 6.01 of the General Conditions.
- 30 e. Section 00 43 38 – Proposed Subcontractors Form – CSP
- 31 f. Section 00 43 39 – Vendor Compliance to State Law Non-Resident Offeror – CSP
- 32 g. Section 00 45 14 – Safety Record Questionnaire – CSP
- 33 h. Section 00 45 27 – Contractor Compliance with Workers Compensation Law – CSP
- 34 i. Section 00 45 44 – Corporate Resolution of Authorized Signatories – CSP
- 35 j. Any additional documents required by Paragraph 12 of Section 00 21 16 –  
36 Instructions to Offerors  
37

38 **5 Total Proposal Amount**  
39

40 5.1 Offeror will complete the Work in accordance with the Contract Documents for the  
41 following proposal amount. In the space provided below, please enter the total proposed  
42 amount for this project. This figure will be read publicly by the City at the proposal  
43 opening.

44 5.2 It is understood and agreed by the Offeror in signing this proposal that the total proposed  
45 amount entered below is subject to verification and/or modification by multiplying the unit  
46 prices for each pay item by the respective estimated quantities shown in this proposal and  
47 then totaling all of the extended amounts.  
48

49 Total Proposal Amount: \$ 4,759,699.00

1 **6 Proposal Submittal**

2  
3 6.1 It is understood by Offeror that submission of the total proposal amount is only one of the  
4 factors for the City's evaluation process, and that any award of contract will be based on  
5 the complete evaluation of the Proposal and Offeror by City under the terms provided in  
6 the Instructions to Offerors or any validly issued amendments or addenda.  
7

8 6.2 This Proposal is submitted on November 5, 2025 by the entity  
9 named below.

10  
11 Respectfully submitted,

12  
13  
14 By:   
15 (Signature)

16  
17 Jeff Parrish  
18 (Printed Name)

19  
20 Title: Managing Member

21  
22 Company: 4X Construction Group, LLC

23  
24 Address: 99 Regency Parkway, Suite 303  
25 Mansfield, TX 76063

26  
27 State of Incorporation: DE

28  
29 Email: jeff.parrish@4xconstruction.com

30  
31 Phone: 817-779-3290

Receipt is acknowledged of the following Addenda:	Initial
Addenda No. 1:	<u>JP</u>
Addenda No. 2:	<u>JP</u>
Addenda No. 3:	<u>JP</u>
Addenda No. 4:	
Addenda No. 5:	

32 **END OF SECTION**

**BAFO PROPOSAL FORM ATTACHMENT**

To: Crystal Westbrook  
c/o: Purchasing Division  
901-B Texas Street  
Denton, Texas 76209

FOR: CSP 8907 Cell 6 Construction Project

The undersigned Offeror hereby submits this Proposal Form Revision and Best and Final Offer (this "BAFO") for CSP 8907 Cell 6 Construction Project and confirms that this BAFO Proposal is based on the project requirements per the CSP documents and any subsequent addenda.

**1 Total BAFO Proposal Amount**

1.1 Offeror will complete the Work in accordance with the Contract Documents for the following BAFO proposal amount. In the space provided below, please enter the total proposed BAFO amount for this project.

1.2 It is understood and agreed by the Offeror in signing this proposal that the total proposed BAFO amount entered below is subject to verification and/or modification by multiplying the unit prices for each pay item by the respective estimated quantities shown in this proposal and then totaling all of the extended amounts.

Total BAFO Proposal Amount: \$ 4,640,719.25

**2 BAFO Proposal Submittal**

2.1 It is understood by Offeror that submission of the total BAFO proposal amount is only one of the factors for the City's evaluation process, and that any award of contract will be based on the complete evaluation of the Proposal and Offeror by City under the terms provided in the Instructions to Offerors or any validly issued amendments or addenda.

2.2 This BAFO Proposal is submitted on December 5, 2025 by the entity named below.

Respectfully submitted,

By:   
(Signature)

Jeff Parrish  
(Printed Name)

Title: Managing Member

Company: 4X Construction Group, LLC

52 Address: 99 Regency Parkway, Suite 303

53 Mansfield, TX 76063

54 State of Incorporation: DE

55 Email: jeff.parrish@4xconstruction.com

56 Phone: 817-779-3290

57 **END OF SECTION**



**SECTION 00 42 44 - UNIT PRICE PROPOSAL FORM - CSP 8907**

To: City of Denton - Capital Projects  
 901-B Texas Street  
 Denton, TX 76209  
 Crystal Westbrook/Purchasing Dept.

From: 4X Construction Group, LLC  
 99 Regency Parkway, Ste 303  
 Mansfield, TX  
 Jeff Parrish  
 817-779-3290  
[jeff.parrish@4Xconstruction.com](mailto:jeff.parrish@4Xconstruction.com)

PROJ.: **Cell 6 Excavation and Liner Construction & 1590 Separation Liner**

RFP:  
 ENG  
 PMO:

**OFFEROR'S APPLICATION - UNIT PRICE PROPOSAL**

Item No.	Spec. Section No.	Description	UOM	BID QTY	Unit Price	Extended Price
1	01 22 00 & 01 70 00	Mobilization (3% Max.)	LS	1	\$ 139,035.00	\$ 139,035.00
2	01 22 00 & 01 57 13	Erosion Control, Furnish and Install Temporary Sediment and All Related Items, Complete and in Place as Required.	LS	1	\$ 24,375.00	\$ 24,375.00
3	01 22 00	Groundwater Underdrain - Phase I (as shown on Sheet C-006) & dewatering; including all labor, equipment, materials, and all other appurtenances	LS	1	\$ 34,125.00	\$ 34,125.00
4	01 22 00	Groundwater Underdrain System - Phase II (as shown on Sheet C-006A); including all labor, equipment, materials, and all other appurtenances (if required, based upon field conditions)	LS	1	\$ 394,875.00	\$ 394,875.00
5	01 22 00	Groundwater Underdrain Sump, Riser & Headwall	LS	1	\$ 58,500.00	\$ 58,500.00
6	01 22 00, 31 05 13, & 31 23 00	Excavation (including hauling and stockpiling the excavated material) from Cell 6 & 1590 Separation Liner Area	CY	300,000	\$ 2.25	\$ 675,000.00
7	01 22 00, 31 05 13, & 31 23 00	Subgrade Fill (at 95% standard proctor density as per Section 31 23 00) for Cell 6 & 1590 Separation Liner Area	CY	4,250	\$ 1.95	\$ 8,287.50
8	01 22 00	Cell 6 Subgrade Preparation - Floor (vertical tolerance -0.2 ft to +0.0 ft)	SF	608,300	\$ 0.18	\$ 109,494.00
9	01 22 00	Cell 6 Subgrade Preparation - Side Slope (vertical tolerance -0.2 ft to +0.0 ft)	SF	120,550	\$ 0.20	\$ 24,110.00
10	01 22 00 & 31 90 33	2-ft Compacted Clay Liner for Cell 6 & 1590 Separation Liner, measured perpendicular to the subgrade, Prepared for Geomembrane, inclusive of Hauling from on-site Stockpiles, Complete in Place (vertical tolerance 0.0 ft to +0.2 ft)	SY	145,500	\$ 2.25	\$ 327,375.00
11	01 22 00 & 31 90 33	Hauling Clay from North stockpile (Haul Distance is 1.00 miles from the Northeast corner of Cell 6) for Constructing Cell 6 and 1590 Separation Liner CCL, this line item is for additional length of haul only, as needed and if needed	CY	29,695	\$ 1.65	\$ 48,996.75
12	01 22 00 & 31 90 34	60 Mil HDPE Geomembrane - Textured for Cell 6, Complete in Place (no additional quantity paid for overlap, anchor trench and/or sacrificial liner)	SF	728,850	\$ 0.60	\$ 437,310.00
13	01 22 00 & 31 05 19.26	Geocomposite Drainage Layer for Cell 6 Composite Liner, Complete in Place	SF	728,850	\$ 0.62	\$ 451,887.00
14	01 22 00 & 31 90 30	2 ft thick Protective Soil Cover, measured perpendicular from the liner, Complete in Place for Cell 6 & Separation Liner (vertical tolerance 0.0 ft to +0.2 ft)	SY	145,500	\$ 1.95	\$ 283,725.00
15	01 22 00 & 31 05 19.13	Geotextile Fabric - 8oz, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	SF	23,100	\$ 0.50	\$ 11,550.00

Item No.	Spec. Section No.	Description	UOM	BID QTY	Unit Price	Extended Price
16	01 22 00 & 31 90 20	Gravel Drainage Material	CY	430	\$ 102.50	\$ 44,075.00
17	01 22 00 & 31 90 40.10	Leachate Collection Trench including Drainage Gravel and 12-Inch LCS Pipe, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	LF	1,030	\$ 63.40	\$ 65,302.00
18	01 22 00 & 31 90 40.10	18-Inch Riser Pipe, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	LF	70	\$ 171.00	\$ 11,970.00
19	01 22 00 & 31 90 40.10	2-Inch Flush Lines, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	EA	2	\$ 1,950.00	\$ 3,900.00
20	01 22 00 & 22 14 29	Wheeled Sump Drainer (EPG SurePump™, 45 gpm at 45 ft TDH), Control panel, flow meter, and all appurtenances, includes both leachate sump pump and groundwater underdrain pump	EA	2	\$ 35,000.00	\$ 70,000.00
21	01 22 00	Electrical Power to Sump	LS	1	\$ 27,500.00	\$ 27,500.00
22	01 22 00	Leachate Connection to the Forcemain & Gas Line	LS	1	\$ 4,875.00	\$ 4,875.00
23	01 22 00	Sump Access Structure & Headwall	EA	1	\$ 17,550.00	\$ 17,550.00
24	01 22 00 & 31 23 16.13	Anchor Trench for Cell 6 Bottom Liner and 1590 Separation Liner, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	LF	2,800	\$ 8.75	\$ 24,500.00
25	01 22 00	Liner Tie-in (New Composite Liner to Existing Composite Liner)	LF	1,260	\$ 14.50	\$ 18,270.00
26	01 22 00	Liner Tie-in (New Separation Liner to Existing Separation Liner)	LF	780	\$ 14.50	\$ 11,310.00
27	01 22 00 & 31 90 35	Cell 1590 Subgrade Preparation for Separation Liner	SF	630,770	\$ 0.15	\$ 94,615.50
28	01 22 00	Separation Liner Geocomposite Gas Venting Layer, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	SF	600,300	\$ 0.48	\$ 288,144.00
29	01 22 00 & 31 05 19.26	Separation Liner Geocomposite Drainage Layer, Complete in Place (including all labor, equipment, materials, and all other appurtenances)	SF	650,000	\$ 0.62	\$ 403,000.00
30	01 22 00 & 31 90 35	Separation Liner 40 Mil LLDPE Geomembrane (no additional quantity paid for overlap and/or sacrificial liner)	SF	650,000	\$ 0.47	\$ 305,500.00
31	01 22 00 & 31 90 30	Protective Cover Berm (including all labor, equipment, materials, and all other appurtenances)	LF	3,350	\$ 8.75	\$ 29,312.50
32	01 22 00	SLER/GLER/Grid Marker, Complete in Place	EA	16	\$ 475.00	\$ 7,600.00
33	01 22 00	Traffic Control Signage	LS	1	\$ 4,300.00	\$ 4,300.00
34	01 22 00, 31 05 13, & 31 23 00	East Pond Excavation	CY	65,000	\$ 2.70	\$ 175,500.00
35	--	East Pond - Remove Existing Riprap and Place Rock Riprap	LS	1	\$ 4,850.00	\$ 4,850.00
<b>TOTAL BASE PROPOSAL:</b>						<b>\$4,640,719.25</b>

**Alternate Proposal**

1A					\$ -	\$ -
2A					\$ -	\$ -
3A					\$ -	\$ -
<b>TOTAL ALT. Proposal:</b>						<b>\$0.00</b>

**TOTAL BASE PLUS ALTERNATE PROPOSAL: \$4,640,719.25**

<b>Cell 6 Excavation and Liner Construction &amp; 1590 Separation Liner</b>	<b>TOTAL PROPOSAL:</b>	<b>\$4,640,719.25</b>
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**SECTION 00 43 39**

**VENDOR COMPLIANCE TO STATE LAW NON-RESIDENT OFFEROR - CSP**

Texas Government Code Chapter 2252 was adopted for the award of contracts to nonresident offerors. This law provides that, in order to be awarded a best value contract where the offeror also offered the lowest proposal price, nonresident offerors (out-of-state contractors whose corporate offices or principal place of business are outside the State of Texas) propose on projects for construction, improvements, supplies or services in Texas at an amount lower than the lowest Texas resident offeror by the same amount that a Texas resident offeror would be required to underbid a nonresident offeror in order to obtain a comparable contract in the State which the nonresident's principal place of business is located.

The appropriate blanks in Section A must be filled out by all nonresident offerors in order for your proposal to meet specifications. The failure of nonresident offerors to do so will automatically disqualify that offeror. Resident offerors must check the box in Section B.

A. Nonresident offerors in the State of \_\_\_\_\_, our principal place of business, are required to be \_\_\_\_\_ percent lower than resident offerors by State Law. A copy of the statute is attached.

Nonresident offerors in the State of \_\_\_\_\_, our principal place of business, are not required to underbid resident Offerors.

B. The principal place of business of our company or our parent company or majority owner is in the State of Texas.

**OFFEROR:**

4X Construction Group, LLC  
Company

By: Jeff Parrish  
(Please Print)

99 Regency Parkway, Suite 303  
Address

Signature: 

Mansfield, TX 76063  
City/State/Zip

Title: Managing Member  
(Please Print)

Date: 11/5/2025

**END OF SECTION**

"General Decision Number: TX20240025 01/05/2024

Superseded General Decision Number: TX20230025

State: Texas

Construction Type: Highway

Counties: Archer, Callahan, Clay, Collin, Dallas, Delta, Denton, Ellis, Grayson, Hunt, Johnson, Jones, Kaufman, Parker, Rockwall, Tarrant and Wise Counties in Texas.

HIGHWAY CONSTRUCTION PROJECTS (excluding tunnels, building structures in rest area projects & railroad construction; bascule, suspension & spandrel arch bridges designed for commercial navigation, bridges involving marine construction; and other major bridges).

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(1).

<p>If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:</p>	<ul style="list-style-type: none"> <li>. Executive Order 14026 generally applies to the contract.</li> <li>. The contractor must pay all covered workers at least \$17.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2024.</li> </ul>
<p>If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:</p>	<ul style="list-style-type: none"> <li>. Executive Order 13658 generally applies to the contract.</li> <li>. The contractor must pay all covered workers at least \$12.90 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2024.</li> </ul>

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at

<http://www.dol.gov/whd/govcontracts>.

Modification Number      Publication Date  
 0                              01/05/2024

SUTX2011-007 08/03/2011

	Rates	Fringes
CONCRETE FINISHER (Paving and Structures).....	\$ 14.12	**
ELECTRICIAN.....	\$ 19.80	
FORM BUILDER/FORM SETTER		
Paving & Curb.....	\$ 13.16	**
Structures.....	\$ 13.84	**
LABORER		
Asphalt Raker.....	\$ 12.69	**
Flagger.....	\$ 10.06	**
Laborer, Common.....	\$ 10.72	**
Laborer, Utility.....	\$ 12.32	**
Pipelayer.....	\$ 13.24	**
Work Zone Barricade Servicer.....	\$ 11.68	**
POWER EQUIPMENT OPERATOR:		
Asphalt Distributor.....	\$ 15.32	**
Asphalt Paving Machine.....	\$ 13.99	**
Broom or Sweeper.....	\$ 11.74	**
Concrete Pavement Finishing Machine.....	\$ 16.05	**
Concrete Saw.....	\$ 14.48	**
Crane Operator, Lattice Boom 80 Tons or Less.....	\$ 17.27	
Crane Operator, Lattice Boom over 80 Tons.....	\$ 20.52	
Crane, Hydraulic 80 Tons or Less.....	\$ 18.12	
Crawler Tractor.....	\$ 14.07	**
Excavator, 50,000 pounds or less.....	\$ 17.19	**
Excavator, over 50,000 pounds.....	\$ 16.99	**
Foundation Drill , Truck Mounted.....	\$ 21.07	
Foundation Drill, Crawler Mounted.....	\$ 17.99	
Front End Loader 3 CY or Less.....	\$ 13.69	**
Front End Loader, over 3 CY.....	\$ 14.72	**
Loader/Backhoe.....	\$ 15.18	**
Mechanic.....	\$ 17.68	
Milling Machine.....	\$ 14.32	**
Motor Grader, Fine Grade....	\$ 17.19	**
Motor Grader, Rough.....	\$ 16.02	**
Pavement Marking Machine....	\$ 13.63	**
Reclaimer/Pulverizer.....	\$ 11.01	**
Roller, Asphalt.....	\$ 13.08	**
Roller, Other.....	\$ 11.51	**
Scraper.....	\$ 12.96	**
Small Slipform Machine.....	\$ 15.96	**
Spreader Box.....	\$ 14.73	**

Servicer.....\$ 14.58 \*\*

Steel Worker (Reinforcing).....\$ 16.18 \*\*

TRUCK DRIVER

Lowboy-Float.....\$ 16.24 \*\*

Off Road Hauler.....\$ 12.25 \*\*

Single Axle.....\$ 12.31 \*\*

Single or Tandem Axle Dump

Truck.....\$ 12.62 \*\*

Tandem Axle Tractor with

Semi Trailer.....\$ 12.86 \*\*

Transit-Mix.....\$ 14.14 \*\*

WELDER.....\$ 14.84 \*\*

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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\*\* Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$17.20) or 13658 (\$12.90). Please see the Note at the top of the wage determination for more information. Please also note that the minimum wage requirements of Executive Order 14026 are not currently being enforced as to any contract or subcontract to which the states of Texas, Louisiana, or Mississippi, including their agencies, are a party.

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

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The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular

rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour National Office because National Office has responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
 Wage and Hour Division  
 U.S. Department of Labor  
 200 Constitution Avenue, N.W.  
 Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
 U.S. Department of Labor  
 200 Constitution Avenue, N.W.  
 Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
 U.S. Department of Labor  
 200 Constitution Avenue, N.W.  
 Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION"

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**SECTION 00 43 39**

**VENDOR COMPLIANCE TO STATE LAW NON-RESIDENT OFFEROR - CSP**

Texas Government Code Chapter 2252 was adopted for the award of contracts to nonresident offerors. This law provides that, in order to be awarded a best value contract where the offeror also offered the lowest proposal price, nonresident offerors (out-of-state contractors whose corporate offices or principal place of business are outside the State of Texas) propose on projects for construction, improvements, supplies or services in Texas at an amount lower than the lowest Texas resident offeror by the same amount that a Texas resident offeror would be required to underbid a nonresident offeror in order to obtain a comparable contract in the State which the nonresident's principal place of business is located.

The appropriate blanks in Section A must be filled out by all nonresident offerors in order for your proposal to meet specifications. The failure of nonresident offerors to do so will automatically disqualify that offeror. Resident offerors must check the box in Section B.

A. Nonresident offerors in the State of \_\_\_\_\_, our principal place of business, are required to be \_\_\_\_\_ percent lower than resident offerors by State Law. A copy of the statute is attached.

Nonresident offerors in the State of \_\_\_\_\_, our principal place of business, are not required to underbid resident Offerors.

B. The principal place of business of our company or our parent company or majority owner is in the State of Texas.

**OFFEROR:**

4X Construction Group, LLC  
Company

By: Jeff Parrish  
(Please Print)

99 Regency Parkway, Suite 303  
Address

Signature: 

Mansfield, TX 76063  
City/State/Zip

Title: Managing Member  
(Please Print)

Date: 11/5/2025

**END OF SECTION**

# **STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT**

**STANDARD GENERAL CONDITIONS  
OF THE CONSTRUCTION CONTRACT**  
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## ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

### 1.01 *Defined Terms*

- A. Wherever used in the Contract or in other Contract Documents, the terms listed below have the meanings indicated which are applicable to both the singular and plural thereof, and words denoting gender shall include the masculine, feminine and neuter. When used in a context consistent with the definition of a listed-defined term, the term shall have a meaning as defined below whether capitalized or italicized or otherwise. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
  2. *Agreement*—The written instrument titled “Agreement”, “Agreement – CSP”, or “Agreement – Unit Price Bid” executed by the City and Contractor for the Work, setting forth the name of the Project, Contract Price, Contract Time and the items included in the Contract.
  3. *Application for Payment*—The form acceptable to City which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract.
  4. *Asbestos*—Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
  5. *Award*—Authorization by the City Council for the City to enter into an Agreement.
  6. *Bid*—The offer or proposal of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed. The term “Bid” shall be defined to include the term “Proposal” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid.
  7. *Bidder*—The individual or entity that submits a Bid directly to City. The term “Bidder” shall be defined to include the terms “Proposer” or “Offeror” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid.
  8. *Bidding Documents*—The Bidding Requirements and the proposed Contract Documents (including all Addenda). The term “Bidding Documents” shall be defined to include the terms “Proposal Documents” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid.
  9. *Bidding Requirements*—The Advertisement or Invitation to Bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments. The term “Bidding Requirements” shall be defined to include the terms “Proposal Requirements” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid and will include the Request for Proposal or Invitation to Offerors, Instructions to Offerors, Offerors Bond or other Proposal security, if any, the Proposal Form, and the Proposal with any attachments.

10. *Business Day*—A day that the City conducts normal business, generally Monday through Friday, except for federal or state holidays observed by the City.
11. *Calendar Day*—A day consisting of 24 hours measured from midnight to the next midnight.
12. *Change Order*—A document which is prepared by the Contractor or City, approved by the City, and signed by Contractor and City, authorizing an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Time, issued on or after the Effective Date of the Agreement.
13. *City*—The City of Denton is, a Texas home-rule municipal corporation acting by its City Council through its City Manager or his or her designee.
14. *City Attorney*—The officially appointed City Attorney of the City of Denton or his or her designee.
15. *City Council*—The duly elected and qualified governing body of the City of Denton.
16. *City Manager*—The officially appointed authorized City Manager of the City of Denton.
17. *Contract*—The entire and integrated set of written instruments between the City and Contractor concerning the Work comprised of the Agreement and all Contract Documents, which written instruments supersede all prior negotiations, representations, or agreements, whether written or oral, concerning the Work.
18. *Contract Claim*—A demand or assertion by City or Contractor seeking an adjustment of Contract Price or Contract Time, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Contract Claim.
19. *Contract Documents*—Those items so designated as “Contract Documents.” in the Agreement at Paragraph 5.1.A. Approved Submittals, other Contractor submittals, and the reports and drawings of subsurface and physical conditions are not Contract Documents.
20. *Contract Price*—The moneys payable by City to Contractor for completion of the Work in accordance with the Contract Documents as stated in the Agreement (subject to the provisions of Paragraph 12.03 in the case of Unit Price Work). The Contract Price does not include any “Incentive”, if applicable.
21. *Contract Time*—The number of days or the dates stated in the Agreement to: (a) achieve Milestones, if any and (bb) complete the Work so that it is ready for Final Acceptance.
22. *Contractor*—The individual or entity with whom City has entered into the Agreement.
23. *Cost of the Work*—See Paragraph 12.01 of these General Conditions for definition.
24. *Damage Claims*—A demand for money or services arising from the Project or Site from a third party, City or Contractor exclusive of a Contract Claim.
25. *Day or day*—A day, unless otherwise defined, shall mean a Calendar Day.
26. *Drawings*—The part of the Contract Documents prepared or approved by an Engineer that graphically shows the scope, extent, and character of the Work to be performed by Contractor. Submittals, as defined, are not considered Drawings as so defined here.

27. *Effective Date of the Agreement*—The date, indicated in the Agreement, on which it becomes effective,, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the City.
28. *Electronic Document*—Any Project-related correspondence, attachments to correspondence, text, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
29. *Electronic Means*—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by the Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.
30. *Engineer*—The licensed professional engineer or engineering firm registered in the State of Texas performing professional services for the City.
31. *Extra Work*—Additional work made necessary by City-approved changes or alterations to the Contract Documents. Extra Work shall be part of the Work.
32. *Field Order*—A written directive issued by City that requires changes in the Work but does not involve a change to the Contract Price, Contract Time, or Drawings, Plan, or Shop Drawings.
33. *Final Acceptance*—The written notice given by the City to the Contractor that the Work specified in the Contract Documents has been completed to the satisfaction of the City.
34. *Final Inspection*—The inspection performed by the City to determine whether the Contractor has completed each and every part or appurtenance of the Work fully, entirely, and in conformance with the Contract Documents.
35. *General Requirements*—Sections of The information set forth in “Division 101 – General Requirements” of the Standard Construction Specification Documents.
36. *Hazardous Environmental Condition*—The presence at the Site of Asbestos, P C B s , Petroleum, Hazardous Waste, Radioactive Material, or any other substance, product, waste or materials, in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto.
37. *Hazardous Waste*—Any solid waste listed as hazardous or which possesses one or more hazardous characteristics as defined in applicable Laws and Regulations.
38. *Incidental or incidental*—Work items that the Contractor is not paid for directly, but costs for which are included under the various bid items of the Project.
39. *Laws and Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all

governmental bodies, agencies, authorities, and courts having jurisdiction over the Site or any portion or part of the Work to be performed.

40. *Liens*—Charges, security interests, or encumbrances upon Project funds, real property, or personal property.
41. *Major Item*—An item of work included in the Contract Documents that has a total cost equal to or greater than 5% of the original Contract Price.
42. *Milestone*—A principal event specified in the Contract Documents relating to the performance of an identified portion of the Work by an intermediate Contract Time prior to Final Acceptance of the Work.
43. *Notice of Award*—The written notice by City to the Successful Bidder stating that upon timely compliance by the Successful Bidder with the conditions precedent listed in such notice, City will sign and deliver the Agreement.
44. *Notice to Proceed*—A written notice given by City to Contractor fixing the date on which the Contract Time will commence to run and on which Contractor shall start to perform the Work specified in Contract Documents.
45. *PCBs*—Polychlorinated biphenyls.
46. *Petroleum*—Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), and including but not limited to oil, fuel oil, oil sludge, oil refuse, gasoline, diesel fuel, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.
47. *Plans*—This term will have the same definition of as “Drawings”.
48. *Project* —The Work to be performed under the Contract.
49. *Project Manager*—The authorized representative of the City who will be assigned to the Project.
50. *Project Manual*—The documentary information prepared for bidding or proposing and furnishing the Work.
51. *Project Schedule*—A schedule, prepared and maintained by Contractor, in accordance with the General Requirements, describing the sequence and duration of the activities comprising Contractor’s plan to achieve each Milestone and accomplish the Work within the Contract Time.
52. *Public Meeting*—An announced meeting conducted by the City to facilitate public participation and to assist the public in gaining an informed view of the Project.
53. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
54. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements to support scheduled performance of related construction activities.

55. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor’s Applications for Payment.
56. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.
57. *Site*—Lands or areas indicated in the Contract Documents as being furnished by City upon which the Work is to be performed, including rights-of-way, permits, and easements for access thereto, and such other lands furnished by City which are designated for the use of Contractor.
58. *Specifications or Technical Specifications* —The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work. Specifications may be specifically made a part of the Contract Documents by attachment or, if not attached, may be incorporated by reference as indicated in the Table of Contents (Section 00 00 00) of the Project.
59. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work at the Site.
60. *Submittal*—All drawings, diagrams, illustrations, schedules and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to the City to illustrate some portion of the Work.
61. *Subsidiary or subsidiary*—*These terms will have the same* definition as “Incidental. or incidental”.
62. *Successful Bidder*—The Bidder to whom City issues a Notice of Award. The term “Bidder” shall be defined to include the terms “Proposer” or “Offeror” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid and is the Proposer or Offeror submitting the proposal or offer that provides the best value to the City and to whom the City issues a Notice of Award.
63. *Superintendent*—The representative of the Contractor who is available at all times and able to receive instructions from the City and to act for the Contractor.
64. *Supplementary Conditions*—The part of the Contract set forth at Division 00 73 00 that amends or supplements these General Conditions.
65. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
66. *Underground Facilities*—All underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid

petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.

67. *Unit Price Work*—Work for which the Contract Price is determined by multiplying the unit price for the item by the estimated quantity of the item.
68. *Weekend Working Hours*—Those hours between 8:00 a.m. and 8:30 p.m. on Saturday, and between 1:00 p.m. and 8:30 p.m. on Sunday or on a federal or state holiday observed by the City, as approved in advance by the City for performing Work.
69. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction including any Change Order or Field Order, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.
70. *Working Day*—Defined as a Business Day but excluding any days that weather or other conditions beyond the reasonable control of the Contractor prevents the performance of the principal unit of work underway for a continuous period of not less than 7 hours between 7:00 a.m. and 8:00 p.m.

#### 1.02 *Terminology*

- A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Bidding Requirements or Contract, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives*: The Contract includes the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of judgment by CityCity. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of City as to the Work. It is intended that such exercise of judgment, action, or determination will be to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise).
- C. *Defective*: The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
  1. does not conform to the Contract Documents; or
  2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
  3. has been damaged prior to City’s written notice of Final Acceptance.
- D. *Furnish, Install, Perform, Provide*
  1. The word “furnish,” when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.

2. The word “install,” when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
  3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, means to execute, carry out, furnish and install said services, materials, or equipment complete and ready for intended use.
  4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.
- E. Unless stated otherwise in the Contract, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract in accordance with such recognized meaning.

## **ARTICLE 2 – PRELIMINARY MATTERS**

### *2.01 Delivery of Performance and Payment Bonds; Evidence of Insurance*

- A. Performance and Payment Bonds: When Contractor delivers the signed counterparts of the Agreement to City, Contractor shall also deliver to City the performance bond, payment bond and maintenance bond that comply with the provisions of Chapter 2253 of the Texas Government Code. Work will not be allowed to begin until the performance and payment bonds have been provided by the Contractor to the City.
- B. Evidence of Contractor’s Insurance: When Contractor delivers the signed counterparts of the Agreement to City, Contractor shall also deliver to City, with copies to each additional insured (as identified in the Contract), the certificates, endorsements, and other evidence of insurance required to be provided by Contractor in accordance with Article 6. Work will not be allowed to begin until the evidence of insurance has been provided by the Contractor to the City.

### *2.02 Copies of Documents*

- A. City shall furnish to Contractor one (1) original executed copy and one (1) electronic copy of the Contract, and three (3) additional copies of the Drawings. Additional printed copies will be furnished upon request at the cost of reproduction.

### *2.03 Before Starting Construction*

Baseline starting Work, Contractor shall submit for review by City the following in accordance with the Contract Documents:

- A. Baseline Schedules in accordance with General Requirements, Section 01 32 16.
- B. Preliminary Schedule of Submittals.
- C. Preliminary Schedule of Values: For lump sum contracts, a Schedule of Values for all of the Work that includes quantities and prices of items that when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Meeting*

- A. Before any Work at the Site is started, the Contractor shall attend a Preconstruction Meeting as specified in Section 01 31 19.

2.05 *Public Meeting*

- A. Contractor may not mobilize any equipment, materials, or resources to the Site prior to Contractor attending the Public Meeting as scheduled by the City.

2.06 *Initial Acceptance of Schedules*

- A. No progress payment shall be made to Contractor until acceptable Project Schedules are submitted to City in accordance with the Contract Documents.

2.07 *Electronic Submittals and Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the City and Contractor may send, and shall accept, Electronic Documents transmitted by Electronic Means.
- B. If the Contract does not establish protocols for Electronic Means, then City and Contractor shall jointly develop such protocols.
- C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

**ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE**

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.
- B. It is the intent of the Contract to describe a functionally complete Project to be constructed in accordance with the Contract Documents. Any labor, documentation, services, materials, or equipment that reasonably may be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the indicated result will be provided whether or not specifically called for, at no additional cost to City.
- C. City will issue clarifications and interpretations of the Contract Documents as provided herein.
- D. The Specifications may vary in form, forma and style. Some Specification sections may be written in varying degrees of streamlined or declarative style, and some sections may be relatively narrative by comparison. Omission of such words and phrases as “the Contractor shall,” “in conformity with,” “as shown,” or “as specified” are intentional in streamlined sections. Omitted words and phrases shall be supplied by inference. Similar types of provisions may appear in various parts of a section or articles within a part depending on the format of the section. The Contractor shall not take advantage of any variation of form, format or style in making Contract Claims or Damage Claims.

- E. The cross-referencing of Specification sections under the subparagraph heading “Related Sections include but are not necessarily limited to:” and elsewhere within each Specification section is provided as an aid and convenience to the Contractor. The Contractor shall not rely on the cross-referencing provided and shall be responsible to coordinate the entire Work under the Contract Documents and provide a complete Project whether or not cross-referencing is provided in each section or whether the cross-referencing is complete or accurate.

### 3.02 *Reference Standards*

#### A. Standards Specifications, Codes, Laws and Regulations

1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Agreement if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of City, Contractor, or any of their subcontractors, consultants, agents, or employees from those set forth in the Contract Documents. No such provision or instruction shall be effective to assign to City or any of its officers, elected or appointed officials, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

### 3.03 *Reporting and Resolving Discrepancies*

#### A. Reporting Discrepancies

1. *Contractor’s Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements, and conditions. Contractor shall promptly report in writing to City any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall obtain a written interpretation or clarification from City before proceeding with any Work affected thereby.
2. *Contractor’s Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to City in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.1717) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by City, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to City for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

**B. Resolving Discrepancies**

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
  - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier; or
  - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).
2. In case of discrepancies, figured dimensions shall govern over scaled dimensions, Drawings shall govern over Specifications, and Supplementary Conditions shall govern over General Conditions and Specifications.

**3.04 Requirements of the Contract Documents**

- A. During the performance of the Work and until final payment, Contractor shall submit to the City in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. City will be the interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work.
- B. City will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. City's written clarification, interpretation, or decision will be final and binding on Contractor, unless Contractor appeals by filing a Contract Claim.

**3.05 Reuse of Documents**

- A. Contractor and its Subcontractors and Suppliers shall not:
  1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of CityCity and specific written verification or adaptation by Engineer; or
  2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without City's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 05 will survive final payment, or termination of the Contract. Nothing herein precludes Contractor from retaining copies of the Contract Documents for record purposes.

**ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK****4.01** *Commencement of Contract Time; Notice to Proceed*

- A. The Contract Time will commence to run on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract.

**4.02** *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Time commences to run. No Work may be done at the Site prior to the date on which the Contract Time commences to run.

**4.03** *Delays in Contractor's Progress*

- A. If Contractor is delayed, City shall not be liable to Contractor for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Contractor on or in connection with any other project or anticipated project. The City shall be liable only to the extent allowed by the provisions of the Contract and as allowed by Subchapter I, Chapter 271 of the Texas Local Government Code.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Time for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. The Contractor shall receive no compensation for delays or hindrances to the Work, except when direct and unavoidable extra cost to the Contractor is caused by the failure of the City to provide information or material, if any, that the Contract specifies is to be furnished by the City.
- D. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of City, Contractor, and those for whom they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Time. Such an adjustment will be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this Paragraph 4.03. D. The Contractor is responsible for the prompt submission of a request for an adjustment to the Contract Time under this Paragraph to the City. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Time under this Paragraph include but are not limited to the following:
  - 1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
  - 2. Abnormal weather conditions;
  - 3. Acts or failures to act of third-party utility owners or other third-party entities (other than those third-party utility owners or other third-party entities performing other work at or adjacent to the Site as arranged by or under contract with City, as contemplated in Article 8); and

4. Acts of war or terrorism.
- E. Contractor's entitlement to an adjustment of Contract Time or Contract Price is limited as follows:
1. Contractor's entitlement to an adjustment of the Contract Time is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.
  2. Contractor shall not be entitled to an adjustment in Contract Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor. Such a concurrent delay by Contractor shall not preclude an adjustment of Contract Time to which Contractor is otherwise entitled.
  3. Adjustments of Contract Time or Contract Price are subject to the provisions of Article 11.
- F. Each Contractor request or Change Order seeking an increase in Contract Time or Contract Price must be supplemented by supporting data that sets forth in detail the following:
1. The circumstances that form the basis for the requested adjustment;
  2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;
  3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;
  4. The number of days' increase in Contract Time claimed as a consequence of each such cause of delay, disruption, or interference; and
  5. The impact on Contract Price, in accordance with the provisions of Paragraph 11.08.
  6. Contractor shall also furnish such additional supporting documentation as City may require including, where appropriate, a revised Project Schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.
- G. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from undisclosed Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.03.F and 4.03.G.

## **ARTICLE 5 – SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS**

### **5.01 *Availability of Lands***

- A. City shall furnish the Site. City shall notify Contractor in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which

Contractor must comply in performing the Work. City will be responsible for obtaining any necessary easements for permanent structures or permanent changes in existing facilities.

1. The City has obtained or anticipates acquisition of and/or access to right-of-way, and/or easements. Any outstanding right-of-way and/or easements are anticipated to be acquired in accordance with the schedule set forth in the Supplementary Conditions. The Project Schedule submitted by the Contractor in accordance with the Contract Documents must consider any outstanding right-of-way, and/or easements.
  2. Unless otherwise specified in the Contract Documents, the City has or anticipates moving and/or relocating utilities, and obstructions to the Site. Any outstanding movement or relocation of utilities or obstructions is anticipated in accordance with the schedule set forth in the Supplementary Conditions. The Project Schedule submitted by the Contractor in accordance with the Contract Documents must consider any outstanding utilities or obstructions to be moved and/or relocated by others.
- B. Upon reasonable written request of Contractor, City shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which the Work is to be performed.
- C. Contractor shall provide for any additional lands and access thereto not included in the Site that may be required for construction facilities or storage of materials and equipment. The cost of such shall be part of the Contract Price.

#### 5.02 *Use of Site and Other Areas*

- A. Limitation on Use of Site and Other Areas
1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, worker car parking and the operations of workers to the Site, to adjacent areas that Contractor has arranged to use through construction easements or otherwise, and to other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with worker car parking, construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries, including death, and damage to or losses of property sustained by the owners or occupants of any such land or areas; provided that such damage, losses, injuries or deaths arose out of or result from the performance of the Work or arose out of or resulted from any other actions or conduct of the Contractor or those for whom Contractor is responsible.
  2. At any time when, in the judgment of the City, the Contractor has obstructed, closed, or is carrying on operations in a portion of a street, right-of-way, or easement greater than is necessary for proper execution of the Work, the City may require the Contractor to reduce the area impacted to only that necessary for proper execution of the Work and/or to finish the section on which operations are in progress before work is commenced on any additional area of the Site.

3. Construction equipment, spoil materials, supplies, forms, buildings, labs, or equipment and supply storage buildings, or any other item that may be transported by flood flows, shall not be stored within existing federal floodways during the course of the Work.
  4. Should any Damage Claim be made by any such owner or occupant adversely impacted because of the performance of the Work, Contractor shall promptly attempt to resolve the Damage Claim.
  5. ***PURSUANT TO PARAGRAPH 7.21, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES, AND DAMAGES ARISING OUT OF OR RELATING TO ANY CLAIM OR ACTION, LEGAL OR EQUITABLE, BROUGHT BY ANY SUCH ADVERSELY IMPACTED OWNER OR OCCUPANT AGAINST CITY.***
- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.
- C. *Site Maintenance Cleaning:* If 24 hours after written notice is given to the Contractor that the clean-up at the Site is insufficient or occurring in a manner unsatisfactory to the City, the Contractor fails to correct the unsatisfactory condition and/or procedures, the City may take such direct action as the City deems appropriate to correct the clean-up deficiencies cited to the Contractor in the written notice, and the costs of such direct corrective action, plus 25 % of such costs, shall be deducted from the monies due or to become due to the Contractor under the Contract.
- D. *Final Site Cleaning:* Prior to Final Acceptance of the Work, Contractor shall clean the Site and the Work and make it ready for utilization by City and any adjacent property owners, if applicable. At the completion of the Work, Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, surplus materials, waste materials, rubbish and other debris and shall restore to original condition or better all areas impacted or disturbed by the Work.
- E. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

### 5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
1. Those reports known to City of explorations and tests of subsurface conditions at or contiguous to the Site; and
  2. Those drawings known to City of existing physical conditions at or contiguous to the Site, including those drawings known to City depicting existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities.).
- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A.

Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as technical data.

- C. *Reliance by Contractor on Technical Data:* Contractor is provided certain technical data identified in the Supplementary Conditions with respect to such reports and drawings for its use, but the City does not warrant or guarantee the accuracy of the information, and such information including reports and drawings are not Contract Documents. Contractor may not make any Contract Claim against City, or any of their officers, elected or appointed officials, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness or accuracy of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
  2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
  3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or City's archival documents concerning the Site; or
  4. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.

#### 5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any "technical data" is materially inaccurate; or
  2. is of such a nature as to require a change in the Contract Documents; or
  3. differs materially from that shown or indicated in the Contract Documents; or
  4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.17), notify City in writing about such condition.

- B. *Possible Price and Time Adjustments*
1. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Time if:
    - a. Contractor knew of the existence of such condition at the time Contractor made a final commitment to City with respect to Contract Price and Contract Time by the submission of a Bid or becoming bound under the Contract; or

- b. The existence of such condition reasonably could have been discovered or revealed as a result of the examination of the Contract Documents or the Site; or
  - c. Contractor failed to give the written notice required by Paragraph 5.04.A.
- C. *Underground Facilities; Hazardous Environmental Conditions:* Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

#### 5.05 *Underground Facilities*

- A. *Shown or Indicated:* The information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the Site is based on information and data furnished to City or Engineer by the owners of such Underground Facilities, including City, or by others, unless it is otherwise expressly provided in the Supplementary Conditions::
- 1. City and Engineer shall not be responsible for the accuracy or completeness of any such information or data provided by others; and
  - 2. the cost of all of the following are included in the Contract Price, and Contractor shall have full responsibility for:
    - a. reviewing and checking all information and data;
    - b. verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities during the course of construction;
    - c. coordination and adjustment of the Work with the owners (including City) of such Underground Facilities, during construction; and
    - d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Not Shown or Indicated:*
- 1. If an Underground Facility that is uncovered or revealed at the Site was not shown or indicated on the Drawings or otherwise indicated in the Contract Documents, or was not shown or indicated on the Drawings or in the Contract Documents with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.17), identify the owner of such Underground Facility and give notice to that owner and to City. Contractor shall be responsible for the safety and protection of such discovered Underground Facility.
  - 2. If City concludes that a change in the Contract Documents is required, a Change Order may be issued to reflect and document such consequences, subject to the provisions of Article 11.
  - 3. Verification of existing utilities, structures, and service lines shall include notification of all utility companies a minimum of 48 hours in advance of construction including exploratory excavation if necessary.

5.06 *Hazardous Environmental Conditions at Site*

- A. *Reports and Drawings*: The Supplementary Conditions identify:
1. those reports known to City relating to Hazardous Environmental Conditions that have been identified at the Site; or
  2. drawings known to City relating to Hazardous Environmental Conditions that have been identified at the Site.
- B. *Reliance by Contractor on Technical Data*: Contractor is provided certain technical data identified in the Supplementary Conditions with respect to such reports and drawings for its use, but the City does not warrant or guarantee the accuracy of the information, and such information including reports and drawings are not Contract Documents. Contractor may not make any Contract Claim against City, or any of its officers, elected or appointed officials, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness or accuracy of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
  2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
  3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or City's archival documents concerning the Site; or
  4. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.
- C. Contractor shall not be responsible for a Hazardous Environmental Condition uncovered or revealed at the Site if such Hazardous Environmental Condition was not shown or indicated in Drawings or Specifications or identified if the removal or remediation of such Hazardous Environmental Condition was not identified in the Contract Documents to be within the scope of the Work. Contractor shall be responsible for a Hazardous Environmental Condition created by the actions of or with any materials brought to the Site by Contractor, Subcontractors, Suppliers or anyone else for whom Contractor is responsible and the costs associated with the same.
- D. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.17); and (3) notify City (and promptly thereafter confirm such notice in writing). City may consider the necessity to retain a qualified expert to evaluate such condition or take corrective action, if any.

- E. Contractor shall not be required to resume Work in connection with a Hazardous Environmental Condition identified pursuant to Paragraph 5.06.D or in any affected area until after City has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed.
- F. If, after receipt of such written notice, Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then City may order the portion of the Work that is in the area affected by such condition to be deleted from the Work and the Contract Price. City may have such deleted portion of the Work performed by City's own forces or others.
- G. ***TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY, AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, DIRECTORS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, CONSULTANTS, AND SUBCONTRACTORS OF EACH AND ANY OF THEM, FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES, AND DAMAGES (INCLUDING BUT NOT LIMITED TO ALL FEES AND CHARGES OF ENGINEERS, ARCHITECTS, ATTORNEYS, AND OTHER PROFESSIONALS AND ALL COURT ARBITRATION OR OTHER DISPUTE RESOLUTION COSTS) FOR PERSONAL INJURY, DEATH OR PROPERTY DAMAGE ARISING OUT OF OR RELATING TO A HAZARDOUS ENVIRONMENTAL CONDITION CREATED BY CONTRACTOR OR BY ANYONE FOR WHOM CONTRACTOR IS RESPONSIBLE. NOTHING IN THIS PARAGRAPH 5.06.CityG OBLIGATES CONTRACTOR TO INDEMNIFY ANY INDIVIDUAL OR ENTITY FROM AND AGAINST THE CONSEQUENCES OF THAT INDIVIDUAL'S OR ENTITY'S OWN NEGLIGENCE.***
- H. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of a Hazardous Environmental Condition uncovered or revealed at the Site.

## **ARTICLE 6 – BONDS AND INSURANCE**

### **6.01 *Licensed Sureties and Insurers***

- A. All bonds and insurance required by the Contract Documents to be purchased and maintained by Contractor shall be obtained from surety or insurance companies that are duly licensed or authorized in the State of Texas to issue bonds or insurance policies for the limits and coverages required. Such surety and insurance companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary Conditions.

### **6.02 *Performance, Payment, and Maintenance Bonds***

- A. Contractor shall furnish a performance bond and a payment bond, in accordance with the provisions of the Texas Government Code Chapter 2253 or successor statute and as required by the City, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all of Contractor's obligations under the Contract. The performance and payment bonds must be provided by the Contractor to the City prior to the Contractor beginning any Work.

- B. Contractor shall furnish maintenance bonds in an amount equal to the Contract Price as security to protect the City against any defects in any portion of the Work described in the Contract Documents. Maintenance bonds shall remain in effect for two (2) years after the date of Final Acceptance by the City. The maintenance bond(s) shall be provided as directed by the City as part of the close-out of the Contract and shall be provided prior to the final payment being made.
- C. All bonds shall be in the form prescribed by the Contract Documents, except as provided otherwise by Laws and Regulations, and must be issued and signed by a surety named in “Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies” as published in Department Circular 570 (as amended and supplemented) by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual’s authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- D. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, or its right to do business is terminated in the State of Texas, then Contractor shall promptly notify City in writing and shall, within 30 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.
- E. If Contractor has failed to obtain a required bond, City may refuse to allow the Contractor to begin Work, exclude the Contractor from the Site and exercise City’s termination rights under Article 15.
- F. Upon request to Contractor from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Contractor shall provide a copy of the payment bond to such person or entity.

### 6.03 *Certificates of Insurance*

- A. Contractor shall deliver to City, with copies to each additional insured and loss payee identified in the Supplementary Conditions, certificates of insurance and endorsements (and other evidence of insurance requested by City or any other additional insured) establishing that Contractor has obtained and is maintaining the policies and coverages required by these General Conditions and the Supplementary Conditions prior to beginning any Work.
  - 1. The certificate of insurance shall document the City, and all identified entities named in the Supplementary Conditions as “additional insureds” on all liability policies.
  - 2. The Contractor’s general liability insurance shall include a “per project” or “per location” endorsement, that shall be identified in the certificate of insurance provided to the City.
  - 3. The certificate shall be signed by an agent authorized to bind coverage on behalf of the insured, be complete in its entirety, and show complete insurance carrier names as listed in the current A.M. Best Property & Casualty Guide.
  - 4. The insurers for all policies must be licensed and/or approved to do business in the State of Texas. Except for workers’ compensation, all insurers must have a minimum rating of A-: VII in the current A. M. Best Key Rating Guide or have reasonably equivalent

financial strength and solvency to the satisfaction City. If the rating is below that required, written approval of City is required.

5. All applicable policies shall include a Waiver of Subrogation (Rights of Recovery) in favor of the City. In addition, the Contractor agrees to waive all rights of subrogation against the Engineer (if applicable), and each additional insured identified in the Supplementary Conditions
6. Failure of the City to demand such certificates or other evidence of full compliance with the insurance requirements or failure of the City to identify a deficiency from evidence that is provided shall not be construed as a waiver of Contractor's obligation to maintain such lines of insurance coverage or to provide such certificates or other evidence of full compliance with the insurance requirements.
7. If insurance policies are not written for specified coverage limits, an Umbrella or Excess Liability insurance for any differences is required. Excess Liability shall follow form of the primary coverage.
8. Unless otherwise stated, all required insurance shall be written on the "occurrence basis". If If City agrees in writing that coverage is underwritten may be written on a claims-made basis, the retroactive date shall be coincident with or prior to the date of the effective date of the Agreement and the certificate of insurance shall state that the coverage is claims-made and the retroactive date. The insurance coverage shall be maintained for the duration of the Contract and for three (3) years following Final Acceptance or for the warranty period provided for under the Contract Documents or for the warranty period, whichever is longer. An annual certificate of insurance submitted to the City shall evidence such insurance coverage.
9. Policies shall have no exclusions by endorsements that either nullify or amend the required lines of coverage, nor or decrease the limits of said coverage unless such endorsements are approved in writing by the City. In the event a Notice of an Award has been issued or the Agreement executed, and the policy exclusions are determined to be unacceptable or the City desires that the Contractor obtain additional insurance coverage the contract price shall be adjusted by the cost of the premium for such additional coverage plus 10%.
10. For any proposed self-insured retention (SIR,) in excess of \$25,000.00, affecting insurance coverage, Contractor must obtain the written approval of the City in regard to asset value and stockholders' equity. In lieu of traditional insurance, proposed alternative coverage maintained through insurance pools or, risk retention groups, or self-funding will also require the written approval of the City.
11. Any deductible in excess of \$5,000.00, for any policy that does not provide coverage on a first-dollar basis must be acceptable to and approved in writing by the City.
12. City, at its sole discretion, reserves the right to review the insurance requirements and to make reasonable adjustments to insurance coverages and limits when deemed necessary and prudent by the City based upon the scope of the Work, changes in statutory law, court decision or the claims history of the industry as well as of the contracting party to the City. The City will provide prior notice of 90 days and the insurance adjustments shall be incorporated into the Work by Change Order.

13. City shall be entitled, upon written request to Contractor and without expense to City, to receive copies of policies and endorsements thereto and. City may make any reasonable requests for deletion or revision or modifications of particular policy terms, conditions, limitations, or exclusions necessary to conform the policy and endorsements to the requirements of the Contract. Deletions, revisions, or modifications shall not be required where policy provisions are established by law or regulations binding upon either party or the underwriter on any such policies.
14. City shall not be responsible for the direct payment of insurance premium costs for Contractor's insurance.

#### 6.04 *Contractor's Insurance*

- A. *Workers Compensation and Employers' Liability:* Contractor shall purchase and maintain such insurance coverage with limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Texas Labor Code, Ch. 406, as amended), and minimum limits for Employers' Liability as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:
  1. claims under workers' compensation, disability benefits, and other similar employee benefit acts;
  2. claims for damages because of bodily injury, occupational sickness or disease, or death of employees.
- B. *Commercial General Liability.* Coverage shall include but not be limited to covering liability (bodily injury, including death, or property damage) arising from: premises/operations, independent contractors, products/completed operations, personal injury including death, liability under an insured contract, and explosion/collapse/underground (where those exposures exist). Insurance shall be provided on an occurrence basis, and as comprehensive as the current Insurance Services Office (ISO) policy. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the City. The Commercial General Liability policy shall have no exclusions by endorsements that would alter or nullify premises/operations, products/completed operations, contractual, personal injury, or advertising injury, that are normally contained with the policy, unless the City approves such exclusions in writing.

For construction projects that present a substantial completed operation exposure, the City may require the Contractor to maintain completed operations coverage for a minimum of no less than three (3) years following the completion of the project (if identified in the Supplementary Conditions)).
- C. *Automobile Liability.* A commercial business auto policy shall provide coverage on "any auto", defined as autos owned, hired and non-owned and provide indemnity for claims for damages because of bodily injury or death of any person and/or property damage arising out of or related to the work, maintenance or use of any motor vehicle by the Contractor, any

Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable.

- D. *Railroad Protective Liability.* If any of the Work or any warranty work is within the limits of railroad right-of-way, the Contractor shall comply with the requirements identified in the Supplementary Conditions.
- E. *Notification of Policy Cancellation:* Contractor shall immediately notify City upon cancellation or other loss of insurance coverage. Contractor shall stop Work until replacement insurance has been procured. There shall be no time credit for delays or days not worked pursuant to this section.

#### 6.05 *Acceptance of Bonds and Insurance; Option to Replace*

- A. If City has any objection to the coverage afforded by or other provisions of the bonds or insurance required to be purchased and maintained by the Contractor in accordance with Article 6 or the Supplementary Conditions on the basis of non-conformance with the Contract Documents, the City shall so notify the Contractor in writing within 10 Business Days after receipt of the certificates (or other evidence requested). Contractor shall provide to the City such additional information in respect of insurance provided as the City may reasonably request. If Contractor does not purchase or maintain all of the bonds and insurance required by the Contract Documents, the City shall notify the Contractor in writing of such failure prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage. Such failure to provide bonds or insurance as required by the Contract Documents is a breach of the terms of the Contract and the City may terminate the Contractor in accordance with the provisions of the Contract Documents.

### **ARTICLE 7 – CONTRACTOR’S RESPONSIBILITIES**

#### 7.01 *Contractor’s Means and Methods of Construction*

- A. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. If the Contract Documents note, or Contractor determines, that professional engineering or other design services are needed to carry out Contractor’s responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then Contractor shall cause such services to be provided by a properly licensed design professional, at Contractor’s expense. Such services are not City-delegated professional design services under this Contract, and neither City nor Engineer has any responsibility with respect to (1) Contractor’s determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by Contractor, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

#### 7.02 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.
- B. At all times during the progress of the Work, Contractor shall identify and assign a competent superintendent, who is proficient in English, and who shall not be replaced without written

notice to City of the name of the replacement superintendent. If at any time the superintendent is not satisfactory to the City, Contractor shall, if requested by City, replace the superintendent with another satisfactory to City.

- C. Contractor shall notify the City 24 hours prior to moving areas during the sequence of construction.

### 7.03 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Contractor shall be fully responsible to City for all acts and omissions of Contractor's employees; of Suppliers and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the Work, just as Contractor is responsible for Contractor's own acts and omissions.
- C. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours on Business Days. Contractor will not permit the performance of Work outside of regular working hours on Business Days without City's prior written consent (which will not be unreasonably withheld)). Contractor's written request (by letter or electronic communication) for City's written consent must be made as follows:
  - 1. for Work beyond regular working hours on Business Days, request must be made by noon at least two (2) Business Days prior;
  - 2. for Work during Weekend Working Hours, request must be made by noon of the preceding Wednesday; and
  - 3. for Work on state or federal holidays observed by the City, request must be made sufficiently in advance of the holiday, to satisfy requirements for City Council approval.

### 7.04 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, Contractor required testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work shall be as specified or, if not specified, shall be of sufficient quality to complete the Work, and must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of City. If required by City, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment to be incorporated into the Work shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with

instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

- D. All items of standard equipment to be incorporated into the Work shall be the latest model at the time of bid, unless otherwise specified.

#### 7.05 *Project Schedule*

- A. Contractor shall adhere to the Project Schedule established in accordance with Paragraph 2.06 and the General Requirements as it may be adjusted from time to time as provided below.
1. Contractor shall submit to the City for acceptance (to the extent indicated in Paragraph 2.06 and the General Requirements) proposed adjustments in the Project Schedule that will not result in changing the Contract Time. Such adjustments must comply with any provisions of the General Requirements applicable thereto.
  2. Contractor shall submit to City a monthly Project Schedule with a monthly progress payment request for the duration of the Contract in accordance with the Construction Progress Schedule, General Requirements 01 32 16.
  3. Proposed adjustments in the Project Schedule that will change the Contract Time shall be submitted in accordance with the requirements of Article 11. Adjustments in Contract Time may only be made by a Change Order.

#### 7.06 *“Or Equals”*

- A. *Contractor’s Request; Governing Criteria:* Whenever an item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or “or equal” item is permitted, Contractor may request that City permit the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.
1. If City in its sole discretion determines that an item of equipment or material proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, it may be considered by City as an “or equal” item. For the purposes of this Paragraph, a proposed item of equipment or material will be considered functionally equal to an item so named if:
    - a. the City determines that:
      - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
      - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
      - 3) it has a proven record of performance and availability of responsive service; and
      - 4) it is not objectionable to City.

- b. Contractor certifies that, if the proposed item is approved and incorporated into the Work:
  - 1) there will be no increase in cost to the City or increase in Contract Time; and
  - 2) the item will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense*: Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.
- C. *City's Evaluation and Determination*: City will be allowed a reasonable time to evaluate each "or-equal" request. City may require Contractor to furnish additional data about the proposed "or-equal" item. City will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until City's review is complete and City determines that the proposed item is an "or-equal." City." City will advise Contractor in writing of its determination.
- D. *Effect of City's Determination*: Neither approval nor denial of an "or-equal" request will result in any change in Contract Price. The City's denial of an "or-equal" request will be final and binding, and may not be reversed through an appeal under any provision of the Contract.
- E. *Treatment as a Substitution Request*: If City determines that an item of equipment or material proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that City consider the item a proposed substitution pursuant to Paragraph 7.07.

#### 7.07 Substitutions

- A. *Contractor's Request; Governing Criteria*: Unless the specification or description of an item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that City permit the use of other items of equipment or material under the circumstances described below. To the extent possible such requests must be made before commencement of related Work at the Site.
  - 1. Contractor shall submit sufficient information as provided below to allow City to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitution therefor. City will not accept requests for review of proposed substitute items of equipment or material from anyone other than Contractor.
  - 2. The requirements for review by City will be as set forth in Paragraph 7.07.B, as supplemented by the Specifications, and as City may decide is appropriate under the circumstances.
  - 3. Contractor shall make written application to City for review of a proposed substitute item of equipment or material that Contractor seeks to furnish or use. The application shall comply with Section 01 25 00 and:
    - a. will certify that the proposed substitute item will:
      - 1) perform adequately the functions and achieve the results called for by the general design;
      - 2) be substantially similar in substance to the item specified; and

- 3) be well-suited to the same use as the item specified.
- b. will state:
    - 1) the extent, if any, to which the use of the proposed substitute item will adversely impact Contractor's achievement of Final Acceptance on or before the Contract Time;
    - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with City for other work on the Project) to adapt the design to the proposed substitute item; and
    - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
  - c. will identify:
    - 1) all variations of the proposed substitute item from the item specified; and
    - 2) available engineering, sales, maintenance, repair, and replacement services.
  - d. will contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and Damage Claims of other contractors affected by any resulting change.
- B. *City's Evaluation and Determination:* City will be allowed a reasonable time to evaluate each substitution request. City may require Contractor to furnish additional data about the proposed substitute item. City will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until City's review is complete and City determines that the proposed item is an acceptable substitution. City's approval determination will be evidenced by a Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Time. City will advise Contractor in writing of any denial determination.
- C. *Special Guarantee:* City may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitution. ***Contractor shall indemnify and hold harmless City and its officers, elected and appointed officials, employees, agents, consultants and subcontractors and anyone directly or indirectly employed by them from and against any and all claims, damages, losses and expenses (including attorney's fees) arising out of or relateds to the use of substituted materials or equipment.***
- D. *Reimbursement of City's Cost:* City will record City's costs in evaluating a substitution proposed or submitted by Contractor. Whether or not City approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse City for evaluating each such proposed substitute. Contractor shall also reimburse City for the charges for making changes in the Contract Documents (or in the provisions of any other direct contract with City) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.

- F. *City Substitution Reimbursement:* Cost savings attributable to acceptance of a substitution shall be paid to City by Contractor by an appropriate Change Order decreasing the Contract Price.
- G. *Effect of City's Determination:* If City approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The City's denial of a substitution request will be final and binding, and may not be reversed through an appeal under any provision of the Contract. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.07.D, by timely submittal of a Change Order.

#### 7.08 *Concerning Subcontractors and Suppliers*

- A. Contractor shall perform with its own organization, and with the assistance of workmen under its immediate superintendence, work of a value not less than 35% of the Contract Price, unless otherwise approved by the City.
- B. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Contractor shall not employ any Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, against whom City may have reasonable objection. Contractor shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Contractor has reasonable objection, except as provided in Paragraph 7.08.C. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve Contractor's obligation to City to perform and complete the Work in accordance with the Contract.
- C. The City may require the use of specific Subcontractors, Suppliers, or other individuals or entities for the performance of designated parts of the Work , and will provide such requirements in the Supplementary Conditions.
- D. Contractor shall provide to City as part of the Bid, the identity of all proposed Subcontractors and Suppliers. Such proposed Subcontractor or Supplier shall be deemed acceptable to City unless City raises a substantive, reasonable objection prior to execution of the Agreement.
- E. Contractor shall be fully responsible to City for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor just as Contractor is responsible for Contractor's own acts and omissions. Nothing in the Contract:
  - 1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between City and any such Subcontractor, Supplier or other individual or entity; nor
  - 2. shall create any obligation on the part of City to pay or to see to the payment of any moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.
- F. No acceptance by City of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of City to the completion of the Work in accordance with the Contract Documents, Contract Price and Contract Time.
- G. Contractor shall be solely responsible for scheduling and coordinating the tasks of Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor.

- H. All Work performed for Contractor by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of City. Contractor must comply with all applicable federal, state, and local laws, statutes, ordinances or regulations, including but not limited to immigration laws, workers compensation laws and wage laws, in the hiring of any Subcontractor or Supplier and shall ensure that each Subcontractor or Supplier has the same obligations.
- I. Contractor shall restrict all Subcontractors and Suppliers from communicating with City, except through Contractor or in case of an emergency, or as otherwise expressly allowed in this Contract.

#### 7.09 *Wage Rates*

- A. *Duty to pay Prevailing Wage Rates:* The Contractor shall comply with all requirements of Chapter 2258, Texas Government Code (as amended), including the payment of not less than the rates determined by the City Council of the City of Denton to be the prevailing wage rates in accordance with Chapter 2258. The then current prevailing wage rates at the time of execution of the Agreement are included in these Contract Documents.
- B. *Penalty for Violation:* A Contractor or any Subcontractor who does not pay the prevailing wage shall, upon demand made by the City, pay to the City \$60 for each worker employed for each calendar day or part of the day that the worker is paid less than the prevailing wage rates stipulated in these contract documents. This penalty shall be retained by the City to offset its administrative costs, pursuant to Texas Government Code Section 2258.023.
- C. *Complaints of Violations and City Determination of Good Cause:* On receipt of information, including a complaint by a worker, concerning an alleged violation of Section 2258.023, Texas Government Code, by a Contractor or Subcontractor, the City shall make an initial determination, before the 31st day after the date the City receives the information, as to whether good cause exists to believe that the violation occurred. The City shall notify in writing the Contractor or Subcontractor and any affected worker of its initial determination. Upon the City's determination that there is good cause to believe the Contractor or Subcontractor has violated Chapter 2258, the City shall retain the full amounts claimed by the claimant or claimants as the difference between wages paid and wages due under the prevailing wage rates, such amounts being retained from successive progress payments pending a final determination of the violation.
- D. *Arbitration Required if Violation Not Resolved:* An issue relating to an alleged violation of Section 2258.023, Texas Government Code, including a penalty owed to the City or an affected worker, shall be submitted to binding arbitration in accordance with the Texas General Arbitration Act (Article 224 et seq., Revised Statutes) if the Contractor or Subcontractor and any affected worker does not resolve the issue by agreement before the 15th day after the date the City makes its initial determination pursuant to Paragraph 7.09.C. If the persons required to arbitrate under this section do not agree on an arbitrator before the 11th day after the date that arbitration is required, a district court shall appoint an arbitrator on the petition of any of the persons. The City is not a party in the arbitration. The decision and award of the arbitrator is final and binding on all parties and may be enforced in any court of competent jurisdiction.

- E. *Records to be Maintained:* The Contractor and each Subcontractor shall, for a period of three (3) years following the date of Final Acceptance, maintain records that show (i) the name and occupation of each worker employed by the Contractor in the construction of the Work provided for in this Contract; and (ii) the actual per diem wages paid to each worker. The records shall be available in Denton County, Texas at all reasonable hours for inspection by the City. The provisions of Paragraph 7.23, Right to Audit, shall pertain to this inspection.
- F. *Progress Payments:* With each progress payment request or payroll period, whichever is less, the Contractor shall submit an affidavit stating that the Contractor has complied with the requirements of Chapter 2258, Texas Government Code.
- G. *Posting of Wage Rates:* The Contractor shall post prevailing wage rates in a conspicuous place at the Site at all times.
- H. *Subcontractor Compliance:* The Contractor shall include in its subcontracts and/or shall otherwise require all of its Subcontractors to comply with Paragraphs 7.09.A through 7.09.G.

#### 7.10 *Patent Fees and Royalties*

- A. Contractor shall pay all patent or license fees and royalties and pay all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of City, its use is subject to patent rights or copyrights calling for the payment of any patent or license fee or royalty to others, the existence of such rights will be disclosed in the Contract Documents. Failure of the City to disclose such information does not relieve the Contractor from its obligations to pay said fees or, royalties or costs to others.
- B. ***TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY, AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, DIRECTORS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, CONSULTANTS AND SUBCONTRACTORS OF EACH AND ANY OF THEM, FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES, AND DAMAGES (INCLUDING BUT NOT LIMITED TO ALL FEES AND CHARGES OF ENGINEERS, ARCHITECTS, ATTORNEYS, AND OTHER PROFESSIONALS AND ALL COURT OR ARBITRATION OR OTHER DISPUTE RESOLUTION COSTS) ARISING OUT OF OR RELATING TO ANY INFRINGEMENT OF PATENT RIGHTS OR COPYRIGHTS INCIDENT TO THE USE IN THE PERFORMANCE OF THE WORK OR RESULTING FROM THE INCORPORATION IN THE WORK OF ANY INVENTION, DESIGN, PROCESS, PRODUCT, OR DEVICE.***

#### 7.11 *Permits and Utilities*

- A. *Contractor obtained permits and licenses.* Unless otherwise expressly provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. City shall provide reasonable assistance to Contractor, if necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work applicable at the time the Notice of Award is issued, except for permits provided by the City as specified in Paragraph 7.11.B. City shall pay the charges of utility service providers for connections for providing permanent service to the Work.

- B. *City obtained permits and licenses.* City will obtain and pay for those permits and licenses identified as City's responsibility in the Supplementary Conditions or Contract Documents. It will be the Contractor's responsibility to comply with and carry out the provisions of the permit. If the Contractor initiates changes to the Contract and the City approves the changes, the Contractor is responsible for obtaining clearances and coordinating with the appropriate regulatory agency, relating to the changes. The City will not reimburse the Contractor for any cost associated with the requirements of any City acquired permit. The following are permits the City will obtain if required:
1. Texas Department of Transportation Permits
  2. U.S. Army Corps of Engineers Permits
  3. Texas Commission on Environmental Quality Permits
  4. Railroad Company Permits
  5. Texas Department of Licensing and Regulation (TDLR) Permits
- C. *Outstanding permits and licenses.* Any outstanding permits and licenses are anticipated to be acquired in accordance with the schedule set forth in the Supplementary Conditions. The Project Schedule submitted by the Contractor in accordance with the Contract Documents must consider any outstanding permits and licenses.

#### 7.12 *Taxes*

- A. On issuance of a Notice of Award by the City, an organization which qualifying for exemption pursuant to Texas Tax Code, Subchapter H (as amended), the Contractor may purchase, rent or lease all materials, supplies and equipment used or consumed in the performance of this contract by issuing to hisits Supplier an exemption certificate in lieu of the tax, said exemption certificate to comply with State Comptroller's Rulings applicable to Texas Tax Code, Subchapter H. Any such exemption certificate issued to the Contractor in lieu of the tax shall be subject to and shall comply with all applicable rulings pertaining to the Texas Tax Code, Subchapter H.
- B. Texas tax permits and information may be obtained from:
1. Comptroller of Public Accounts  
Sales Tax Division  
Capitol Station  
Austin, TX 78711; or
  2. <http://www.window.state.tx.us/taxinfo/taxforms/93-forms.html>

#### 7.13 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, City shall not be responsible for monitoring Contractor's compliance with any Laws and Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws and Regulations, Contractor shall be liable for all resulting claims, costs losses, and damages, and shall indemnify and hold harmless City, and its officers, elected

and appointed officials, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action.

- C. Changes in Laws and Regulations not known at the time of the City's issuance of a Notice of Award having an effect on the cost or time of performance of the Work may be the subject of an adjustment in Contract Price or Contract Time.

#### 7.14 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. Contractor shall include accurate locations for buried and imbedded items. These record documents, together with all approved Samples, will be available to City for reference. Upon completion of the Work, Contractor shall deliver these record documents to City prior to Final Inspection.

#### 7.15 *Safety and Protection*

- A. As between City and Contractor, Contractor shall be responsible for the safety of persons and property in the performance of the Work, for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work and for compliance with applicable safety Laws and Regulations.
- B. Contractor shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs. Contractor shall inform the City in writing of Contractor's designated safety representative at the Site.
- C. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
  - 1. all persons on the Site or who may be affected by the Work;
  - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
  - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- D. All damage, injury, or loss to any property referred to in Paragraph 7.1515.C.2 or 7.1515.C.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be the responsibility of and remedied by Contractor at its expense.
- E. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss;

and shall implement, erect and maintain all necessary safeguards for such safety and protection.

- F. Contractor shall notify City; the owners of adjacent property; the owners of Underground Facilities and other utilities (if the identity of such owners is known to Contractor); and other contractors and utility owners performing work at or adjacent to the Site, in writing, when Contractor knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- G. Contractor shall comply with the applicable requirements of City's safety programs, if any.
- H. Contractor shall inform City in advance in writing of the specific requirements of Contractor's safety program with which City's and Engineer's employees and representatives must comply while at the Site.
- I. Contractor's duties and responsibilities for safety and protection will continue until all the Work is completed and City has issued a Letter of Final Acceptance.
- J. Contractor's duties and responsibilities for safety and protection will resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

#### 7.16 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of safety data sheets (formerly known as material safety data sheets) or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws and Regulations.

#### 7.17 *Emergencies and/or Rectification*

- A. In the event of threatened or actual emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to immediately act to prevent damage, injury, or loss. Contractor shall give City prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency or are required as a result of Contractor's response to an emergency. If City determines that a change in the Contract Documents is required because of an emergency or Contractor's response, a Change Order may be issued.
- B. Should the Contractor fail to respond to a request from the City to rectify any discrepancies, omissions, or correction necessary to conform with the requirements of the Contract Documents, the City shall give the Contractor written notice that such work or changes are to be performed. The written notice shall direct attention to the discrepant condition and request the Contractor to take remedial action to correct the condition. In the event the Contractor does not take proper action within 24 hours to fulfill this written request or fails to show just cause for not taking the proper action, within 24 hours, the City may take such remedial action with City resources or by contract. The City shall deduct an amount equal to the entire cost for such remedial action, plus 25% from any funds due or to become due the Contractor on the Project.

### 7.18 Submittals

- A. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall submit required Submittals to City for review and acceptance in accordance with the accepted Schedule of Submittals (as required by Paragraph 2.03).
1. Contractor shall submit the Submittals in accordance with Section 01 33 00 of the General Requirements.
  2. Data shown on the Submittals must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to demonstrate to City the services, materials, and equipment Contractor proposes to provide, and to enable City to review the information for the limited purposes required by Paragraph 7.18.C.
  3. Submittals reviewed and accepted by City for conformance with the design concept shall be executed in conformity with the Contract Documents unless otherwise required by City.
  4. When Submittals are submitted for the purpose of showing the installation in greater detail, their review shall not excuse Contractor from requirements shown on the Drawings and Specifications.
  5. For-Information-Only submittals upon which the City is not expected to conduct a review or take responsive action may be so identified in the Contract Documents.
  6. Contractor shall submit the required number of Samples specified in the Specifications.
  7. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which it is intended and other data as City may require to enable City to review the Submittal for the limited purposes set forth in Paragraph 7.18.C.
- B. Where a Submittal is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to City's review and acceptance of the pertinent submittal will be at the sole risk, expense and responsibility of Contractor.
- C. City's Review
1. City will provide timely review of Submittals in accordance with the accepted Schedule of Submittals. City's review and acceptance will be to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
  2. City's review and acceptance will not extend to means, methods, techniques, sequences, or procedures of construction (except where a particular means, method, technique, sequence or procedure of construction is specifically and expressly called for by the Contract Documents), or to safety precautions or programs incident thereto.
  3. City's review and acceptance of a separate item as such will not indicate approval of the assembly in which the item functions.
  4. City's review and acceptance of a Submittal will not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Section 01 33 00 of the General

Requirements, and City has given written acceptance of each such variation by specific written notation thereof incorporated in or accompanying the Submittal.

5. City's review and acceptance of a Submittal will not relieve Contractor from responsibility for complying with the requirements of the Contract Documents.
6. City's review and acceptance of a Submittal, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Time or Contract Price, unless such changes are included in a Change Order.
7. Neither City's receipt, review, or acceptance of a Submittal will result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in accepted Submittals, subject to the provisions of Section 01 33 00 of the General Requirements.

#### 7.19 *Continuing the Work*

- A. Except as otherwise provided, Contractor shall carry on the Work and adhere to the Project Schedule during all disputes or disagreements with City. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as City and Contractor may otherwise agree in writing.

#### 7.20 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to City that all Work will be in accordance with the Contract Documents and will not be defective. City and its officers, elected and appointed officials, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
  1. abuse, or improper modification, maintenance, or operation, by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
  2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents, a release of Contractor's obligation to perform the Work in accordance with the Contract Documents, or a release of Contractor's warranty and guarantee under this Paragraph 7.20:
  1. Observations by Engineer or City;
  2. Recommendation by Engineer or payment by City of any progress or final payment;
  3. The issuance of a letter or certificate of Final Acceptance by City or any payment related thereto by City;
  4. Use or occupancy of the Work or any part thereof by City;
  5. Any review and acceptance of a Submittal by City;

6. Any inspection, test, or acceptance by others; or
  7. Any correction of defective Work by City.
- D. The Contractor shall remedy any defects or damages in the Work and pay for any damage to other work or property resulting therefrom which shall appear within a period of two (2) years from the date of Final Acceptance of the Work unless a longer period is specified. Contractor shall furnish a good and sufficient maintenance bond, complying with the requirements of Paragraph 6.02.B. The City will give notice of observed defects with reasonable promptness.

#### 7.21 *Indemnification*

- A. **CONTRACTOR COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS, AND DEFEND, AT ITS OWN EXPENSE, THE CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS AND SUBCONTRACTORS AND ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM , FROM AND AGAINST ANY AND ALL CLAIMS FOR PERSONAL OR BODILY INJURY OR DEATH, ARISING OUT OF OR RELATED TO, OR ALLEGED TO ARISE OUT OF OR BE RELATED TO, THE WORK AND SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THESE CONTRACT DOCUMENTS. THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE CITY, OR ITS OFFICERS, ELECTED OR APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS OR SUBCONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM. THIS INDEMNITY PROVISION IS INTENDED TO INCLUDE, WITHOUT LIMITATION, INDEMNITY FOR COSTS, EXPENSES AND LEGAL FEES INCURRED IN DEFENDING AGAINST SUCH CLAIMS AND CAUSES OF ACTIONS.**
- B. **CONTRACTOR COVENANTS AND AGREES TO INDEMNIFY AND HOLD HARMLESS, AT ITS OWN EXPENSE, THE CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS AND SUBCONTRACTORS AND ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM FROM AND AGAINST ANY AND ALL LOSS, DAMAGE OR DESTRUCTION OF PROPERTY OF THE CITY, ARISING OUT OF OR RELATED TO, OR ALLEGED TO ARISE OUT OF OR BE RELATED TO, THE WORK AND SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THIS CONTRACT. THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE CITY OR ITS OFFICERS, ELECTED OR APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS OR SUBCONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM.**

### 7.22 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures.
- B. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Contract Documents, City will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications, certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.
- C. If a Submittal related to the requirements indicated in Paragraph 7.22.B is prepared by Contractor, a Subcontractor, or others for submittal to City, then such Submittal must bear the written approval of Contractor's design professional when submitted by Contractor to City.
- D. City shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by Contractor under the conditions indicated in Paragraph 7.22.B, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.
- E. Pursuant to this Paragraph 7.22, City's review, acceptance, and other determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by Contractor pursuant to the conditions indicated in Paragraph 7.22.B, will be only for the following limited purposes:
  - 1. Checking for conformance with the requirements of this Paragraph 7.22;
  - 2. Confirming that Contractor (through its design professionals) has used the performance and design criteria specified in the Contract Documents; and
  - 3. Establishing that the design furnished by Contractor is consistent with the design concept expressed in the Contract Documents.

### 7.23 *Right to Audit*

- A. The City shall have the right to audit and make copies of the books, records and computations pertaining to the Contract. The Contractor shall retain such books, records, documents and other evidence pertaining to the Contract during the term of the Contract and for five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be made available, in Denton County, Texas within ten (10) Business Days of City's written request. Further, the Contractor shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to the Contract, and to allow the City similar access to those documents. All books and records will be made available within Denton County, Texas. Except as otherwise provided herein, the cost of the audit will be borne by the City

unless the audit reveals an overpayment of 1% or greater. If the City is undertaking an audit or inspection pursuant to Paragraph 7.09 or if an overpayment of 1% or greater occurs, the City's reasonable cost of the audit, including any travel costs, must be paid by the Contractor within five (5) Business Days of receipt of City's invoice for such costs.

- B. Failure to comply with the provisions of this section shall be a material breach of the Contract and shall constitute, in the City's sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

#### 7.24 *Nondiscrimination*

- A. The City is responsible for operating Public Transportation Programs and implementing transit-related projects, funded in part with Federal financial assistance awarded by the U.S. Department of Transportation and the Federal Transit Administration (FTA), without discriminating against any person in the United States on the basis of race, color, or national origin.
- B. Contractor shall comply with the requirements of *Title VI, Civil Rights Act of 1964 as amended* and the regulations promulgated thereunder, as may be further defined in the Supplementary Conditions, for any project receiving Federal assistance.

### **ARTICLE 8 – OTHER WORK AT THE SITE**

#### 8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the City may perform other work at or adjacent to the Site. Such other work may be performed by City's employees, or through contracts between the City and third parties. City may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If City performs other work at or adjacent to the Site with City's employees, or through contracts for such other work, then City shall give Contractor written notice thereof prior to starting any such other work, if such other work is not noted in the Contract Documents.
- C. Contractor shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and City, if City is performing other work with City's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.
- D. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of City and the others whose work will be affected.
- E. If the proper execution or results of any part of Contractor's Work depends upon work performed by others, Contractor shall inspect such other work and promptly report to City in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with

Contractor's Work except for latent defects and deficiencies in such other work that could not have been discovered through a proper inspection.

- F. The provisions of this Article 8 are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with City, or that is performed without having been arranged by City. If such work occurs, then any related delay, disruption, or interference incurred by Contractor is governed by the provisions of Paragraph 4.03.D.3.

#### 8.02 *Coordination*

- A. If City intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with City's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
  - 1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
  - 2. An itemization of the specific matters to be covered by such authority and responsibility; and
  - 3. The extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, City shall have authority for such coordination.

#### 8.03 *Legal Relationships*

- A. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of City, any other contractor, or any utility owner performing other work at or adjacent to the Site.
  - 1. When City is performing other work at or adjacent to the Site with City's employees, Contractor shall be liable to City for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by City as a result of Contractor's failure to take reasonable and customary measures with respect to City's other work.
- B. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any Damage Claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, City, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify, defend and hold harmless City and Engineer, and the officers, elected and appointed officials, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

**ARTICLE 9 – CITY’S RESPONSIBILITIES****9.01** *Communications to Contractor*

- A. Except as otherwise provided in the Supplementary Conditions, City shall issue all communications to Contractor.

**9.02** *Furnish Data*

- A. City shall promptly furnish the data required of City under the Contract Documents.

**9.03** *Pay When Due*

- A. City shall make payments to Contractor when they are due in accordance with and subject to the provisions of Article 14.

**9.04** *Lands and Easements; Reports, Tests, and Drawings*

- A. City’s duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Article 5 refers to City’s identifying and making available to Contractor copies of reports of explorations and tests of subsurface conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at or contiguous to the Site that have been utilized by City in preparing the Contract Documents.

**9.05** *Change Orders*

- A. City’s responsibilities with respect to Change Orders are set forth in Article 11.

**9.06** *Inspections, Tests, and Approvals*

- A. City’s responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 13.02.DD.

**9.07** *Limitations on City’s Responsibilities*

- A. The City shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor’s means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. City will not be responsible for Contractor’s failure to perform the Work in accordance with the Contract Documents.

**9.08** *Undisclosed Hazardous Environmental Condition*

- A. City’s responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

**9.09** *Compliance with Safety Program*

- A. While at the Site, City’s employees and representatives shall comply with the specific applicable requirements of Contractor’s safety programs of which City has been informed in advance in writing pursuant to Paragraph 7.15.

**ARTICLE 10 – CITY’S OBSERVATION DURING CONSTRUCTION****10.01** *City’s Project Manager or Duly Authorized Representative*

- A. City will provide a Project Manager or duly authorized representative during the construction period. The duties and responsibilities and the limitations of authority of City’s Project Manager or duly appointed representative during construction are set forth in the Contract Documents.
- B. City’s Project Manager for these Contract Documents is as set forth in the Supplementary Conditions. City will establish a duly authorized representative at the Preconstruction Meeting in accordance with Section 01 31 19 of the General Requirements.

**10.02** *Visits to Site*

- A. City will make visits to the Site at intervals appropriate to the various stages of construction as City deems necessary in order to observe the progress that has been made and the quality of the various aspects of Contractor’s executed Work. Based on information obtained during such visits and observations, City will determine, in general, if the Work is proceeding in accordance with the Contract Documents. City will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. City’s efforts will be directed toward providing City a greater degree of confidence that the completed Work will conform generally to the Contract Documents.
- B. City’s visits and observations are subject to all the limitations on City’s responsibility set forth in Paragraph 9.07. Particularly, but without limitation, during or as a result of City’s visits or observations of Contractor’s Work, City will not supervise, direct, control, or have authority over or be responsible for Contractor’s means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

**10.03** *Determinations for Work Performed*

- A. As applicable, Contractor will determine the actual quantities and classifications of Work performed.. City’s Project Manager or duly authorized representative will review with Contractor the preliminary determinations on such matters before rendering a written recommendation. City’s written decision will be final (except as modified to reflect changed factual conditions or more accurate data).

**10.04** *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. City will be the interpreter of the requirements of the Contract Documents and judge the acceptability of the Work thereunder.
- B. City will render a written decision on any issue referred.
- C. City’s written decision on the issue referred will be final and binding on the Contractor, subject to the provisions of Paragraph 11.07.

**ARTICLE 11 – CHANGES IN THE WORK; CLAIMS; EXTRA WORK****11.01 *Amending and Supplementing the Contract***

- A. The Contract may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof, including in the Contract Price or Contract Time, but such amendment will be made by Change Order only.
- B. The requirements of the Contract Documents may be supplemented, and minor variations and deviations in the Work not involving a change in Contract Price or Contract Time, may be authorized, by one of the following ways:
  - 1. A Field Order; or
  - 2. City's review of a Submittal (subject to the provisions of Paragraph 7.18.C); or
  - 3. City's written interpretation or clarification.

**11.02 *Execution of Change Orders***

- A. City and Contractor shall execute appropriate Change Orders covering:
  - 1. Changes in the Contract Price or Contract Time which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed..
  - 2. Changes in the Work which are: (a) ordered by City pursuant to Paragraph 11.04, (b) required because of City's acceptance of defective Work under Paragraph 13.05 or City's correction of defective Work under Paragraph 13.08, or (c) as otherwise agreed to by the parties.

**11.03 *Field Orders***

- A. City may authorize minor variations and deviations in changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Time and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on both the City and Contractor, which shall perform the Work involved promptly.

**11.04 *Authorized Changes in the Work – Extra Work***

- A. Without invalidating the Contract and without notice to any surety, City may, at any time or from time to time, order Extra Work. Upon notice of such Extra Work, Contractor shall proceed with the Work involved only upon receiving written notice from City. Extra Work will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided). Extra Work shall be memorialized by a Change Order which may or may not precede an order of Extra Work.
- B. For minor changes of Work not requiring changes to Contract Time or Contract Price, a Field Order may be issued by City.

**11.05 *Unauthorized Changes in the Work***

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Time with respect to any work performed that is not required by the Contract

Documents, as amended, modified, or supplemented as allowed herein, except in certain cases of an emergency as provided in Paragraph 7.17.A.

#### 11.06 *Dispute of Extra Work*

- A. Should a difference arise as to what does or does not constitute Extra Work, or as to the payment for such Extra Work, and the City requires its performance, the Contractor shall proceed with the Extra Work after making written request for a Change Order and shall keep accurate account of the actual reasonable cost thereof. Contract Claims regarding Extra Work shall be made pursuant to Paragraph 11.07.
- B. The Contractor shall furnish the City such records of all deviations from the original Contract Documents as may be necessary to enable the City to prepare for permanent record a corrected set of plans showing the actual work performed.
- C. The compensation agreed upon for Extra Work whether or not initiated by a Change Order shall be the full, complete and final payment for all charges, fees and costs Contractor incurs as a result of or relating to the Extra Work, whether said charges, fees or costs are known, unknown, foreseen or unforeseen at that time, including without limitation, any charges, fees or costs for delay, extended overhead, ripple or impact cost, or any other effect on changed or unchanged work as a result of the Extra Work.

#### 11.07 *Contract Claims Process*

- A. *City's Decision Required:* All Contract Claims, except those waived pursuant to Paragraph 14.08, shall be referred to the City for decision. A decision by City shall be required as a condition precedent to any exercise by Contractor of any rights or remedies he may otherwise have under the Contract Documents or by Laws and Regulations in respect of such Contract Claims.
- B. *Notice:*
  - 1. Written notice stating the general nature of each Contract Claim shall be delivered by the Contractor to City no later than 15 days after the start of the event giving rise thereto. The responsibility to substantiate a Contract Claim shall rest with the party making the Contract Claim.
  - 2. Notice of the amount or extent of the Contract Claim, with supporting data shall be delivered to the City no later than 45 days after the start of the event giving rise thereto (unless the City notifies Contractor in writing that City will allow additional time for Contractor to submit additional or more accurate data in support of such Contract Claim).
  - 3. A Contract Claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of Paragraph 11.08.
  - 4. A Contract Claim for an adjustment in Contract Time shall be prepared in accordance with the provisions of Paragraph 11.09.
  - 5. Each Contract Claim shall be accompanied by Contractor's written statement that the adjustment claimed is the entire adjustment to which the Contractor believes it is entitled as a result of said event.

6. The City shall submit any response to the Contractor within 30 days after receipt of the Contractor's last submittal (unless in connection with the Contract Claim (unless Contractor allows the City additional time to submit a response).
- C. *City's Action:* City will review each Contract Claim and, within 30 days after receipt of the last submittal of the Contractor unless action by City's Council is required, take one of the following actions in writing:
    1. deny the Contract Claim in whole or in part;
    2. approve the Contract Claim; or
    3. notify the Contractor that the City is unable to resolve the Contract Claim if, in the City's sole discretion, it would be inappropriate for the City to do so. For purposes of further resolution of the Contract Claim, such notice shall be deemed a denial.
  - D. City's written action under this Paragraph 11.07 will be final and binding, unless City or Contractor invoke the dispute resolution procedure set forth in Article 16 within 30 days of such action or denial.
  - E. No Contract Claim for an adjustment in Contract Price or Contract Time will be valid if not submitted in accordance with this Paragraph 11.07.
  - F. If the City fails to take any action pursuant to this Paragraph 11.07, the Contract Claim is considered to have been denied by the City.

#### 11.08 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order.
- B. The value of any Work covered by a Change Order will be determined as follows:
  1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 12.03);
  2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum or unit price (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.08.C.2), and shall include the cost of any secondary impacts that are foreseeable at the time of pricing the cost of Extra Work; or
  3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum or unit price, then on the basis of the Cost of the Work (determined as provided in Paragraph 12.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.08.C).
- C. *Contractor's Fee:* The Contractor's fee for overhead and profit will be determined as follows:
  1. A mutually acceptable fixed fee; or
  2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:

- a. For costs incurred under Paragraphs 12.01.B.1, 12.01.B.2, and 12.01.B.3, the Contractor's fee will be 15 percent except for:
  - 1) rental fees for Contractor's own equipment; and
  - 2) bonds and insurance;
- b. For costs incurred under Paragraph 12.01.B.4, the Contractor's fee will be 5 percent;
  - 1) Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.08.C.2.a and 11.08.C.2.b is that the Contractor's fee will be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 12.01.B.1, 12.01.B.2, and 12.01.B.3 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of 5 percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, in no case shall the cumulative total of fees paid be in excess of 25% of the Cost of the Work;
- c. No fee will be payable on the basis of costs itemized under Paragraphs 12.01.B.5, 12.01.B.6, and 12.01.C;
- d. The amount of credit to be allowed by Contractor to City for any change which results in a net decrease in Cost of the Work will be the amount of the actual net decrease in Cost of the Work and a deduction of an additional amount equal to 5 percent of such actual net decrease in Cost of the Work; and

#### 11.09 *Change of Contract Time*

- A. The Contract Time may only be changed by a Change Order.
- B. No extension of the Contract Time will be allowed under a Change Order for Extra Work or for claimed delay unless the Extra Work contemplated or claimed delay is shown to be on the critical path of the Project Schedule or Contractor can show by critical path method analysis how the Extra Work or claimed delay adversely affects the critical path.
- C. Delay, disruption, and interference in the Work, and any related changes in Contract Time, are addressed in and governed by Paragraph 4.03.

#### 11.10 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Time), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted by the Contractor to reflect the effect of any such change.

**ARTICLE 12 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK; PLANS QUANTITY MEASUREMENT****12.01 Cost of the Work**

- A. *Purposes for Determination of Cost of the Work:* The term “Cost of the Work” means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 12.01 are used for two distinct purposes:
1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
  2. When needed to determine the value of a Change Order. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* The term, “Cost of the Work” means the sum of all costs, except those excluded in Paragraph 12.01.C, necessarily incurred and paid by Contractor in the proper performance of the Work. When the value of any Work is covered by a Change Order, the costs reimbursed to Contractor will be only those additional or incremental costs required because of the change in the Work. Such costs shall be in amounts no higher than those calculated based on the prevailing wage rates contained in the Contract Documents, shall not include any of the costs itemized in Paragraph 12.01.C, and may include as applicable, but not be limited to the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by City and Contractor. Such employees shall include, without limitation, superintendents, foremen, safety managers, safety representatives, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work will be apportioned on the basis of their time spent on the Work. Payroll costs shall include, salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers’ compensation, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours on Business Days, during Weekend Working Hours, or on a state or federal holiday observed by the City, shall be included in the above to the extent authorized by City.
  2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers’ field services required in connection therewith.
  3. Rentals of all construction equipment and machinery and the parts thereof, whether rented from Contractor or others, in accordance with rental agreements approved in writing by City, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. and the Contract Documents. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.

4. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by City, Contractor shall obtain competitive bids from subcontractors acceptable to City. Contractor shall deliver such bids to City, which will then determine, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 12.01 and Paragraph 11.08.C.
5. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed or retained for services specifically related to the Work and specifically included in the agreed upon schedule of job classifications referred to in Paragraph 12.01.B.1 or otherwise specifically included in the Contract.
6. Supplemental costs consisting of the following:
  - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
  - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, and temporary office or facilities at the Site, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
  - c. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations, excluding those taxes for which an exemption is available as described in Paragraph 7.12.
  - d. Deposits lost for causes other than the negligence or willful misconduct of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
  - e. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work, provided such losses and damages have resulted from causes other than the negligence or willful misconduct of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses include settlements made with the written consent and approval of CityCity. No such losses, damages, and expenses will be included in the Cost of the Work for the purpose of determining Contractor's fee.
  - f. The cost of utilities, fuel, and sanitary facilities at the Site.
  - g. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
  - h. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.

C. *Costs Excluded:* The term Cost of the Work does not include any of the following items:

1. Payroll costs and other compensation of Contractor's officers, executives, principals, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 12.01.B.1 or otherwise specifically covered in the Contract. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
  2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
  3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
  4. Costs due to the acts, omissions, negligence or willful misconduct of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
  5. Other overhead or general expense costs of any kind.
- D. *Contractor's Fee*
1. When the Work as a whole is performed on the basis of cost-plus-a-fee, then:
    - a. Contractor's fee for the Work set forth in the Contract Documents as of the Effective Date of the Agreement will be determined as set forth in the Contract.
    - b. for any Work covered by a Change Order for an adjustment in Contract Price on the basis of Cost of the Work, Contractor's fee will be determined as set forth in Paragraph 11.08.C.
  2. When the Work as a whole is performed on the basis of a stipulated sum, or any other basis other than cost-plus-a-fee, then Contractor's fee for any Work covered by a Change Order for an adjustment in Contract Price on the basis of Cost of the Work will be determined in accordance with Paragraph 11.08.C.2.
- E. *Documentation and Audit*: Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 12, Contractor and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices, and submit in a form acceptable to City an itemized cost breakdown together with supporting data. Subject to prior written notice, City will be afforded reasonable access, during normal business hours, to all Contractor's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and Contractor's fee. Contractor shall preserve all such documents for a period of three years after the final payment by City. Contractor will be responsible for ensuring that pertinent Subcontractors will afford such access to City, and preserve such documents, to the same extent as is required of Contractor.

## 12.02 Allowances

- A. *Specified Allowance*: It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to City.
- B. *Cash Allowances*: Contractor agrees that:
  - 1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
  - 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances, have been included in the Contract Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.
- C. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of City.
- D. Prior to final payment, an appropriate Change Order will be issued to reflect actual amounts due Contractor for Work covered by allowances, and the Contract Price will be correspondingly adjusted.

## 12.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work multiplied by the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by Contractor will be made by City subject to the provisions of Paragraph 10.03.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item. Work described in the Contract Documents, or reasonably inferred as required for a functionally complete installation, but not identified in the listing of unit price items shall be considered incidental to Unit Price Work listed and the cost of incidental work included as part of the unit price.
- D. Adjustments in Contract Price
  - 1. City may make an adjustment in the Contract Price in accordance with Paragraph 11.08 if:
    - a. the quantity of the item of Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and
    - b. there is no corresponding adjustment with respect to any other item of Work.
  - 2. Adjusted unit prices will apply to all units of that item.

- E. Increased or Decreased Quantities: The City reserves the right to order Extra Work in accordance with Paragraph 11.04.
1. If the changes in quantities or the alterations do not significantly change the character of the Work under the Contract Documents, the altered Work will be paid for at the Contract unit price.
  2. If the changes in quantities or alterations materially and significantly change the character of the Work, the Contract will be amended by a Change Order.
  3. If no unit prices exist, this any increase or decrease in quantities will be considered Extra Work and the Contract will be amended by a Change Order in accordance with Article 11.
  4. A significant change in the character of Work occurs when:
    - a. the character of work for any Item as altered differs materially or significantly in kind or nature from that in the Contract; or
    - b. a Major Item of work varies by more than 25% from the original Contract quantity.
  5. When the quantity of work to be done under any Major Item of the Contract is more than 125% of the original quantity stated in the Contract, then either party to the Contract may request an adjustment to the unit price on the portion of the work that is above 125%.
  6. When the quantity of work to be done under any Major Item of the Contract is less than 75% of the original quantity stated in the Contract, then either party to the Contract may request an adjustment to the unit price.

12.04 *Plans Quantity Measurement for Unclassified Excavation or Embankment*

- A. Plans quantities may or may not represent the exact quantity of Work performed or material moved, handled, or placed during the term of the Contract. The estimated bid quantities are designated as final payment quantities, unless revised in accordance with the Contract.
- B. If the total actual quantity measured for an individual item varies by more than 25% (or as stipulated under "Price and Payment Procedures" for specific Items) from the total estimated quantity for an individual Item originally shown in the Contract Documents, an adjustment may be made to the quantity of authorized Work done for payment purposes. The party to the Contract requesting the adjustment will provide field measurements and calculations showing the final quantity for which payment will be made. Payment for revised quantity will be made at the unit price bid for that Item, except as provided for in Article 11.
- C. When quantities are revised by a change in design approved by the City, by Change Order, or to correct an error, or to correct an error on the plans, the plans quantity will be increased or decreased by the amount identified in the approved change, and the 25% variance provisions of Paragraph 12.04.B will apply to the new plans quantity.
- D. If the total Contract quantity multiplied by the unit price bid for an individual Item is less than \$250 and the Item is not originally a plans quantity Item, then the Item may be paid as a plans quantity Item if the City and Contractor agree in writing to fix the final quantity as a plans quantity.

- E. For callout work or non-site specific Contracts, the plans quantity measurement requirements are not applicable.

## **ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK**

### *13.01 Access to Work*

- A. City and its Engineer, consultants, representatives, employees, and independent testing laboratories, and authorities having jurisdiction shall have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply with such procedures and programs as applicable.

### *13.02 Tests and Inspections*

- A. Contractor shall give City timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. If the Contract Documents or any Laws and Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish City the required certificates of inspection, testing or approval, except that those fees specifically identified in the Supplementary Conditions or any Texas Department of Licensure and Regulation (TDLR) inspections, which shall will be paid as described in the Supplementary Conditions.
- C. Contractor shall be responsible for arranging, obtaining, and paying for all inspections, tests, re-tests, and approvals required:
  1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to City;
  2. to attain City's acceptance of materials or equipment to be incorporated in the Work;
  3. by manufacturers of equipment furnished under the Contract Documents;
  4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
  5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to City.

- D. City may arrange for the services of an independent testing laboratory ("Testing Lab") to perform any inspections or tests ("Testing") for any part of the Work, as determined solely by City.
  1. City will coordinate such Testing to the extent possible, with Contractor;

2. Should any Testing under this Section 13.03.D result in a “fail”, “did not pass” or other similar negative result, the Contractor shall be responsible for paying for any and all retests. Contractor’s cancellation without cause of City initiated Testing shall be deemed a negative result and require a retest.
  3. Any amounts owed for any retest under this Section 13.02.D shall be paid directly to the Testing Lab by Contractor. City will forward all invoices for retests to Contractor.
  4. If Contractor fails to pay the Testing Lab, City will not issue Final Payment until the Testing Lab is paid.
- E. If the Contract Documents require the Work (or part thereof) to be approved by City or another designated individual or entity, then Contractor shall assume full responsibility for seeking and obtaining such approvals.
- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without the written approval of City, Contractor shall, if requested by City, uncover such Work for observation. Such uncovering and the recovering of such Work will be at Contractor’s expense.

### 13.03 *Defective Work*

- A. *Contractor’s Obligation:* It is Contractor’s obligation to assure that the Work is not defective.
- B. *City’s Authority:* City has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Written notice of all defective Work of which City has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if City has rejected the defective Work, shall remove the defective Work from the Project and replace it with Work that is not defective. Failure to require the removal of any defective Work shall not constitute acceptance of such Work.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair City’s warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Contractor or City by governmental authorities because the Work is defective, and the costs of repair, replacement or reconstruction of work of others resulting from defective Work.

### 13.04 *Rejecting Defective Work*

- A. City will have authority to reject Work which City believes to be defective or will not produce a completed Project that conforms to the Contract Documents or that will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. City will have authority to conduct special inspection or testing

of the Work as provided in this Article 13, whether or not the Work is fabricated, installed, or completed.

#### 13.05 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, City prefers to accept it, City may do so. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) attributable to City's evaluation of and determination to accept such defective Work, and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to Final Acceptance, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and City shall be entitled to an appropriate decrease in the Contract Price, reflecting the diminished value of the Work so accepted.

#### 13.06 *Uncovering Work*

- A. City has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the Contract Documents or specific instructions of City and if requested by City, Contractor shall uncover such Work for City's observation, inspection or testing and then replace the covering, all at Contractor's expense.
- C. If City considers it necessary or advisable that covered Work be observed by City or inspected or tested by others, then Contractor, at City's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as City may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
  1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or dispute resolution costs) arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others). City shall be entitled to accept defective Work in accordance with Paragraph 13.05 and in such case Contractor shall still be responsible for all costs associated with exposing, observing, and testing defective Work.
  2. If the uncovered Work is not found to be defective, Contractor shall be allowed an extension of the Contract Time to the extent directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction.

#### 13.07 *City May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or Contractor fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then City may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been corrected or eliminated; however, this right of City to stop the Work will not give rise to any duty on the part of City to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or any employee or agent of, any of them.

**13.08** *City May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from City to correct defective Work, or to remove and replace defective Work as required by City, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then City may, after providing 7 days' advance written notice to Contractor, correct or remedy any such deficiency.
- B. In connection with such corrective or remedial action, City may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which City has paid Contractor but which are stored elsewhere. Contractor shall allow City, City's representatives, agents and employees, and City's other contractors access to the Site to enable City to exercise the rights and remedies under this Paragraph 13.08.
- C. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court, or arbitration or other dispute resolution costs) incurred or sustained by City in exercising the rights and remedies under this Paragraph 13.08 will be the responsibility of and will be charged against Contractor. A Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and City shall be entitled to an appropriate decrease in the Contract Price. Such claims, costs, losses and damages will include, but not be limited to, all costs of repair or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Time because of any delay in the performance of the Work attributable to the exercise by City of City's rights and remedies under this Paragraph 13.08.

**ARTICLE 14 – PAYMENTS TO CONTRACTOR; COMPLETION; CORRECTION PERIOD****14.01** *Progress Payments*

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Paragraph 2.03 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to City. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 12.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. Applications for Payments
  - 1. Contractor is responsible for providing all information as required to become a vendor of the City.
  - 2. At least 20 days before the date established in the General Requirements for each progress payment (but not more often than once a month), Contractor shall submit to City for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.

3. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) bill of sale, invoice, or purchase order payments, copies of cancelled checks or other documentation establishing full payment by Contractor for the materials and equipment; (b) at City's request, documentation warranting that City has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, or other arrangements to protect City's interest therein, all of which must be satisfactory to City.
4. Beginning with the second Application for Payment, each Application must include an affidavit of Contractor stating that all previous progress payments received on account of the Work by Contractor have been applied to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
5. The amount of retainage with respect to progress payments will be as stipulated in the Contract Documents.

C. Review of Applications

1. City will, after receipt of each Application for Payment, either indicate in writing it will proceed to process the Application for Payment or return the Application to Contractor indicating reasons for refusing payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
2. City's processing of any payment requested in an Application for Payment will be based on City's observations of the executed Work, and on City's review of the Application for Payment and the accompanying data and schedules, that based City's actual knowledge:
  - a. the Work has progressed to the point indicated; and
  - b. the quality and/or quantity of the Work is generally in accordance with the Contract Documents (subject to any subsequent evaluations of the Work, an evaluation of the Work as a functioning whole prior to or upon Final Acceptance, the results of any subsequent tests or inspections called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraphs 10.05 and 12.03, and any other qualifications stated).
3. Processing any such payment will not thereby be deemed to have represented that:
  - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work; or
  - b. there are no other matters or issues between the parties that might entitle Contractor to be paid additionally by City or entitle City to withhold payment to Contractor; or
  - c. Contractor has complied with Laws and Regulations applicable to Contractor's performance of the Work.
4. City may refuse to process or pay the whole or any part of any payment because of subsequently discovered evidence or the results of subsequent inspections or tests, and

may revise or revoke any such payment previously made, to such extent as may be necessary to protect City from loss because:

- a. the Work is defective, or the completed Work has been damaged by the Contractor or his subcontractors, requiring correction or replacement;
- b. there are discrepancies in quantities contained in previous applications for payment;
- c. the Contract Price has been reduced by Change Orders;
- d. City has been required to correct defective Work in accordance with Paragraph 13.08, or has accepted defective Work pursuant to Paragraph 13.05;
- e. City has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
- f. City has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.A that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. Retainage:

1. For all contracts, retainage shall be five percent (5%).

E. *Liquidated Damages*: For each calendar day that any work shall remain uncompleted after the time specified in the Contract Documents, the sum per day specified in the Agreement will be paid by the Contractor to the City, not as a penalty, but as liquidated damages suffered by the City. If feasible, the parties may agree to have the liquidated damages deducted from any amounts owned to Contractor by City instead of being paid directly to City by Contractor.

F. *Payment*: Contractor will be paid pursuant to the requirements of this Article 14 and payment will become due in accordance with the Contract Documents.

G. Reduction in Payment

1. City may refuse to make payment of the of the amount requested because:
  - a. Claims have been made against City based on Contractor's performance or furnishing of the Work, or City has incurred costs, losses, or damages resulting from Contractor's performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, or patent infringement;
  - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
  - c. Contractor has failed to provide and maintain required bonds or insurance;
  - d. City has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
  - e. City has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
  - f. The Work is defective, requiring correction or replacement;

- g. City has been required to correct defective Work in accordance with Paragraph 13.08, or has accepted defective Work pursuant to Paragraph 13.05;
  - h. The Contract Price has been reduced by Change Orders;
  - i. An event has occurred that would constitute a default by Contractor and therefore justify a termination for cause;
  - j. Liquidated or other damages have accrued as a result of Contractor's failure to achieve Milestones or Final Acceptance of the Work;
  - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to City to secure the satisfaction and discharge of such Liens;
  - l. Other items entitle City to a set-off against the payment amount requested; or
  - m. City has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.
2. If City refuses to make payment of the amount requested, City will give Contractor written notice stating the reasons for such action and promptly pay Contractor any amount remaining after deduction of the amount so withheld. City shall pay Contractor the amount so withheld, or any adjustment thereto agreed to by City and Contractor, within a reasonable time after Contractor remedies the reasons for such action to the satisfaction of City and City has confirmed such action.

#### 14.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to City no later than the time of payment free and clear of all Liens.

#### 14.03 *Partial Utilization*

- A. Prior to Final Acceptance of all the Work, City may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which City determines constitutes a separately functioning and usable part of the Work that can be used by City for its intended purpose without significant interference with Contractor's performance of the remainder of the Work. City at any time may notify Contractor in writing to of any such part of the Work which City determines to be ready for its intended use. In addition, City may request in writing that Contractor permit City to use or occupy any such part of the Work that City believes to be substantially complete, subject to the following conditions:
  1. At any time, Contractor may notify City that Contractor considers any such part of the Work ready for its intended use.
  2. Within a reasonable time after notification as enumerated in Paragraph 14.03, City and Contractor shall make an inspection of that part of the Work to determine its status of completion. If City does not consider that part of the Work to be substantially complete, City will notify Contractor in writing giving the reasons therefor.
  3. Partial Utilization by City will not constitute Final Acceptance by City.

#### 14.04 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work is complete in accordance with the Contract Documents:
  - 1. City will promptly schedule a Final Inspection with Contractor.
  - 2. City will notify Contractor in writing of all particulars in which this inspection reveals that the Work is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.
- B. City reserves the right to deny request for Final Inspection if City determines that the entire Work is not sufficiently complete to warrant a Final Inspection.

#### 14.05 *Final Acceptance*

- A. Upon completion by Contractor to City's satisfaction, of any and all Work in accordance with the Contract Documents, including any corrections or additional Work identified in the Final Inspection and delivery of all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurances, certificates of inspection, annotated record documents and other required documents in accordance with the Contract Documents, City will issue to Contractor a letter of Final Acceptance.

#### 14.06 *Final Payment*

- A. Application for Payment
  - 1. Upon receipt of a letter of Final Acceptance from City, Contractor may make application for Final Payment following the procedures for requesting payments in accordance with the Contract Documents.
  - 2. The final Application for Payment must be accompanied (except as previously delivered) by:
    - a. all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 6.03;
    - b. consent of the surety, if any, to final payment;
    - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to City free and clear of any Liens or other title defects or will so pass upon final payment.
    - d. a list of all Contract Claims or Damage Claims against City that Contractor believes are unsettled; and
    - e. affidavits of payments and complete and legally effective releases or waivers (satisfactory to City) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
- B. Payment Becomes Due: The final payment requested by Contractor, less previous payments made and less any sum to which City is entitled, including but not limited to liquidated damages, will become due and payable:
  - 1. After City's acceptance of the Application for Payment and accompanying documentation; and

2. After all Damage Claims have been resolved:
  - a. directly by the Contractor; or
  - b. Contractor provides evidence that the Damage Claim has been reported to Contractor's insurance provider for resolution.

The making of the final payment by the City shall not relieve the Contractor of any guarantees or other requirements of the Contract that continue thereafter.

#### 14.07 *Final Completion Delayed and Partial Retainage Release*

- A. If final completion of the Work is significantly delayed, and if City so confirms, City may, upon receipt of Contractor's final Application for Payment, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by City for Work not fully completed or corrected is less than the retainage stipulated in Paragraph 14.01.D, and if bonds have been furnished as required in Paragraph 6.02, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by Contractor to City with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Contract Claims.
- B. *Partial Retainage Release.* If the Contract provides for separate establishment and maintenance periods and/or test and performance periods following the completion of all other construction in the Contract Documents for all Work locations, the City may release a portion of the amount retained provided that all other work is completed as determined by the City. Before the release, all submittals and final quantities must be completed and accepted for all other work. An amount sufficient to ensure Contract compliance will be retained.

#### 14.08 *Waiver of Claims*

- A. The acceptance of final payment will constitute a waiver and release by Contractor of all claims, rights, causes of action, or liabilities, including Contract Claims, against City arising out of, related to or under the Contract or for any act, omission or neglect of City.

#### 14.09 *Correction Period*

- A. If within two (2) years after the date of Final Acceptance (or such longer period of time as may be prescribed by the Contract Documents) any Work has been found to be defective, or Contractor's repair of any damages to the Site, adjacent areas, or areas made available for Contractor's use by City has been found to be defective, then after receipt of City's written notice of defect, Contractor shall promptly, without cost to City and in accordance with City's written instructions:
  1. correct the defective repairs to the Site or such adjacent areas, or areas made available for Contractor's use by City;
  2. correct such defective Work;
  3. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by City, and

4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.
- B. If Contractor does not promptly comply with the terms of City's written instructions, or in an emergency where delay would cause serious risk of loss or damage, City may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).
- C. In special circumstances where a particular item of equipment is placed in continuous service before Final Acceptance of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected, repaired or removed and replaced under this Paragraph 14.09, the correction period hereunder with respect to such Work may be extended for an additional period of one year after the end of the initial correction period.
- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this Paragraph 14.09 are not to be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

## **ARTICLE 15 – SUSPENSION OF WORK AND TERMINATION**

### **15.01 *City May Suspend Work***

- A. At any time and without cause, City may suspend the Work or any portion thereof by written notice to Contractor. City may fix the date on which Work will be resumed in such notice, and Contractor shall resume the Work on the date so fixed. During a temporary suspension of the Work covered by these Contract Documents, for any reason, the City will make no extra payment for stand-by time of construction equipment and/or construction crews.
- B. Should the Contractor not be able to complete a portion of the Project due to causes beyond the control of and without the fault or negligence of the Contractor, and should it be determined by mutual consent of the Contractor and City that a solution to allow construction to proceed is not available within a reasonable period of time, Contractor may request an extension in Contract Time, directly attributable to any such suspension.
- C. If it should become necessary to suspend the Work for an indefinite period, the Contractor shall store all materials in such a manner that they will not obstruct or impede the public unnecessarily nor become damaged in any way; Contractor shall take every precaution to prevent damage or deterioration of the work performed; and Contractor shall provide suitable drainage about the work, and erect temporary structures where necessary.
- D. Contractor may be reimbursed for the cost of moving its equipment off the job and returning the necessary equipment to the job when it is determined by the City that construction may be resumed. Such reimbursement shall be based on actual cost to the Contractor of moving the

equipment and no profit or overhead will be allowed. Reimbursement may not be allowed if the equipment is moved to another construction project for the City.

15.02 *City May Terminate for Cause*

- A. The occurrence of any one or more of the following events by way of example, but not of limitation, may justify termination for cause:
1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Project Schedule established under Paragraph 2.06 as adjusted from time to time pursuant to Paragraph 7.05);
  2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract; or
  3. Contractor's disregard of Laws and Regulations of any public body having jurisdiction; or
  4. Contractor's repeated disregard of the authority of City; or
  5. Contractor's failure to promptly make good any defect in materials or workmanship, or defects of any nature, the correction of which has been directed in writing by the City; or
  6. Substantial indication that the Contractor has made an unauthorized assignment of the Contract or any funds due therefrom for the benefit of any creditor or for any other purpose; or
  7. Substantial indication that the Contractor has become insolvent or bankrupt, or otherwise financially unable to perform the Work satisfactorily; or
  8. Contractor commences legal action in a court of competent jurisdiction against the City.
- B. If one or more of the events identified in Paragraph 15.02.A occurs, City will provide written notice to Contractor and Surety to arrange a conference with Contractor and Surety to address Contractor's failure to perform the Work. The conference shall be held not later than 15 days after receipt of notice. by both Contractor and surety.
1. If the City, the Contractor, and the Surety do not agree to allow the Contractor to proceed to perform the Contract, the City may, to the extent permitted by Laws and Regulations, declare a Contractor default and formally terminate the Contractor's right to complete the Contract. Contractor default shall not be declared earlier than 20 days after the Contractor and Surety have received notice of the conference to address Contractor's failure to perform the Work.
  2. If Contractor's services are terminated, Surety shall be obligated to take over and perform the Work. If Surety does not commence performance thereof within 15 consecutive calendar days after date of an additional written notice demanding Surety's performance of its obligations, then City, without process or action at law, may take over any portion of the Work and complete it as described below.
    - a. If City completes the Work, City may exclude Contractor and Surety from the Site and take possession of the Work, and all materials and equipment stored at the Site

or for which City has paid Contractor, but which are stored elsewhere, and the Work as City may deem expedient.

3. Whether City or Surety completes the Work, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by City, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to City. Such claims, costs, losses, and damages incurred by City will be incorporated in a Change Order, provided that when exercising any rights or remedies under this Paragraph 15.02, City shall not be required to obtain the lowest price for the Work performed.
  4. Neither City, nor any of its respective consultants, agents, officers, elected or appointed officials, directors or employees shall be in any way liable or accountable to Contractor or Surety for the method by which the completion of the said Work, or any portion thereof, may be accomplished or for the price paid therefor.
  5. City, notwithstanding the method used in completing the Contract, shall not forfeit the right to recover damages from Contractor or Surety for Contractor's failure to timely complete the entire Contract. Contractor shall not be entitled to any claim, counterclaim or offset on account of the method used by City in completing the Contract.
  6. Maintenance of the Work shall continue to be Contractor's and Surety's responsibilities as provided for in the bond requirements of the Contract Documents or any special guarantees provided for under the Contract Documents or any other obligations otherwise under the Contract or prescribed by law.
- C. Notwithstanding Paragraph 15.02.B, Contractor's services will not be terminated if Contractor begins within seven days of receipt of notice of intent to terminate to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.
- D. Where Contractor's services have been so terminated by City, the termination will not affect any rights or remedies of City against Contractor then existing or which may thereafter accrue, or any rights or remedies of City against Contractor or Surety. Any retention or payment of money due Contractor by City will not release Contractor from liability.
- E. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.02, the termination procedures of that bond shall not supersede the provisions of this Article 15.

### 15.03 *City May Terminate for Convenience*

- A. City may, without cause and without prejudice to any other right or remedy of City, terminate the Contract, in whole or in part. Any termination shall be affected by giving notice of the termination to the Contractor specifying the extent to which performance of Work under the contract is terminated, and the date upon which such termination becomes effective. Notice shall be deemed validly given if given in accordance with Paragraph 17.01.A.

- B. After a notice of termination, has been given, and except as otherwise directed by the City, the Contractor shall:
1. stop work under the Contract on the date and to the extent specified in the notice of termination;
  2. place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of such portion of the Work under the Contract as is not terminated;
  3. terminate all orders and subcontracts to the extent that they relate to the performance of the Work terminated by notice of termination;
  4. transfer title to the City and deliver in the manner, at the times, and to the extent, if any, directed by the City:
    - a. the fabricated or unfabricated parts, Work in progress, completed Work, supplies and other material produced as a part of, or acquired in connection with the performance of, the Work terminated by the notice of the termination; and
    - b. the completed, or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to the City.
  5. complete performance of such Work as shall not have been terminated by the notice of termination; and
  6. take such action as may be necessary, or as the City may direct, for the protection and preservation of the property related to the Contract that is in the possession of the Contractor and in which the City has or may acquire the rest.
- C. At a time not later than 30 days after the termination date specified in the notice of termination, the Contractor may submit to the City a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of in accordance with the Contract, exclusive of items the disposition of which has been directed or authorized by City.
- D. Not later than 15 days after Contractor's submission of the certified list to City pursuant to Paragraph 15.03.C, the City shall accept title to such items, subject to verification of the list by the City upon removal of the items or, If the items are stored, then City shall have 45 days after submission of the list, to verify the list submitted and accept title to such items. Any necessary adjustments to correct the list as submitted, shall be made prior to final settlement.
- E. Not later than 60 days after the notice of termination has been given, the Contractor shall submit a termination claim to the City in the form and with the certification prescribed by the City. Unless an extension request is made in writing within such 60-day period by the Contractor, and granted by the City, any and all such claims of Contractor that are not submitted to City within such 60-day period shall be conclusively deemed waived.
- F. Should a termination claim be timely submitted to the City, Contractor shall be paid for (without duplication of any items):
1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead

- and profit on such Work calculated and determined in accordance with the Contract Documents;
2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses calculated and determined in accordance with the Contract Documents; and
  3. reasonable expenses directly attributable to reasonable and necessary wind-down and termination activities, without any overhead or profit.
- G. In the event of the failure of the Contractor and City to agree upon the whole amount to be paid to the Contractor by reason of the termination of the Work, the City shall determine, on the basis of information submitted and available to it, the amount, if any, due to the Contractor by reason of the termination and City shall pay to the Contractor the amounts so determined. Contractor shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of, related to or resulting from such termination.

## **ARTICLE 16 – RESOLUTION OF DISPUTES**

### **16.01 *Methods and Procedures***

- A. Either City or Contractor may request mediation of any Contract Claim submitted for a decision under Paragraph 11.07 before such decision becomes final and binding. The request for mediation shall be submitted to the other party to the Contract. Timely submission of the request shall stay the effect of Paragraph 11.07.E.
- B. City and Contractor shall participate in the mediation process in good faith. The process shall be commenced within 60 calendar days of filing of the request.
- C. The parties shall agree on a mediator; however, if they cannot agree within 14 calendar days then the Denton County Alternative Dispute Resolution Program (“DCAP”) shall appoint a mediator. The mediation session shall be held within 45 days of the retention of the mediator, and last for at least one full mediation day, before any party has the option to withdraw from the process. The parties may agree to continue the mediation process beyond one day, until there is a settlement agreement, or one party, or the mediator, states that there is no reason to continue because of an impasse that cannot be overcome and sends a “notice of termination of mediation.” All reasonable efforts will be made to complete the mediation within 30 days of the first mediation session. All costs of mediation shall be borne equally by the parties.
- D. All communications, both written and oral, during Phases A and B are confidential and shall be treated as settlement negotiations for purposes of applicable rules of evidence; however, documents generated in the ordinary course of business prior to the Dispute, that would otherwise be discoverable, do not become confidential simply because they are used in the Negotiation and/or Mediation process.
- E. The process shall be confidential based on terms acceptable to the mediator and/or mediation service provider.

- F. If the Contract Claim is not resolved by mediation, City's action under Paragraph 11.07.C or a denial pursuant to Paragraphs 11.07.C.3 or 11.07.D shall become final and binding 30 days after termination of the mediation unless, within that time period, City or Contractor:
1. elects in writing to invoke any other dispute resolution process provided for in the Supplementary Conditions; or
  2. agrees with the other party to submit the Contract Claim to another dispute resolution process; or
  3. gives written notice to the other party of the intent to submit the Contract Claim to a court of competent jurisdiction as set forth within the Contract Documents.

## **ARTICLE 17 – MISCELLANEOUS**

### **17.01 *Giving Notice***

- A. Whenever any provision of the Contract requires the giving of written notice, it will be deemed to have been validly given if delivered:
1. in person, by a commercial courier service or otherwise, if to City, to the duly authorized representative of City identified in the Contract Documents or to City's Project Manager or, if to Contractor, to a member of the firm or to an officer of the corporation for whom it is intended; or
  2. by registered or certified mail, postage prepaid, to the recipient's place of business; or
  3. by e-mail to the recipient.

### **17.02 *Computation of Time***

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day that is a state or federal holiday observed by the City, the next Business Day shall become the last day of the period.

### **17.03 *Cumulative Remedies***

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws and Regulations, in equity, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this Paragraph 17.03 will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

### **17.04 *Limitation of Damages***

- A. With respect to any and all claims, disputes subject to final resolution, and other matters at issue, neither City, nor any of its officers, directors, elected or appointed officials, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project. Further, the Contractor may only claim and the City may only be liable for those damages that are set forth in Subchapter I, Chapter 271 of the Texas

Local Government Code and the City shall not be liable for any consequential damages, exemplary damages or damages for unabsorbed home office overhead.

17.05 *No Waiver*

- A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.
- B. The City has not waived its sovereign immunity except as expressly set forth in Subchapter I, Chapter 271 of the Texas Local Government Code or as expressly waived by other statute.

17.06 *Survival of Obligations*

All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and Final Acceptance of the Work or termination of the Contract or of the services of Contractor.

17.07 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

17.08 *Successors and Assigns*

- A. City and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

17.09 *Governing Law*

- A. The Contract shall be construed in accordance with the laws of the State of Texas without regard to conflicts of law principles.

17.10 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

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**SECTION 00 73 00**  
 SUPPLEMENTARY CONDITIONS  
 TO  
 GENERAL CONDITIONS

*[Text in Blue is for information or guidance. Remove all blue text in the final project document.]*

**Supplementary Conditions**

These Supplementary Conditions modify and supplement Section 00 72 00 - General Conditions, and other provisions of the Contract Documents as indicated below. All provisions of the General Conditions that are modified or supplemented remain in full force and effect as so modified or supplemented. All provisions of the General Conditions which are not so modified or supplemented remain in full force and effect.

**Defined Terms**

The terms used in these Supplementary Conditions which are defined in the General Conditions have the meaning assigned to them in the General Conditions, unless specifically noted herein.

**Modifications and Supplements**

The following are instructions that modify or supplement specific paragraphs in the General Conditions and other Contract Documents.

**SC-5.01A**

Easement limits shown on the Drawing are approximate and were provided to establish a basis for bidding. Upon receiving the final easements descriptions, Contractor shall compare them to the lines shown on the Contract Drawings.

**SC-5.01A.1., “Availability of Lands”**

The following is a list of known outstanding right-of-way, and/or easements to be acquired, if any as of *July 2025*:

**Outstanding Right-Of-Way, and/or Easements to Be Acquired**

PARCEL NUMBER	OWNER	TARGET DATE OF POSSESSION
------------------	-------	------------------------------

*None*

The Contractor understands and agrees that the dates listed above are estimates only, are not guaranteed, and do not bind the City.

If Contractor considers the final easements provided to differ materially from the representations on the Contract Drawings, Contractor shall within five (5) Business Days and before proceeding with the Work, notify City in writing associated with the differing easement line locations.

1 **SC-5.01A.2, “Availability of Lands”**

2  
 3 **Utilities or obstructions to be removed, adjusted, and/or relocated**

4  
 5 The following is list of utilities and/or obstructions that have not been removed, adjusted, and/or relocated  
 6 as of *July 2025*

7

EXPECTED OWNER	UTILITY AND LOCATION	TARGET DATE OF ADJUSTMENT
----------------	----------------------	---------------------------

*None*

8 The Contractor understands and agrees that the dates listed above are estimates only, are not guaranteed,  
 9 and do not bind the City.

10  
 11 **SC-5.03A., “Subsurface and Physical Conditions”**

12  
 13 The following are reports of explorations and tests of subsurface conditions at the site of the Work:

14  
 15 See *Appendix B*, providing additional information on *soil stockpile and soil boring information*.

16  
 17 The following are drawings of physical conditions in or relating to existing surface and subsurface  
 18 structures (except Underground Facilities) which are at or contiguous to the site of the Work:  
 19 *C-003 Site Utility Plan*

20  
 21  
 22 **SC-5.05 A., “Underground Facilities**

23  
 24 The following are additional resources for identification of Underground Facilities which are at or  
 25 contiguous to the site of the Work, and which are not necessarily shown in the Drawings:  
 26 *None*

27  
 28 **SC-5.06A., “Hazardous Environmental Conditions at Site”**

29  
 30 The following are reports and drawings of existing hazardous environmental conditions known to the City:  
 31 *None*

32  
 33 **SC-6.02, “Performance, Payment, and Maintenance Bonds”**

34  
 35 *The “Contract Price” for Performance, Payment, and Maintenance Bonds will be the same as indicated*  
 36 *in Article 3 as listed in the Agreement.*

37  
 38 **SC-6.03A., “Certificates of Insurance”**

39  
 40 The entities listed below are "additional insureds as their interest may appear" including their respective  
 41 officers, directors, agents and employees.

- 42  
 43 (1) City  
 44 (2) Consultant: *Parkhill, Smith & Cooper, Inc.*  
 45 (3) Other: *None*

46  
 47  
 48

**SC-6.04A., “Contractor’s Insurance”**

The limits of liability for the insurance required by Paragraph GC-6.04 shall provide the following coverages for not less than the following amounts or greater where required by laws and regulations:

**6.04A.** Workers' Compensation, under Paragraph GC-6.04A.*Statutory limits**Employer's liability**\$100,000 each accident/occurrence**\$100,000 Disease - each employee**\$500,000 Disease - policy limit***SC-6.04B., “Contractor’s Insurance”**

**6.04B.** Commercial General Liability, under Paragraph GC-6.04B. Contractor's Liability Insurance under Paragraph GC-6.04B., which shall be on a per project basis covering the Contractor with minimum limits of:

*\$1,000,000 each occurrence**\$2,000,000 aggregate limit*

The policy must have an endorsement (Amendment – Aggregate Limits of Insurance) making the General Aggregate Limits apply separately to each job site.

The Commercial General Liability Insurance policies shall provide “X”, “C”, and “U” coverage’s. Verification of such coverage must be shown in the Remarks Article of the Certificate of Insurance.

**SC 6.04C., “Contractor’s Insurance”**

**6.04C.** Automobile Liability, under Paragraph GC-6.04C. Contractor’s Liability Insurance under Paragraph GC-6.04C., which shall be in an amount not less than the following amounts:

- (1) **Automobile Liability** - a commercial business policy shall provide coverage on "Any Auto", defined as autos owned, hired and non-owned.

*\$1,000,000* each accident on a combined single limit basis.

**SC-6.04D., “Contractor’s Insurance”**

The Contractor’s construction activities will require its employees, agents, subcontractors, equipment, and material deliveries to cross railroad properties and tracks, or perform work within 25 feet of the center line of tracks *None*.

The Contractor shall conduct its operations on railroad properties in such a manner as not to interfere with, hinder, or obstruct the railroad company in any manner whatsoever in the use or operation of its/their trains or other property. Such operations on railroad properties may require that Contractor to execute a “Right of Entry Agreement” with the particular railroad company or companies involved, and to this end the Contractor should satisfy itself as to the requirements of each railroad company and be prepared to execute the right-of-entry (if any) required by a railroad company. The requirements specified herein likewise relate to the Contractor’s use of private and/or construction access roads crossing said railroad company’s properties.

1 The Contractual Liability coverage required by Paragraph 5.04D of the General Conditions shall provide  
 2 coverage for not less than the following amounts, issued by companies satisfactory to the City and to the  
 3 Railroad Company for a term that continues for so long as the Contractor’s operations and work cross,  
 4 occupy, or touch railroad property:

- |   |    |   |   |
|---|----|---|---|
| 5 | 6  | (1) General Aggregate:                        | <u><i>\$Confirm Limits with Railroad</i></u>        |
| 7 | 8  | (2) Each Occurrence:                          | <u><i>\$Confirm Limits with Railroad</i></u>        |
| 9 | 10 | <u>    </u> <i>Required for this Contract</i> | <u>    </u> <i>X Not required for this Contract</i> |

11  
 12  
 13 With respect to the above outlined insurance requirements, the following shall govern:

- 14  
 15 1. Where a single railroad company is involved, the Contractor shall provide one insurance policy in  
 16 the name of the railroad company. However, if more than one grade separation or at-grade  
 17 crossing is affected by the Project at entirely separate locations on the line or lines of the same  
 18 railroad company, separate coverage may be required, each in the amount stated above.
- 19  
 20 2. Where more than one railroad company is operating on the same right-of-way or where several  
 21 railroad companies are involved and operated on their own separate rights-of-way, the Contractor  
 22 may be required to provide separate insurance policies in the name of each railroad company.
- 23  
 24 3. If, in addition to a grade separation or an at-grade crossing, other work or activity is proposed on a  
 25 railroad company’s right-of-way at a location entirely separate from the grade separation or at-  
 26 grade crossing, insurance coverage for this work must be included in the policy covering the grade  
 27 separation.
- 28  
 29 4. If no grade separation is involved but other work is proposed on a railroad company’s right-of-  
 30 way, all such other work may be covered in a single policy for that railroad, even though the work  
 31 may be at two or more separate locations.

32  
 33 No work or activities on a railroad company’s property to be performed by the Contractor shall be  
 34 commenced until the Contractor has furnished the City with an original policy or policies of the insurance  
 35 for each railroad company named, as required above. All such insurance must be approved by the City and  
 36 each affected Railroad Company prior to the Contractor’s beginning work.

37  
 38 The insurance specified above must be carried until all Work to be performed on the railroad right-of-way  
 39 has been completed and the grade crossing, if any, is no longer used by the Contractor. In addition,  
 40 insurance must be carried during all maintenance and/or repair work performed in the railroad right-of-way.  
 41 Such insurance must name the railroad company as the insured, together with any tenant or lessee of the  
 42 railroad company operating over tracks involved in the Project.

43  
 44 **SC 6.04F., “Contractor’s Insurance”**

45 Add Paragraph 6.04F. Environmental Impairment/Pollution

46  
 47 Environmental Impairment/Pollution Insurance to include coverage for the handling, receiving, dispensing,  
 48 removal, storage, testing, transportation, disposal, discharge, dispersal release or escape of any hazardous  
 49 material into or upon land, or any structure on land, the atmosphere or any watercourse or body of water,  
 50 including ground water, with a minimum combined bodily injury (including death) and property damage  
 51 limit of *\$2,000,000* per occurrence to be obtained upon substantial completion and acceptance of facility by  
 52 the City.

53  
 54 **SC-7.08C., “Concerning Subcontractors and Suppliers”**

1  
 2 The following subcontractors shall be required to be utilized by the Contractor for specific portions of the  
 3 Work as indicated below:  
 4

5 **Required Subcontractors**

SUBCONTRACTOR COMPANY NAME      DESCRIPTION OF WORK TO BE PERFORMED

*None*

6  
 7 **SC-7.11., “Permits and Utilities”**

8  
 9 **SC-7.11A., “Contractor obtained permits and licenses”**

10 The following are known permits and/or licenses required by the Contract to be acquired by the Contractor:

11 *None*

12  
 13 **SC-7.11B. “City obtained permits and licenses”**

14 The following are known permits and/or licenses required by the Contract to be acquired by the City: *None*.

15  
 16 **SC-7.11C. “Outstanding permits and licenses”**

17  
 18 The following is a list of known outstanding permits and/or licenses to be acquired, if any as of *July 2025*:

19  
 20 **Outstanding Permits and/or Licenses to Be Acquired**

OWNER      PERMIT OR LICENSE AND LOCATION      TARGET DATE OF POSSESSION

*None*

21  
 22 **SC-8.02., “Coordination”**

23  
 24 The individuals or entities listed below have contracts with the City for the performance of other work at  
 25 the Site:  
 26

Vendor	Scope of Work	Coordination Authority
<i>None</i>	<i>None</i>	<i>CITY</i>

27  
 28 **SC-9.01, “Communications to Contractor”**

29  
 30 *Mobilization, stockpiling material, liner testing and schedule*

31  
 32 **SC-10.01B., “City’s Project Manager”**

33  
 34 The City’s Project Manager for this Contract is *Randall Morris* or his/her successor pursuant to **written**  
 35 **notification from the City Engineer.**

36  
 37 **SC-13.02B., “Tests and Inspections”**

38  
 39 *As noted in the relevant sections of the project manual.*

40  
 41 **SC-14.01G, “Reduction in Payment”**

1 Add Paragraph 14.01G.3:

2

3 3. *City may reduce payments to the Contractor, if the number of Days that have passed after the date*  
4 *listed on the Notice to Proceed exceeds the Contract Time for Substantial Completion.*

5

6 **SC-16.01C.1, “Methods and Procedures”**

7

*None*

8

9 **SC – 17.01, “Documents”**

10

11 *Any documents submitted to the City in electronic format shall be considered equivalent to an original of*  
12 *such document.*

13

14

15

**END OF SECTION**

Revision Log		
DATE	NAME	SUMMARY OF CHANGE

**CONFLICT OF INTEREST QUESTIONNAIRE - FORM CIQ**  
**For vendor or other person doing business with local governmental entity**

**This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.**

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) and by City of Denton Ethics Code, Ordinance 18-757.

By law this questionnaire must be filed with the records administrator of the local government 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.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

**1 Name of vendor who has a business relationship with local governmental entity.**

4X CONSTRUCTION GROUP, LLC

**2  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.)

**3 Name of local government officer about whom the information in this section is being disclosed.**

N/A

\_\_\_\_\_  
Name of Officer

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. This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes  No

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 named in this section AND the taxable income is not received from the local governmental entity?

Yes  No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?

Yes  No

D. Describe each employment or business and family relationship with the local government officer named in this section.

**4  I have no Conflict of Interest to disclose.**

**5 DocuSigned by:**

*Jeff Parrish*

1/19/2026

Signature of vendor doing business with the governmental entity

Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at [http://www.statutes.legis.state.tx.us/ Docs/LG/htm/LG.176.htm](http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm). For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

- (A) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:
  - (2) the vendor:
    - (A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that
      - (i) a contract between the local governmental entity and vendor has been executed; or
      - (ii) the local governmental entity is considering entering into a contract with the vendor;
    - (B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:
      - (i) a contract between the local governmental entity and vendor has been executed; or
      - (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:
  - (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
  - (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
  - (3) has a family relationship with a local government officer of that local governmental entity.
- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:
  - (1) the date that the vendor:
    - (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
    - (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
  - (2) the date the vendor becomes aware:
    - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
    - (B) that the vendor has given one or more gifts described by Subsection (a); or
    - (C) of a family relationship with a local government officer.

### **City of Denton Ethics Code Ordinance Number 18-757**

**Definitions:**

**Relative:** a family member related to a City Official within the third 3<sup>rd</sup> degree of affinity (marriage) or consanguinity (blood or adoption)

**City Official:** for purpose of this article, the term consists of the Council Members, Department Heads, or member of the Board of Ethics, Planning and zoning Commission Members, Board of Adjustment, Historic Landmark Commission, or Public Utilities Board

**Vendor:** a person who provides or seeks to provide goods, services, and/or real property to the City in exchange for compensation. This definition does not include those property owners from whom the City acquires public right-of-way or other real property interests for public use.

Per the City of Denton Ethics Code, Section 2-273. – Prohibitions

- (3) It shall be a violation of this Article for a Vendor to offer or give a Gift to City Official exceeding fifty dollars (\$50.00) per gift, or multiple gifts cumulatively valued at more than two hundred dollars (\$200.00) per a single fiscal year.

Per the City of Denton Ethics Code, Section 2-282. – Disposition (b), (5) Ineligibility

If the Board of Ethics finds that a Vendor has violated this Article, the Board may recommend to the City Manager that the Vendor be deemed ineligible to enter into a City contract or other arrangement for goods, services, or real property, for a period of one (1) year.

## Certificate Of Completion

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Subject: Please DocuSign: City Council Contract 8907 Cell 6 Construction Project  
Source Envelope:  
Document Pages: 102  
Certificate Pages: 6  
AutoNav: Enabled  
Envelopeld Stamping: Enabled  
Time Zone: (UTC-06:00) Central Time (US & Canada)

Status: Sent

Envelope Originator:  
Crystal Westbrook  
901B Texas Street  
Denton, TX 76209  
crystal.westbrook@cityofdenton.com  
IP Address: 198.49.140.104

## Record Tracking

Status: Original  
1/9/2026 4:55:48 PM

Holder: Crystal Westbrook  
crystal.westbrook@cityofdenton.com

Location: DocuSign

## Signer Events

Crystal Westbrook  
crystal.westbrook@cityofdenton.com  
Senior Buyer  
City of Denton  
Security Level: Email, Account Authentication  
(None)

## Signature

**Completed**  
  
Using IP Address: 198.49.140.104

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Signed: 1/9/2026 5:03:25 PM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Lori Hewell  
lori.hewell@cityofdenton.com  
Purchasing Manager  
City of Denton  
Security Level: Email, Account Authentication  
(None)

  
  
Signature Adoption: Pre-selected Style  
Using IP Address: 198.49.140.10

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Signed: 1/12/2026 9:47:09 AM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Leah Bush  
leah.bush@cityofdenton.com  
Security Level: Email, Account Authentication  
(None)

  
  
Signature Adoption: Pre-selected Style  
Using IP Address: 198.49.140.104

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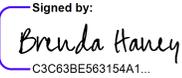
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ID: 1d56b049-7086-457d-adb0-b5ec14dcd5a9

Jeff Parrish  
jeff.parrish@4xconstruction.com  
Managing Member  
4X Construction Group, LLC  
Security Level: Email, Account Authentication  
(None)

  
  
Signature Adoption: Pre-selected Style  
Using IP Address: 69.162.70.148

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Signed: 1/19/2026 8:59:07 AM

**Electronic Record and Signature Disclosure:**  
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ID: 712c5991-26b0-4db1-819c-93454aa12f3f

Signer Events	Signature	Timestamp
<p>Brenda Haney  brenda.haney@cityofdenton.com  Director  Security Level: Email, Account Authentication (None)</p>	<p>Signed by:    C3C63BE563154A1...  Signature Adoption: Pre-selected Style  Using IP Address: 198.49.140.10</p>	<p>Sent: 1/19/2026 8:59:10 AM  Viewed: 1/20/2026 7:01:14 AM  Signed: 1/20/2026 7:01:54 AM</p>

**Electronic Record and Signature Disclosure:**  
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<p>Cheyenne Defee  cheyenne.defee@cityofdenton.com  Procurement Administration Supervisor  City of Denton  Security Level: Email, Account Authentication (None)</p>	<p>Sent: 1/20/2026 7:01:57 AM</p>
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**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Sara Hensley  
sara.hensley@cityofdenton.com  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Ingrid Rex  
Ingrid.Rex@cityofdenton.com  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
<b>Editor Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Agent Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Intermediary Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Certified Delivery Events</b>	<b>Status</b>	<b>Timestamp</b>
<b>Carbon Copy Events</b>	<b>Status</b>	<b>Timestamp</b>

<p>Cheyenne Defee  cheyenne.defee@cityofdenton.com  Procurement Administration Supervisor  City of Denton  Security Level: Email, Account Authentication (None)</p>	<div style="border: 2px solid blue; padding: 5px; text-align: center; color: blue; font-weight: bold; font-size: 1.2em;">COPIED</div>	<p>Sent: 1/9/2026 5:03:28 PM</p>
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<p>Marcella Lunn  marcella.lunn@cityofdenton.com  Senior Deputy City Attorney  City of Denton  Security Level: Email, Account Authentication (None)</p>	<div style="border: 2px solid blue; padding: 5px; text-align: center; color: blue; font-weight: bold; font-size: 1.2em;">COPIED</div>	<p>Sent: 1/12/2026 1:39:13 PM</p>
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**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Gretna Jones  
gretna.jones@cityofdenton.com  
Legal Secretary  
City of Denton  
Security Level: Email, Account Authentication  
(None)

**COPIED**

Sent: 1/20/2026 7:01:57 AM  
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**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

City Secretary Office  
citysecretary@cityofdenton.com  
Security Level: Email, Account Authentication  
(None)

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Randall Morris  
randall.morris@cityofdenton.com  
Security Level: Email, Account Authentication  
(None)

**Electronic Record and Signature Disclosure:**  
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

**How to contact City of Denton:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: purchasing@cityofdenton.com

**To advise City of Denton of your new e-mail address**

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at melissa.kraft@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

**To request paper copies from City of Denton**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with City of Denton**

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

**Required hardware and software**

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> <li>•Allow per session cookies</li> <li>•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection</li> </ul>

\*\* These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

**Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Denton Municipal Electric

**DCM:** Cassey Ogden

**DATE:** March 9, 2026

### SUBJECT

Consider recommending adoption of an ordinance of the City of Denton amending Chapter 26 of the Code of Ordinances to update section 26-23(4) amending utility billing adjustment period provisions; and providing a severability clause; providing a savings clause; providing for codification; and an effective date.

### BACKGROUND

As part of a task/process transition between Denton Municipal Electric (DME) and Customer Service, staff identified 218 commercial accounts that had not been adjusted per the City's adopted electric rate ordinance as it relates to electric demand charges. This error occurred over a period of 24 months. As such, and in compliance with current governing ordinances, staff issued billing adjustments that resulted in refunds/credits to 32 customers and back billings to 186 customers. In advance of billing adjustments being sent to customers, staff made phone calls and sent written communication. Unfortunately, contact information was not accurate and available for some customers, which hindered communication and in at least one instance, a customer did not receive any communication at all due to human error. The net impact of these billing adjustments resulted in the recovery of \$331,607.27 in revenue that should have been received had these commercial accounts been adjusted on a timely basis and in accordance with the adopted electric rate ordinance. When contacted, our Customer Service staff worked closely with customers to explain the billing adjustments and in some cases, payment arrangements were facilitated.

The nature of these billing adjustments relates to commercial customers only and the application of charges for power demand, also known as peak load. Demand charges are a component of base charges and do not include the Energy Cost Adjustment (ECA) or Transmission Cost Recovery Factor (TCRF). For small commercial customers with power demand below 21 kW, there are no demand charges. These customers only pay a fixed facility charge and usage charge as their base charge. For medium and large commercial customers, the base charge is comprised of a fixed facility charge, usage charge and demand charge. The use of demand charges for commercial customers is customary for electric utilities and DME has utilized them for more than 20 years. The key reason for their use is to size equipment to meet the customer's highest demand, ensure that costs are burdened effectively to customers driving the infrastructure costs, incentivize energy efficiency by encouraging customers to "flatten" their load especially during peak times, and application of a "ratchet" or lock period to further incentivize energy efficiency.

The accompanying ordinance reflects direction provided to staff by both the Public Utilities Board and the City Council. This ordinance will memorialize that direction in the City's Code of Ordinance and serve as the governing ordinance for utility billing going forward. The ordinance further provides staff the necessary authority to apply the same provision to overbilled accounts impacted by the general account audit from July 2025.

## **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On February 17, 2026, the City Council held a work session discussion regarding the City's utility billing process for electric service and gave staff direction to: (1) adjust the underbilling from 2 years to 6 months and the overbilling period from 2 years to the Entire Period of the Overbilling; and (2) apply the revised underbilling period to accounts identified in a general service account audit from July 2025.

On February 23, 2026, the Public Utilities Board held a work session discussion regarding the City's utility billing process for electric service and agreed with the direction provided by the City Council.

## **RECOMMENDATION**

Staff recommend that the Public Utilities Board recommend adoption of the ordinance to the City Council.

## **EXHIBITS**

1. Agenda Information Sheet
2. Code of Ordinances Redline
3. Ordinance

Respectfully submitted:  
Antonio Puente, Jr.  
940-349-8487  
DME General Manager

---

**Sec. 26-23. Utility billing adjustments policy.**

- (4) *Adjustment period.* The city shall also have the right to provide billing adjustments, consisting of ~~back billing or back credits~~ overbilled or underbilled statement, on prior billing for a period up to, but no greater than two (2) years. These prior period billing adjustments must be based on actual meter readings, verifiable evidence, or proration based on actual readings. Correction of overbilled and underbilled accounts may consist of statement recreation or the addition of itemized charges to the current bill.
- (a) Correction of underbilled statements shall not exceed the 6 billing periods prior to the billing period when correction is made.
- (b) Correction of overbilled statements shall be corrected for the entire period of the overbilling.

ORDINANCE NO. \_\_\_\_\_

CONSIDER ADOPTION OF AN ORDINANCE OF THE CITY OF DENTON AMENDING CHAPTER 26 OF THE CODE OF ORDINANCES TO UPDATE SECTION 26-23(4) AMENDING UTILITY BILLING ADJUSTMENT PERIOD PROVISIONS; AND PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR CODIFICATION; AND AN EFFECTIVE DATE.

WHEREAS, on December 11, 2018 by Ordinance No. 18-1520, the City Council of the City of Denton, Texas adopted policy for the adjustment of utility billings; and

WHEREAS, Chapter 26 of the Denton Code of Ordinances presently addresses the subject of utility bill adjustment of all City utility customers; this ordinance clearly provides amended and updated procedures for City utility customers that reflect changes in industry practice over time. This ordinance implements enhancements to adjustment period standards within Denton Municipal Utilities; and

WHEREAS the City Council now desires to amend the utility billing adjustment period to align with industry practice; NOW THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The following sections of the City of Denton Code of Ordinances, Chapter 26, "Utilities" are hereby amended to read as follows:

Refer to Exhibit "A" incorporated herewith and attached hereto, which sets forth the provisions of Section 26-23(4) as said Section is now amended by this ordinance.

SECTION 2. This ordinance shall become effective immediately upon its passage and approval.

SECTION 3. Provisions of this ordinance shall be applied to accounts identified in a general service account audit from July 2025.

SECTION 4. To the extent not otherwise provided, this ordinance shall repeal every prior ordinance in conflict herewith, but only insofar as the portion of such ordinance shall be in conflict; and as to all other sections of the ordinance not in direct conflict herewith, this ordinance shall be and is hereby made cumulative except as to such prior ordinances or portions thereof as are expressly repealed hereby.

SECTION 5. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid by any court, such invalidity shall not affect the validity of any other provisions or applications, and to this end the provisions of this ordinance are severable.

SECTION 6. The City Secretary is hereby directed to record and publish the above regulations in the City's Code of Ordinances.

---

The motion to approve this ordinance was made by \_\_\_\_\_ and seconded by \_\_\_\_\_. This Ordinance was passed and approved by the following vote [ \_\_\_ - \_\_\_ ]:

	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>	<b>Absent</b>
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
INGRID REX, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: Dewin Q. Alexander

---

Exhibit A

**Sec. 26-23. Utility billing adjustments policy.**

- (4) *Adjustment period.* The city shall also have the right to provide billing adjustments, consisting of overbilled or underbilled statement. These prior period billing adjustments must be based on actual meter readings, verifiable evidence, or proration based on actual readings. Correction of overbilled and underbilled accounts may consist of statement recreation or the addition of itemized charges to the current bill.
- (a) Correction of underbilled statements shall not exceed the 6 billing periods prior to the billing period when correction is made.
  - (b) Correction of overbilled statements shall be corrected for the entire period of the overbilling.

**CITY OF DENTON PUBLIC UTILITIES BOARD MINUTES**  
**February 23, 2026**

After determining that a quorum was present of the Public Utilities Board of the City of Denton, convened in a Regular Meeting on Monday, February 23, 2026, at 9:00 a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas.

PRESENT: Chair Devin Taylor, Lee Riback, Aaron Newquist, Robert Rayner, Susan Parker, Thomas Plock

Also present: General Manager Antonio Puente, Jr. and First Assistant City Attorney Marcella Lunn

Absent: Billy Cheek

**REGULAR MEETING**

**1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC**

There were no presentations from the public.

**2. CONSENT AGENDA**

The Consent Agenda consisted of Items 2 A.

**Board Member Newquist moved to recommend adoption of agenda items 2 A. Motion seconded by Board Member Plock; motion carried.**

**YES (6): Chair Devin Taylor, Lee Riback, Aaron Newquist, Robert Rayner, Susan Parker, Thomas Plock**

**NO (0):**

**A. PUB26-246** Consider recommending adoption of an ordinance of the City of Denton repealing ordinance No. 24-2027; approving the 2026 Denton Municipal Electric- Energy Risk Management Policy (the “2026 ERMP”); delegating authority as provided in the 2026 ERMP; authorizing and approving the subsequent execution of such other ancillary and related documents, including, without limitation, contracts, nominations, certificates, assignments, licenses, directions, instruments, confirmations, orders, and statements as are authorized by the 2026 ERMP, which are incident to or related thereto; confirming that the City of Denton, its mayor, its city council members, its city manager, its city attorney, and its city secretary are authorized to perform such acts and obligations as are reasonably required to consummate those future transactions which are provided for and authorized by the 2026 ERMP; finding that the purchase of electricity, natural gas, and related commodities and instruments are exempt from the requirements of competitive bidding; finding that the purchase of electricity, natural gas, and related commodities and instruments made by the city under the terms of the 2026 ERMP are in the public welfare of the citizens and electric ratepayers of the city; authorizing the expenditure of funds therefor; and, providing an effective date.

### **3. ITEMS FOR INDIVIDUAL CONSIDERATION**

**A. PUB26-018** Consider approval of the February 9, 2026 minutes.

**Board Member Riback moved to recommend adoption of agenda items 2 A. Motion seconded by Board Member Rayner; motion carried.**

**YES (6): Chair Devin Taylor, Lee Riback, Aaron Newquist, Robert Rayner, Susan Parker, Thomas Plock**

**NO (0):**

**B. PUB26-009** Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Construction Manager at Risk contract with Sundt Construction, Inc., for construction phase services for the Pecan Creek Water Reclamation Plant Expansion Project for the Water Utilities Department; providing for the expenditure of funds therefor; and providing an effective date (RFP 8289 - awarded to Sundt Construction, Inc., including the first Guaranteed Maximum Price in the partial not-to-exceed amount of \$92,321,565.00).

David Brown gave a presentation and answered questions from Board members. Kyle Pedigo and Lori Hewell also answered questions from Board members.

**Board Member Riback moved to recommend adoption of agenda items 2 A. Motion seconded by Board Member Parker; motion carried.**

**YES (6): Chair Devin Taylor, Lee Riback, Aaron Newquist, Robert Rayner, Susan Parker, Thomas Plock**

**NO (0):**

**C. PUB26-020** Management Reports

1. Board Member Appointment Notification
2. Hickory Creek Road Phase 3 Memo
3. Future Agenda Items
4. New Business Action Items

Seth Garcia answered questions regarding the Hickory Creek Road Phase 3 Memo from Board member Devin Taylor.

### **WORK SESSION**

**A. PUB26-021** Receive a report, hold a discussion, and give staff direction regarding the City's utility billing process for electric service.

Tony Puente gave a presentation and answered questions from Board members. Board member Taylor would like to see a comparison of commercial rates from other utilities here in the City of Denton.

**CLOSED SESSION**

- A. PUB26-247** Deliberations Regarding Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff regarding an update to the Denton Municipal Electric Energy Risk Management Policy that includes public power utility competitive data; discuss, deliberate, and provide direction to staff regarding same. Consultation with City's attorney regarding legal issues associated with the above matter where a public discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton and the Denton City Council under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any administrative proceeding or potential litigation. This agenda item is related to Consent Agenda item PUB26-246 and will be a placeholder if Public Utilities Board members have questions requiring confidential discussion as allowed by law.

**4. CONCLUDING ITEMS**

With no further business, the meeting was adjourned at 9:31 AM.

---

**DEVIN TAYLOR**  
**CHAIR**  
**CITY OF DENTON, TEXAS**

---

**CASSIE BLACKBURN**  
**ADMINISTRATION MANAGER**  
**CITY OF DENTON, TEXAS**

Minutes approved on: 3/9/26

~~AN ORDINANCE OF OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE SCHEDULE OF RATES FOR ELECTRIC SERVICE; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE. THE CITY OF DENTON, TEXAS, ESTABLISHING THE SCHEDULE OF RATES FOR ELECTRIC SERVICE; AMENDING THE LARGE LOAD ENERGY COST ADJUSTMENT; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING EFFECTIVE DATES FOR THIS ORDINANCE AND THE SCHEDULE OF RATES.~~

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Schedule of Rates for electrical services as provided for in Chapter 26 of the City of Denton Code of Ordinances, is as follows:

**ELECTRIC RATE SCHEDULES**

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RESIDENTIAL ELECTRIC SERVICE  
(Effective ~~10/15/2504~~/01/26)

APPLICATION

Applicable to any Customer for all electric service used for residential purposes in an individual private dwelling or an individually metered apartment, supplied at one point of delivery and measured through one meter. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1) Facility Charge	Per Bill
Single-Phase Service (R2)	\$ 8.80
Three-Phase Service (R2)	\$17.59
Prepaid Service (P2)	\$16.26

plus;

(2) Usage Charge	Per kWh
Winter (Billing months of November through April):	
Tier 1: First 600 kWh	\$0.0694
Tier 2: Additional kWh	\$0.0462
Summer (Billing months of May through October):	
Tier 1: All kWh	\$0.0694

plus;

(3) Energy Cost Adjustment Charge	See Schedule ECA
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plus;

(4) Transmission Cost Recovery Factor	See Schedule TCRF
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MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

## USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

Winter (Billing months of November through April):

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

Summer (Billing months of May through October):

$$\text{Usage Charge} = \text{All kWh} \times \text{Tier 1 Rate per kWh}$$

## SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

## PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GS

### GENERAL SERVICE SMALL

(Effective ~~10/15/2504~~/01/26)

#### APPLICATION

Applicable to any commercial customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 21 kW in two consecutive months, account will be adjusted to bill under General Service Medium (GSM) and the Customer must remain on the GSM rate for a minimum of twelve (12) billing periods. At the end of the twelve (12) month billing period, a review will be conducted to determine if the account remains as GSM, drops to GSS or moves up to GSL at the next immediate billing period. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
	plus;	
(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	Tier 1: First 2,500 kWh	\$0.0865
	Tier 2: Additional kWh	\$0.0453
	plus;	
(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
	plus;	
(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh}$$

kWh in Tier 2 × Tier 2 Rate per kWh, if applicable

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GM

### GENERAL SERVICE MEDIUM

(Effective ~~10/15/25~~04/01/26)

#### APPLICATION

Applicable to any commercial customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under General Service Large (GSL), and the Customer must remain on the GSL rate for a minimum of twelve (12) billing periods. At the end of the twelve (12) month billing period, a review will be conducted to determine if the account remains as GSL or drops to GSM at the next immediate billing period.

Applicable to GSM Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GM2)**

Applicable to GSM Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GM3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### MONTHLY RATE

	<b>(1) Facility Charge</b>		<b>Per Bill</b>
		Single-Phase	\$16.85
		Three-Phase	\$22.50
plus;			
	<b>(2) Demand Charge</b>		<b>Per kW</b>
		All kW	\$4.85
plus;			
	<b>(3) Usage Charge</b>		<b>Per kWh</b>
	<b>GM</b>	Tier 1: First 6,000 kWh	\$0.0531
		Tier 2: Additional kWh	\$0.0438
	<b>GM2</b>	Tier 1: First 6,000 kWh	\$0.0521
		Tier 2: Additional kWh	\$0.0428
	<b>GM3</b>	Tier 1: First 6,000 kWh	\$0.0500
		Tier 2: Additional kWh	\$0.0408

plus;

- |     |                                      |                         |
|-----|--------------------------------------|-------------------------|
| (4) | <b>Energy Cost Adjustment Charge</b> | <b>See Schedule ECA</b> |
|-----|--------------------------------------|-------------------------|
- plus;
- |     |  |                          |
|-----|--|--------------------------|
| (5) | <b>Transmission Cost Recovery Factor</b> | <b>See Schedule TCRF</b> |
|-----|--|--------------------------|

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

#### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kW demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 21 kW; or (3) seventy percent (70%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

#### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

#### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GL

### GENERAL SERVICE LARGE

(Effective ~~10/15/2504~~/01/26)

#### APPLICATION

Applicable to any commercial customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GSL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. (GL2)

Applicable to GSL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. (GL3)

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Three-Phase	\$70.10
	plus;	
(2)	<b>Demand Charge</b>	<b>Per kVA</b>
	All kVA	\$10.96
	plus;	
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	<b>GL</b> Tier 1: First 200,000 kWh	\$0.0249
	Tier 2: Additional kWh	\$0.0142
	<b>GL2</b> Tier 1: First 200,000 kWh	\$0.0239
	Tier 2: Additional kWh	\$0.0132
	<b>GL3</b> Tier 1: First 200,000 kWh	\$0.0218
	Tier 2: Additional kWh	\$0.0112
	plus;	

- plus;
- |     |  |                          |
|-----|--|--------------------------|
| (4) | <b>Energy Cost Adjustment Charge</b>     | <b>See Schedule ECA</b>  |
| (5) | <b>Transmission Cost Recovery Factor</b> | <b>See Schedule TCRF</b> |

### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 250 kVA; or (3) seventy percent (70%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE TG

### GENERAL SERVICE TIME OF USE

(Effective ~~10/15/2504~~/01/26)

#### APPLICATION

Applicable to any Customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers electing this Rate must remain on this Rate for a minimum of twelve (12) continuous billing months. If the Customer is new or does not have a history of on-peak use for June through September, and elects to accept service on the TGS Rate, the Customer's demand shall be billed at the GSL Demand Rate until the Customer establishes a separate on-peak and off-peak demand during an on-peak month.

Applicable to TGS Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(TG2)**

Applicable to TGS Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(TG3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### MONTHLY RATE

	<b>(1) Facility Charge</b>		<b>Per Bill</b>
	Three-Phase		\$81.75
plus;			
	<b>(2) Demand Charge</b>		<b>Per kVA</b>
	On-Peak		\$13.97
	Off-Peak		\$ 2.76
plus;			
	<b>(3) Usage Charge</b>		<b>Per kWh</b>
	<b>TG</b> All kWh		\$0.0083
	<b>TG2</b> All kWh		\$0.0073
	<b>TG3</b> All kWh		\$0.0053
plus;			
	<b>(5) Energy Cost Adjustment Charge</b>		<b>See Schedule ECA</b>

plus;

**(6) Transmission Cost Recovery Factor**

**See Schedule TCRF**

**MINIMUM BILLING**

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the On-Peak and Off-Peak Demand Charges, regardless of actual energy usage.

**DEFINITION OF TIME OF USE HOURS**

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M. each Monday through Friday, for the months of June through September excluding Independence Day and Labor Day. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

**DETERMINATION OF DEMAND**

On-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA; or (3) one hundred percent (100%) of the actual maximum on-peak demand similarly determined during the billing months of June through September in the twelve (12) months immediately preceding the current month. The On-Peak Demand Charge will be applied to each billing period.

Off-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA. The Off-Peak Demand Charge will be applied to each billing period.

**USAGE CHARGE**

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

**SPECIAL FACILITIES**

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GOS

### LOCAL GOVERNMENT SERVICE SMALL

(Effective ~~10/15/25~~04/01/26)

#### APPLICATION

Applicable to any local City, County or School District customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand equals or exceeds 21 kW in two consecutive months, account will be adjusted to bill under Local Government Service Medium (GOM), and the Customer must remain on the GOM Rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby or supplementary service.

#### NET MONTHLY RATE

	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	Tier 1: First 2,500 kWh	\$0.0865
	Tier 2: Additional kWh	\$0.0453
plus;		
(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE GOM**

**LOCAL GOVERNMENT SERVICE MEDIUM**

(Effective ~~10/15/2504~~/01/26)

**APPLICATION**

Applicable to any local City, County, or School District customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under Local Government Service Large (GOL), and the customer must remain on the GOL rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

**NET MONTHLY RATE**

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	<b>Demand Charge</b>	<b>Per kW</b>
	All kW	\$4.85
plus;		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	Tier 1: First 6,000 kWh	\$0.0531
	Tier 2: Additional kWh	\$0.0438
plus;		
(4)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(5)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

**MINIMUM BILLING**

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) The actual kW demand supplied during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1 kWh} \times \text{Rate per kWh} \\ \text{kWh in Tier 2 kWh} \times \text{Rate per kWh, if applicable} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

The due date for the payment of the bill for utility services shall not be less than ten (10) business days after issuance.

**SCHEDULE GOL**

LOCAL GOVERNMENT SERVICE LARGE

(Effective ~~10/15/2504~~01/26)

APPLICATION

Applicable to any local City, County, or School District customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GOL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GO2)**

Applicable to GOL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GO3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Three-Phase	\$70.10
plus;		
(2)	<b>Demand Charge</b>	<b>Per kVA</b>
	All kVA	\$10.96
plus;		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	<b>GOL</b> Tier 1: First 200,000 kWh	\$0.0249
	Tier 2: Additional kWh	\$0.0142
	<b>GO2</b> Tier 1: First 200,000 kWh	\$0.0239
	Tier 2: Additional kWh	\$0.0132
	<b>GO3</b> Tier 1: First 200,000 kWh	\$0.0218
	Tier 2: Additional kWh	\$0.0112
plus;		

- plus;
- |     |  |                          |
|-----|--|--------------------------|
| (4) | <b>Energy Cost Adjustment Charge</b>     | <b>See Schedule ECA</b>  |
| (5) | <b>Transmission Cost Recovery Factor</b> | <b>See Schedule TCRF</b> |

### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE T1

### TEMPORARY SERVICE (Effective ~~10/15/2504~~/01/26)

#### APPLICATION

Applicable to short term or temporary electric service where a Customer has received a permit. This Rate is not applicable after the certificate of occupancy or building final inspection has been issued.

#### NET MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.86
	Three-Phase	\$22.52
plus;		
(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	All kWh	\$0.0867
plus;		
(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge regardless of actual energy usage.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

ADDITIONAL TEMPORARY SERVICE CHARGES

Labor	Regular time or overtime labor hourly rates in effect at the time the work is performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.
Transportation	To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.
Material	Material that cannot be salvaged shall be billed at the City's Warehouse cost plus twenty five percent (25%), plus applicable sales tax. At the time a temporary service is removed or converted, any loss of the installed material due to negligence or willful action by the Customer will be billed separately to the Customer at replacement cost plus twenty five percent (25%), plus applicable sales tax.
Administrative Fee	Ten percent (10%) of the total labor, transportation, and material costs.

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE AF**

**ATHLETIC FIELD**

(Effective ~~10/15/2504~~/01/26)

**APPLICATION**

Applicable to all electric service metered at one point for use to light specified areas for athletic events. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service except in conjunction with applicable rider.

**NET MONTHLY RATE**

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$23.09
	Three-Phase	\$34.62
plus;		
(2)	<b>Demand Charge</b>	<b>Per kW</b>
	On-Peak	\$6.15
	Off-Peak	\$1.46
plus:		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	On-Peak	\$0.0992
	Off-Peak	\$0.0496
plus;		
(4)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(5)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

**MINIMUM BILLING**

For each billing period, the Customer shall be obligated to pay the Facility Charge, regardless of actual energy usage.

### DEFINITION OF ON-PEAK AND OFF-PEAK HOURS

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M., for the months of June through September. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the actual kW demand supplied during the fifteen (15) minute period of maximum use during the current billing period as determined by the City's demand meter.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{On-Peak kWh} \times \text{Rate per kWh} \\ \text{Off Peak kWh} \times \text{Rate per kWh} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE LS**

**STREET LIGHTING**  
(Effective ~~10/15/2504~~01/26)

**APPLICATION**

Applicable to all street lighting owned and maintained by the City.

**NET MONTHLY RATE**

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	<u>Luminaire Style Type</u>	
	100 W Sodium Cobra (LSA)	\$6.17
	250 W Sodium Cobra (LSB)	\$8.75
	400 W Sodium Cobra (LSC)	\$11.02
	100 W LED Cobra (LSD)	\$6.17
	250 W LED Cobra (LSE)	\$8.75
	400 W LED Cobra (LSF)	\$11.02
	85 W LED Post (LSG)	\$11.02

plus;

(2)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
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**ENERGY COST ADJUSTMENT CHARGE**

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium(LSA)	48 kWh
250 W Sodium (LSB)	105 kWh
400 W Sodium (LSC)	159 kWh
100 W LED (LSD)	25 kWh
250 W LED (LSE)	96 kWh
400 W LED (LSF)	148 kWh
85 W LED (LSG)	23 kWh

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

TRAFFIC LIGHTING  
(Effective ~~10/15/2504~~/01/26)

APPLICATION

Applicable to State and Local Government agencies that operate and maintain their own traffic signals.

**METERED TRAFFIC LIGHTING NET MONTHLY RATE (LT)**

plus;	(1)	Usage Charge	\$0.0674 per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA
	(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Metered Traffic Lighting Usage Charge shall be based on actual kWh consumption during the billing period. Usage Charge = All kWh x Rate per kWh

**UNMETERED TRAFFIC LIGHTING NET ANNUAL RATE (ULT)**

plus;	(1)	Usage Charge	\$0.0674 per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA
	(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Unmetered Traffic Lighting Usage Charge shall be based on historical recorded annual kWh consumption. Usage Charge = All kWh x Rate per kWh

Annual Usage = 904 kWh per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE UFL

### UNMETERED SCHOOL ZONE/CROSSING FLASHERS

(Effective ~~10/15/2504~~/01/26)

#### APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered school zone/crossing flashers.

#### NET ANNUAL RATE

plus;	(1) Usage Charge	\$0.0674per kWh
plus;	(2) Energy Cost Adjustment Charge	See Schedule ECA
	(3) Transmission Cost Recovery Factor	See Schedule TCRF

#### USAGE CHARGE

Billing for the Usage Charge shall be based on historical recorded annual kWh consumption. The total billed usage divided by number of school zone/crossing flashers will determine the average kWh usage. This average consumption will be billed for each school zone/crossing flasher once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

$$\text{Annual Usage} = 48 \text{ kWh per account}$$

#### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE USC

### UNMETERED SECURITY CAMERA

(Effective ~~10/15/2504~~01/26)

#### APPLICATION

Applicable to Local Government agencies that operate and maintain their own unmetered security cameras.

#### NET ANNUAL RATE

plus;	(1)	Facility Charge	\$18.09 per bill
	(2)	Usage Charge	\$0.0674 per kWh
plus;	(3)	Energy Cost Adjustment Charge	See Schedule ECA
	(1)	Transmission Cost Recovery Factor	See Schedule TCRF

#### USAGE CHARGE

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each camera once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = annual kWh per camera × kWh Rate

Annual Usage = 300 kWh per camera per account

#### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE UWF**

**UNMETERED WI-FI DEVICES**

(Effective ~~10/15/2504~~01/26)

**APPLICATION**

Applicable to local government agencies that operate and maintain their own unmetered Wi-Fi devices.

**NET ANNUAL RATE**

plus;	(1)	Facility Charge	\$18.09 per bill
	(2)	Usage Charge	\$0.0674 per kWh
plus;	(3)	Energy Cost Adjustment Charge	See Schedule ECA
	(4)	Transmission Cost Recovery Factor	See Schedule TCRF

**USAGE CHARGE**

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

$$\text{Usage Charge} = \text{annual kWh per device} \times \text{kWh Rate}$$

$$\text{Annual Usage} = 300 \text{ kWh per device per account}$$

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE LO**

**OTHER LIGHTING**  
(Effective ~~10/15/2504~~/01/26)

**APPLICATION**

Applicable to Texas Department of Transportation unmetered and metered safety lighting systems and continuous lighting systems as those terms are defined in Texas Administrative Code, Title 43, Part 1, Chapter 25, Subchapter A, Rule §25.11.

**METERED LIGHTING NET MONTHLY RATE (LOB)**

- plus;
- |     |                               |                  |
|-----|-------------------------------|------------------|
| (1) | Usage Charge                  | \$0.0674 per kWh |
| (2) | Energy Cost Adjustment Charge | See Schedule ECA |

**METERED LIGHTING USAGE CHARGE (LOB)**

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.  
Usage Charge = All kWh × Rate per kWh

**UNMETERED LIGHTING NET MONTHLY RATE (LOA)**

- plus;
- |     |                               |                  |
|-----|-------------------------------|------------------|
| (1) | Usage Charge                  | \$0.0674 per kWh |
| (2) | Energy Cost Adjustment Charge | See Schedule ECA |

**UNMETERED LIGHTING USAGE CHARGE (LOA)**

Billing for the Usage Charge shall be based on estimated kWh consumption during the billing period.  
Usage Charge = (kWh Rate x Bulb Wattage/1000) x (Hours of Operation per Billing Period)

Hours of Operation per Billing Period = 333 hours

Bulb Wattage is the rated wattage of the luminaire bulb

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE DD**

**SECURITY LIGHTING**  
(Effective ~~10/15/2504~~/01/26)

**APPLICATION**

Applicable to all outdoor area lighting when such lighting facilities are operated as an extension of the City's distribution system.

**NET MONTHLY RATE**

<b>(1)</b>	<b>Facility Charge</b>	<b>Per Bill</b>
	<u>Luminaire Type</u>	
	100 W Sodium Vapor (DSA)	\$ 9.75
	250 W Sodium Vapor (DSB)	\$12.90
	400 W Sodium Vapor (DSC)	\$15.55
	250 W Metal Halide (DHA)	\$15.17
	400 W Metal Halide (DHB)	\$18.09
	100 W Equivalent LED (DSD)	\$ 9.75
	250 W Equivalent LED (DSE)	\$12.90
	400 W Equivalent LED (DSF)	\$15.55

plus;

<b>(2)</b>	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
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**ENERGY COST ADJUSTMENT CHARGE**

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DSA)	48 kWh
250 W Sodium Vapor (DSB)	105 kWh
400 W Sodium Vapor (DSC)	159 kWh
250 W Metal Halide (DHA)	105 kWh
400 W Metal Halide (DHB)	159 kWh
100 W Equivalent LED (DSD)	25 kWh
250 W Equivalent LED (DSE)	96 kWh
400 W Equivalent LED (DSF)	148 kWh

## TYPE OF SERVICE

The City shall furnish, install, maintain and deliver electric service to automatically controlled lighting fixtures conforming to the City's standards and subject to its published rules and regulations.

Where necessary for proper illumination or where existing poles are inadequate, the City will install or cause to be installed, one (1) wood pole with the necessary lighting hardware and overhead conductor for each installed light, at a distance not to exceed eighty (80') feet from existing lines, at no charge to the Customer. Additional contractual arrangements between the City and the Customer are subject to the Special Facilities Rider.

## TERM OF CONTRACT

A two (2) year contract shall be agreed to and signed by each Customer desiring security lighting service authorizing fixed monthly charges, which may be reviewed annually, and to be applied to the Customer's monthly municipal utilities bill. In the event that a Customer requests the removal of the unit or discontinuance of the service prior to completion of two (2) years, the remainder of the contract period shall become due and payable. After the end of the initial two (2) year contract, service shall continue on a month-to-month basis and may be canceled by either party upon thirty (30) days' notice.

## SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

## PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE DSL**

NON-STANDARD STREET LIGHTING

(Effective ~~10/15/2504~~01/26)

APPLICATION

Applicable to street lighting owned and maintained by the Customer. Availability of this service is contingent on the existence of an executed Special Facilities Rider between the legally responsible party and the City under which the legally responsible party accepts all responsibilities, both legal and financial, related to operation and maintenance of the subject lights, including but not limited to payment of all applicable energy charges.

NET MONTHLY RATE

plus;	(1) Facility Charge	\$ 9.32 per bill
	(2) Usage Charge	\$0.0674per kWh
plus;		
	(3) Energy Cost Adjustment Charge	See Schedule ECA

USAGE CHARGE

Current usage charge and ECA rates are multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DLSA)	48 kWh
250 W Sodium Vapor (DLSB)	105 kWh
400 W Sodium Vapor (DLSC)	159 kWh
250 W Metal Halide (DLHA)	105 kWh
400 W Metal Halide (DLHB)	159 kWh

ADDITIONAL SERVICE CHARGES

If the City is required to maintain the privately owned lights to ensure public safety, the owner of the lights may be subject to additional service charges. The additional service charges shall be the actual cost of performing any work required to perform the necessary maintenance including but not limited to:

Labor                      Regular time or overtime labor hourly rates in effect at the time the work is

performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.

Transportation To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.

Material Any material needed to repair and/or maintain facilities will be billed at City Warehouse cost plus twenty five percent (25%).

Administrative Fee Ten percent (10%) of the total labor, transportation, and material costs.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE EGR

### ECONOMIC GROWTH RIDER

(Effective ~~10/15/2504~~/01/26)

#### PURPOSE

The purpose of this Rider is to facilitate local economic growth and expand the ad valorem tax base of the City.

#### AVAILABILITY

This Rider is available to the Customers who:

- (1) Receive service from Rate Schedules GSL or TGS; and
- (2) Pay City ad valorem tax; and
- (3) Receive no electric service discounts other than those specifically defined in the GSL or TGS Rate Schedules.

#### APPLICATION

This Rider is available to electric service supplied at any one location. It is for firm electric service applicable to new and existing customers as described below, over a five (5) year period. This Rider is available to the following classes of customers:

- (1) New Customers whose electric service represents demand not previously served by the City at any location in the City's service area in the last twelve (12) months, where such metered demand will be in excess of 1,000 kVA and customer load factor must be greater than the City's electric system load factor, as estimated and mutually agreed upon by the General Manager of the City's electric utility and the Customer.
- (2) Existing Customers served under Rate Schedules GSL or TGS who increase their prior existing metered demand by 1,000 kVA and customer load factor must be greater than the City's electric system load factor. This increase shall be verified by sub-metering (at the Customer's expense) the additional load. If sub-metering is not possible, at the discretion of the General Manager of the City's electric utility, the increase may be verified by comparing a three-month rolling average of the new level of demand to the prior demand averaged for corresponding months. During periods in which this verification method cannot be applied, the General Manager and the Customer may develop a mutually agreed-upon formula to estimate the base and additional demand levels.

In light of additional costs associated with the Economic Growth Rider and to mitigate potential risk to ratepayers, any participant in the Economic Growth Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

NET MONTHLY RATE

The Customer shall be charged under the appropriate applicable rate schedules with the exception that the monthly billing demand (for the GSL Rate) or system demand and on-peak demand (for the TGS Rate) will be adjusted in accordance with the following table:

<u>Time Period</u>	<u>Reduction to Billing Demand</u>
First Year	50%
Second Year	40%
Third Year	30%
Fourth Year	20%
Fifth Year	10%

CONTRACT PERIOD

The term of the contract will be for five (5) years.

## SCHEDULE GIP

### GREENSENSE INCENTIVE PROGRAM

(Effective ~~10/15/2504/01/26~~)

#### PROGRAM SUMMARY

The objective of the GreenSense Incentive Program (“Program”) is to reduce energy demand and consumption by promoting energy conservation, thereby reducing the utility bills of City Customers, reducing the peak load of the City’s electric system, reducing emissions in the state, and promoting energy conservation. The Program offers incentives that may be distributed in the form of credits on the electric service bills or cash incentives to City retail customers.

Any participant in the GreenSense Incentive Program must be, at the time this program is applied for and continuing while such program is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Program is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

Program applicants will be able to qualify for multiple incentives simultaneously, unless specified in the individual guidelines. A separate application may be necessary for each incentive. The Program will be in effect each fiscal year beginning on October 1, until the allotted funding is depleted or until cancellation of the program by the City. At the time the funds are depleted, no additional applications for participation will be accepted until the next fiscal year.

Qualifying applicants must receive electric service from the City. The program guidelines and payment provisions are subject to change by the City without prior notice. The City may, at any time, discontinue the Program without prior notice. The current program guidelines may be found in the GreenSense Incentive Program Manual located at [www.cityofdenton.com](http://www.cityofdenton.com).

**SCHEDULE ECA**

**ENERGY COST ADJUSTMENT**

(Effective ~~10/15/25~~04/01/26)

The Energy Cost Adjustment (ECA) Rate shall be set to recover the net cost of energy delivered to Customers that are not Large Load Customers and to maintain the City’s electric utility in a financially sound position.

NET MONTHLY RATE

(1) **Energy Cost Adjustment Charge** **\$0.0462 per kWh**

ENERGY COST ADJUSTMENT BALANCING ACCOUNT CALCULATION

The ECA Balancing Account shall be calculated using the following formula:

$$\text{ECA Balancing Account} = (\text{Beginning ECA Account Balance}) - (\text{Projected Net Energy Cost})$$

Where:

Projected Net Energy Cost = For the next fiscal quarter, the electric utility’s projected cost of electric load purchases from ERCOT plus all projected electric utility power/energy related costs for that same period including, but not limited to, power production (excluding the Denton Energy Center debt); purchased power; applicable transmission services, losses and congestion; other ERCOT charges; renewable energy credits; and financial and/or physical power/energy trades (including natural gas); less all projected revenue to be received by the electric utility for power/energy related sales and/or trades; plus applicable Franchise Fees and required ROI.

ENERGY COST ADJUSTMENT CALCULATION

$$\text{ECA} = [(\text{Projected Net Energy Cost}) + (\text{ECA Balancing Account})] / (\text{Projected kWh sales})$$

ENERGY COST ADJUSTMENT CHARGE

The Energy Cost Adjustment Charge shall be based on actual kWh consumption during the billing period. Energy Cost Adjustment Charge = kWh × ECA Rate

The General Manager of the City’s electric utility or their designee shall calculate the ECA Balancing Account monthly. In the event that the ECA Balancing Account calculated during the last month of each fiscal quarter (December, March, June, and September) is projected to be over or under collected by \$20,000,000 or more at the end of the next 4 quarters, the General Manager or their designee may recommend to the PUB and City Council a revision to the ECA to maintain the City’s electric utility in a financially sound position. Any change to the ECA will be placed on the City Council’s consent agenda.

## SCHEDULE ECA LL

### ENERGY COST ADJUSTMENT FOR LARGE LOADS

(Effective ~~10/15/25~~04/01/26)

The Energy Cost Adjustment (ECA) for Large Loads (LL) Rate shall be set to recover the net cost of energy delivered to Large Load Customers and to maintain the City's electric utility in a financially sound position. This rate applies to all Large Load customers regardless of their actual monthly usage. Large Load Customers are defined as customers whose planned or actual single point of delivery meets or exceeds 20MW.

#### NET MONTHLY RATE

(1) **Energy Cost Adjustment for Large Load Charge** **\$0.0~~606577~~ per kWh**

#### ENERGY COST ADJUSTMENT BALANCING ACCOUNT CALCULATION

The ECA Balancing Account shall be calculated using the following formula:

$$\text{ECA Balancing Account} = (\text{Beginning ECA LL Account Balance}) - (\text{Projected Net Energy Cost for Large Load})$$

Where:

Projected Net Energy Cost = For the next fiscal quarter, the electric utility's projected cost of electric load purchases from ERCOT to feed Large Loads plus all projected Large Load related electric utility power/energy related costs for that same period including, but not limited to, purchased power; applicable transmission services, losses and congestion; other ERCOT charges; renewable energy credits; and financial and/or physical power/energy trades (including natural gas); less all projected revenue to be received by the electric utility for Large Load related power/energy related sales and/or trades; plus applicable Franchise Fees and required ROI.

#### ENERGY COST ADJUSTMENT CALCULATION

$$\text{ECA LL} = [(\text{Projected Large Load Net Energy Cost}) + (\text{ECA LL Balancing Account})] / (\text{Projected Large Load kWh sales})$$

#### ENERGY COST ADJUSTMENT CHARGE

The Energy Cost Adjustment Large Load Charge shall be based on actual kWh consumption during the billing period. Energy Cost Adjustment Charge for Large Load = kWh × ECA LL Rate

The General Manager of the City's electric utility or their designee shall calculate the ECA LL Balancing Account monthly. In the event that the ECA LL Balancing Account calculated during the last month of each fiscal quarter (December, March, June, and September) is projected to be below \$0 to \$20,000,000 or more at the end of the next 4 quarters, the General Manager or their designee may recommend to the PUB and City Council a revision to the ECA LL to maintain the City's electric utility in a financially sound position. Any change to the ECA LL will be placed on the City Council's consent agenda.

## SCHEDULE TCRF

### TRANSMISSION COST RECOVERY FACTOR

(Effective ~~10/15/2504/01/26~~)

The Transmission Cost Recovery Factor (TCRF) Rate shall be set to recover the costs of transmission service paid by DME to other transmission owners within the boundaries of the Electric Reliability Council of Texas (“ERCOT”) region. The TCRF Rate shall be reviewed on a quarterly basis and adjusted as defined below. The TCRF Rate charges are pass-through charges to customers in order to maintain the City’s electric utility in a financially sound position.

NET MONTHLY RATE \$0.0~~156176~~ Per kWh

Residential  
General Service Small  
Local Government Service Small  
Temporary Service  
Athletic Field  
Traffic Lighting  
Unmetered Traffic Lighting  
Unmetered School Zone/Crossing  
Unmetered Security Camera  
Unmetered Wi-Fi Devices

NET MONTHLY RATE \$4.455.02 Per kW

General Service Medium  
Local Government Service Medium

NET MONTHLY RATE \$6.166.95 Per kVA

General Service Large  
Local Government Service Large  
General Service Time Of Use

### TRANSMISSION COST RECOVERY FACTOR BALANCING ACCOUNT CALCULATION

The TCRF shall be calculated using the following formula:

TCRF Annual Billing = (Actual monthly net TCOS billing amounts charged by ERCOT transmission service providers to the City) + (Projected increases or decreases pursuant to PUCT-approved TCOS billing amount charges to ERCOT utilities) + (applicable Franchise Fees and required ROI)

During the last month of each fiscal year quarter (December, March, June, and September), the General Manager of the City’s electric utility or their designee shall calculate the TCRF Balancing Account. The TCRF charge will be developed by the City for each applicable customer billing schedule herein, based on projected kWh sales for billing schedules without a demand component and on monthly peak kW or kVA for billing schedules with a demand component. The cumulative forecasted TCRF revenues from all rate classes shall fully recover the TCRF Annual Billing. The General Manager or their designee may recommend to the PUB and City Council a revision to the

TCRF to maintain the City's electric utility in a financially sound position. Any change to the TCRF will be placed on the City Council's consent agenda.

TCRF rate class allocation amount = [(TCRF annual billing) x (Projected rate class kWh usage)] / (Total projected usage for all rate classes).

## SCHEDULE DGR

### DISTRIBUTED GENERATION FROM RENEWABLE SOURCES RIDER

(Effective ~~10/15/2504~~/01/26)

#### APPLICATION

This Rider is available to retail Customers receiving electric service under a City electric rate schedule who owns and operates an on-site generating system powered by a renewable resource capable of producing power, and which is interconnected with the City's electric system. Systems greater than 20 kW may be required to enter into a Purchase Power Agreement (PPA) applicable to their specific situation in lieu of this rate schedule. Renewable energy technology is any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly or indirectly from the sun or wind. A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources.

This Rider applies to a Customer-owned generating system that primarily offsets all or part of the Customer's electric service provided by the City. If the Customer-owned generating system is sized such that it produces energy in excess of a Customer's electric consumption, special arrangements and a contract may be necessary. The current interconnection guidelines may be found in the Distributed Generation Manual located at [www.cityofdenton.com](http://www.cityofdenton.com).

In light of additional costs associated with the Distributed Generation From Renewable Sources Rider and to mitigate potential risk to ratepayers, any participant in the Distributed Generation From Renewable Sources Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

#### CONDITIONS OF SERVICE

All charges, character of service, and terms and conditions of the electric rate schedule under which the Customer receives service shall apply except as expressly altered by this Rider. This Rider is subject to change at any time.

The Customer shall comply with the City's current technical requirements for distributed generation interconnection. The Customer shall obtain approval from the City prior to the installation of the on-site generating system. The Customer shall submit to the City a completed interconnection application form and signed Agreement for Interconnection and Parallel Operation of Distributed Generation before the system installation. The minimum term of an agreement under this Rider is one year, extended automatically unless terminated by either party with sixty (60) days advance written notice.

The Customer is responsible for the costs of interconnecting with the City's electric system, including transformers, service lines, or other equipment determined necessary by the City for safe installation and operation of the Customer's equipment with the City's electric system. The

Customer is responsible for any costs associated with required inspections and permits.

### METERING

Metering under this Rider shall be performed by a single meter capable of registering the flow of electricity in two directions (delivered by the City's electric system to the Customer and delivered to the City's electric system by the Customer's system) to determine the Customer's generation delivered to the City.

### The Value of Solar (VOS) Rate

Applicable to any customer receiving City electric service that owns an on-site distributed generation (DG) system powered by solar which is interconnected with the City's electric system and does not otherwise have a purchase power agreement with the City.

### MONTHLY RATE

<b>(1) Value of Solar Rate</b>	<b>\$0.0500 per kWh</b>
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### VALUE OF SOLAR CALCULATION

VOS Credit = (all kWh delivered from customer DG to DME) \* (VOS Rate)

The Value of Solar credit will be applied monthly based on all kWh delivered from Customer to City's electric system during the billing period regardless of customer usage during that month.

Beginning in the billing period after a Customer receives approval from the City, to interconnect the Customer's on-site generating system; all energy generated by the Customer's system and delivered to the City's electric system will be considered renewable energy. The Customer shall be billed for all energy delivered by the City to the Customer under the approved rates.

Any Billing Period Credit shall be applied to the utility charges due from the Customer to the City for the billing period.

### INDEMNIFICATION

The Customer operating the renewable distributed generation system indemnifies the City and holds the City harmless for all damages and injuries to the City, the Customer, or others arising out of Customer's use, ownership or operation of Customer's distributed generation facilities in parallel with the City's system. Customer is solely responsible for providing adequate protection for operating in parallel with the City's system in such a manner that faults or other disturbances on the City's system do not cause damage to the Customer's distributed generation equipment.

## SCHEDULE SFR

### SPECIAL FACILITIES RIDER

(Effective ~~10/15/25~~04/01/26)

- (1) All service shall be offered from available facilities. If a Customer's service characteristics require facilities and devices not normally and readily available at the location where the Customer requests service, the total cost incurred by the City for all facilities installed, buried, relocated and/or removed shall be the responsibility of the Customer and subject to a contract entered between the City and the Customer. This contract shall be signed by both parties prior to the City providing service to the Customer.
- (2) Any contract under this rider is subject to the following approvals:
  - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or their designee. If a contract under this subsection is not approved by the City Manager, or their designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council.
  - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council.

## SCHEDULE PAF

### POLE ATTACHMENT FEE (Effective ~~10/15/2504~~/01/26)

#### APPLICATION

This Rate is available to a licensee (“Licensee” or “licensee”) who desires to access designated poles or conduits owned by the City for the purpose of installing and maintaining their facilities and associated equipment to provide services to the public. An agreement between such entity and the City or its contractor shall be executed on a separate form, but will reference, the following rate schedule:

$$\text{Space Factor} = \frac{\text{Rate} = \text{Space Factor} \times \text{Cost}}{[(\text{Space Occupied}) + (2/3 \times (\text{Unusable Space} \div \text{No. of Attaching Entities}))]} \text{ (Pole Height)}$$

Cost:

*in Service Areas where the number of Attaching Entities is 5 = 0.66 x (Net Cost of Bare Pole) x Carrying Charge Rate*

*in Service Areas where the number of Attaching Entities is 4 = 0.56 x (Net Cost of Bare Pole) x Carrying Charge Rate*

*in Service Areas where the number of Attaching Entities is 3 = 0.44 x (Net Cost of Bare Pole) x Carrying Charge Rate*

*in Service Areas where the number of Attaching Entities is 2 = 0.31 x (Net Cost of Bare Pole) x Carrying Charge Rate*

#### NET ANNUAL RATE

(1) Annual Pole Attachment (“APA”) Distribution

<b>\$/attachment/year</b>	<b>2 Attachers</b>	<b>3 Attachers</b>	<b>4 Attachers</b>	<b>5 Attachers</b>
	\$19.86	\$19.78	\$19.83	\$19.59

plus;

(2) APA Transmission

<b>\$/attachment/year</b>	<b>2 Attachers</b>	<b>3 Attachers</b>	<b>4 Attachers</b>	<b>5 Attachers</b>
	\$410.93	\$403.94	\$399.99	\$390.72

Note: Annual Rates (2) and (3) listed above are not available on all poles nor in all areas across the City.

MISCELLANEOUS

- |     |                                 |                                 |
|-----|---------------------------------|---------------------------------|
| (1) | Unauthorized Attachment Penalty | \$1,000 per attachment per pole |
| (2) | Undefined Work or Expense       | Rate pursuant to Schedule SFR   |

APPLICATION AND MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to any application fees, analysis, make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City or its Contractor will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs. These fees will be as set forth in the contract agreement with the third-party contractor who provides such services, if applicable.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE BIF

### BANNER INSTALL FEE (Effective ~~10/15/25~~04/01/26)

#### APPLICATION

Applicable to any person who has completed an application and received approval from the City to have a banner installed on facilities owned by the City for the purpose of marketing and publicizing community events shall be assessed a fee based on the following schedule:

#### NET ANNUAL RATE

Over the Street Banner Install	\$100.00 per banner
Pole One Time Banner Install	\$15.00 per banner
Pole Seasonal Banner Install	\$27.00 per banner

#### TERMS AND CONDITIONS OF SERVICE

Persons requesting the City install an Over the Street Banner must provide the City with a banner that is no more than three (3) feet tall by thirty-five (35) feet in length with six (6) feet of rope. All Over the Street Banners must be made out of mesh only (fish net type material). A sample of the banner material is recommended for approval. The City's Building Inspections Department requires an application and permit fee of sixty (60) dollars for installation of an Over the Street Banner which needs to be completed prior to contacting the City's electric utility.

Persons requesting the City install a Pole Banner must provide the City's electric utility with a banner that is no more than thirty (30) inches tall by eighty (80) inches in length with openings of two (2) inches. Pole Banners are required to be made of weather beater or vinyl material only. The appropriate application for each type of banner must be completed prior to installation and returned to a representative of the City's Electric Operations and Maintenance Division along with applicable fees listed above, a digital image of the banner, and location requests. The City's electric utility will determine install locations depending on availability. Any banners that promote sponsors or advertisement are strictly prohibited.

#### PAYMENT

Payment is required to the City at the time the banners are given for installation. Permit fees, when applicable, are due to Building Inspections in order to reserve specific dates.

## SCHEDULE WNA

### WIRELESS NODE ATTACHMENTS

(Effective ~~10/15/2504~~/01/26)

#### APPLICATION

This Rate is available to a licensee who desires to install and maintain their wireless nodes and associated equipment to provide services to the public. An agreement between such entity and the City shall be executed separate from, but will reference, the following rate schedule:

#### NET ANNUAL RATE

	(1)	Facility Charge	\$18.09 per node
plus;			
	(2)	Usage Charge	\$0.0674 per kWh
plus;			
	(3)	Energy Cost Adjustment Charge	See Schedule ECA
plus;			
	(4)	Transmission Cost Recovery Factor	See Schedule TCRF

#### METERED USAGE CHARGE

Billing for the Metered Usage Charge shall be based on actual kWh consumption for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{All kWh per device} \times \text{Rate per kWh}$$

#### UNMETERED USAGE CHARGE

Billing for the Unmetered Usage Charge shall be based on 1) kWh consumption from similarly installed metered equipment; or 2) technical information of installed equipment provided by licensee, if similar equipment is not already metered. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{Annual kWh per device} \times \text{Rate per kWh}$$

$$\text{Annual Usage} = 2,000 \text{ kWh per device per account (or calculated consumption based on technical information provided by licensee)}$$

#### MISCELLANEOUS

	(1)	Unauthorized Attachment Penalty	\$1,000 per attachment
	(2)	Undefined Work or Expense	Rate pursuant to Schedule SFR

### MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE EVCR**

**ELECTRIC VEHICLE CHARGING RATE**

(Effective ~~10/15/25~~04/01/26)

**APPLICATION**

Applicable to vehicles that utilize charging services from City of Denton owned and operated Level 2 EV chargers.

**NET ANNUAL RATE**

(1) Usage Charge \$0.0406 per minute

**USAGE CHARGE**

Billing for the Usage Charge shall be based on actual charging time incurred. The billing service will be provided by a third-party vendor

Usage Charge = EV Charging duration × Rate per Minute

## SCHEDULE WTS

### WHOLESALE TRANSMISSION SERVICE

(Effective ~~10/15/2504~~/01/26)

#### AVAILABILITY

To Eligible Transmission Service Customers for Wholesale Transmission Service through the Denton Municipal Electric Utility transmission system, at all points where transmission facilities of adequate capacity and suitable voltage are available to provide service, in accordance with Public Utility Commission of Texas (PUC or Commission) 16 Texas Administrative Code (TAC) §§ 25.191-.203.

#### APPLICABILITY

Applicable only to wholesale transactions involving the wholesale purchase of electric power and energy. This tariff for Wholesale Transmission Service is applicable to Transmission Service using any transmission facilities owned by the Denton Municipal Electric Utility in accordance with 16 TAC §§ 25.191-.203.

#### TYPE OF SERVICE

Three phase, 60 hertz alternating current, delivered onto, or received from Denton Municipal Electric Utility's transmission system at 60,000 volts or greater and on transmission facilities that have been prepared and made available for this service.

#### TRANSMISSION SERVICE REQUIREMENTS

As a condition to obtaining Wholesale Transmission Service, the Transmission Service Customer shall execute an Interconnection Agreement with each Transmission Provider, in accordance with 16 TAC § 25.198, and the Transmission Service Customer shall meet all Electric Reliability Council of Texas (ERCOT) requirements as specified in the ERCOT Protocols and Operating Guides.

#### CONDITIONS PRECEDENT FOR RECEIVING SERVICE

Subject to the terms and conditions hereof and of 16 TAC § 25.198, the Denton Municipal Electric Utility will provide wholesale Transmission Service to any Eligible Transmission Service Customer, provided that:

(A) the eligible Transmission Service Customer has completed an Application for Transmission Service, as provided under 16 TAC § 25.198;

(B) the eligible Transmission Service Customer and Denton Municipal Electric Utility, or a third party, have completed installation of all equipment specified under the Interconnection Agreement, consistent with NERC and ERCOT guidelines as set forth in 16 TAC § 25.198;

€ the eligible Transmission Service Customer has executed an Interconnection Agreement for service under this tariff or, if necessary, requested in writing that Denton Municipal Electric Utility file a proposed unexecuted agreement with the Commission;

(D) the eligible Transmission Service Customer has arranged for Ancillary Services necessary for the transactio€(E) each wholesale load for which Transmission Service is requested maintains a power factor of 95% or greater at each point of interconnection;

(F) the Transmission Service Customer has constructed, maintains and operates the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from a resource to Denton Municipal Electric Utility's transmission system and from Denton Municipal Electric Utility's transmission system to the Transmission Service Customer's loads;

(G) to the extent the Transmission Service requires the addition of facilities or upgrades to the transmission system, such facilities have been placed in service.

### APPLICATION PROCEDURES

The Denton Municipal Electric Utility and the Transmission Service Customer shall comply with the application procedures for Transmission Services set forth in 16 TAC § 25.198, which shall govern such procedures.

### CONSTRUCTION OF NEW FACILITIES

Construction of new facilities needed to accommodate a request for Planned Transmission Service shall be in accordance with the procedures set forth in 16 TAC § 25.198. Upon receipt of a request for Transmission Service, the Denton Municipal Electric Utility shall, if necessary, perform a System Security Study in accordance with 16 TAC § 25.198. Based on the results of the System Security Study, the Denton Municipal Electric Utility also may perform a Facilities Study, in accordance with 16 TAC § 25.198. An executed Facilities Study agreement with the Transmission Service Customer is required prior to the Denton Municipal Electric Utility performing a Facilities Study. In the event that existing facilities are inadequate to support the requested Transmission Service, Denton Municipal Electric Utility may require the Transmission Service Customer to provide a contribution in aid of construction attributable to directly assigned facilities.

### LOAD SHEDDING AND CURTAILMENT

Transmission Service hereunder shall be subject to, and the Denton Municipal Electric Utility and the Transmission Service Customer will comply with, the load shedding and curtailment procedures established under 16 TAC § 25.200. Any interruption shall be based on operational factors and shall not accord a higher priority to the Denton Municipal Electric Utility's retail and wholesale customers than to its customers taking Transmission Service. Service to all customers shall be restored as quickly as possible.

PRICING FOR TRANSMISSION SERVICE WITHIN ERCOT

Charges for Transmission Service hereunder shall be in accordance with Texas Utilities Code § 35.004(d). For Transmission Service a Transmission Service Customer shall incur both an access charge, as set forth below, and loss compensation charges.

**Annual Postage Stamp Charge (access charge) \$0.333063 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.**

**Monthly Postage Stamp Charge (access charge) \$0.027755 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.**

Charges for each calendar year shall be adjusted pursuant to the schedule in the PUC’s Order approving the transmission charges for that year.

PRICING FOR TRANSMISSION SERVICE FOR EXPORTS FROM ERCOT

Charges for Transmission Service for exports from ERCOT shall be in accordance with Texas Utilities Code § 35.004(d) and 16 TAC § 25.192. Transmission Service Customers exporting power from ERCOT will be assessed transmission service charges based on the amount of power actually exported and the duration of the transaction. Charges for Transmission Service for exports from ERCOT shall be determined in accordance with 16 TAC § 25.192(e) and shall be calculated using the charges set forth below:

	<u><b>Access Rate</b></u>
	<b>per kW of</b>
	<u><b>peak demand</b></u>
<u><b>Service Type</b></u>	
<b>Hourly Rate</b>	<b>\$0.000038</b>

LOSSES

Losses shall be calculated by the Independent System Operator (ISO) in accordance with the method approved by the 16 TAC § 25.192.

RESALE OF TRANSMISSION RIGHTS

With advance written notice to the Denton Municipal Electric Utility and subject to a reasonable credit review, a Transmission Service Customer may resell any and all Transmission Service rights contracted for by the Transmission Service Customer to other wholesale market participants pursuant to 16 TAC § 25.191. The Transmission Service Customer shall inform the Denton Municipal Electric Utility and obtain ISO approval for any resale of Transmission Service rights.

RELIABILITY GUIDELINES

To maintain reliability of the ERCOT transmission grid, Denton Municipal Electric Utility shall operate its transmission system in accordance with ERCOT Protocols, ERCOT Operating

Guides, NERC guidelines, and any other guidelines of the ISO that may apply to Denton Municipal Electric Utility' transmission system.

The Denton Municipal Electric Utility reserves the right, consistent with good utility practice and on a non-discriminatory basis, to interrupt Transmission Service without liability on the Denton Municipal Electric Utility's part for the purpose of making necessary adjustments to, changes in, or repairs to its lines, substations and other facilities, or where the continuance of Transmission Service would endanger persons or property. In the event of any adverse condition or disturbance on Denton Municipal Electric Utility's system or any other system directly or indirectly interconnected with Denton Municipal Electric Utility's system, Denton Municipal Electric Utility, consistent with Good Utility Practice, also may interrupt Transmission Service on a non-discriminatory basis in order to limit the extent or damage of the adverse condition or disturbance, to prevent damage to generating or transmission facilities, or to expedite restoration of service. The Denton Municipal Electric Utility will give the Transmission Service Customer as much advance notice as is practicable in the event of such interruption and shall restore service with due diligence.

The Transmission Service Customer's failure to respond to established emergency load shedding and curtailment procedures to relieve emergencies on Denton Municipal Electric Utility' transmission system may result in the Transmission Service Customer being deemed by Denton Municipal Electric Utility to be in default and may result in the termination of Transmission Service.

#### PAYMENT

Any charges due to Denton Municipal Electric Utility under this rate schedule shall be billed in accordance with 16 TAC § 25.202. Customers shall make payment to Denton Municipal Electric Utility in a manner consistent with the procedures and deadlines set forth in 16 TAC § 25.202. Any late payments by customers or customer defaults shall be handled in accordance with 16 TAC § 25.202.

#### CONTRACT TERM

Planned Transmission Service is available for annual service, monthly service in multiples of one-month, weekly service, and daily service. Unplanned Transmission Service is available for periods of not less than one hour or more than 30 days.

#### AGREEMENT

An agreement for Transmission Service containing terms and provisions consistent with 16 TAC §§ 25.191-.203 is required prior to commencement of such service. Such agreement will require approval of the City Council of Denton.

#### DEFINITIONS

Capitalized terms shall have the meanings set forth in 16 TAC §§ 25.5 and 25.191 .203.

## AMENDMENTS TO RULES

In the event 16 TAC §§ 25.191-.203 are amended or if a new rule is adopted governing the subject matter of this tariff, this tariff shall, nevertheless, remain effective until the new tariff(s) filed pursuant to any such amendment(s) or such new rules are approved, unless the amendment(s) or new rules or an agreement of the parties provide otherwise.

## PUBLIC UTILITIES COMMISSION OF TEXAS TARIFF

This Schedule WTS is subject to change. The most up to date WTS tariff rate is filed with the Public Utilities Commission of Texas

SECTION 2. The City Manager is hereby authorized to expend funds to authorize credits to Customers on their electric service bills and further to authorize cash incentives in accordance with the form and type set forth in Schedule GIP, as the installation of energy efficient upgrades is in the best interest of the City, as such will reduce energy demand and consumption, reduce the peak load of the City’s electric system, reduce emissions in the state, and promote energy conservation, which are all public purposes of the City.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. The rates herein adopted shall become effective, charged, and applied to all electric services rendered by the City, and all energy usage by Customers of the City effective with the first billing issued on and after October 15, 2025; and a copy of said rates shall be maintained on file in the Office of the City Secretary of the City of Denton, Texas.

SECTION 6. This ordinance shall be effective immediately upon its passage and approval.

The motion to approve this ordinance was made by \_\_\_\_\_, seconded by \_\_\_\_\_, and was passed and approved by the following vote [\_\_\_\_ - \_\_\_\_]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 202~~5~~<sup>6</sup>.

\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
INGRID REX, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY: \_\_\_\_\_

ORDINANCE NO. 2026-\_\_\_\_\_

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE SCHEDULE OF RATES FOR ELECTRIC SERVICE; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Schedule of Rates for electrical services as provided for in Chapter 26 of the City of Denton Code of Ordinances, is as follows:

**ELECTRIC RATE SCHEDULES**

	PAGE
RES Residential Service	2
GS General Service Small	4
GM General Service Medium	6
GL General Service Large	8
TG General Service Time Of Use	10
GOS Local Government Service Small	12
GOM Local Government Service Medium	14
GOL Local Government Service Large	16
T1 Temporary Service	18
AF Athletic Field	20
LS Street Lighting	22
LT Traffic Lighting	23
UFL Unmetered School Zone/Crossing Flashers	24
USC Unmetered Security Camera	25
UWF Unmetered Wi-Fi Devices	26
LO Other Lighting	27
DD Security Lighting	28
DSL Non-Standard Street Lighting	30
EGR Economic Growth Rider	32
GIP GreenSense Incentive Program	34
ECA Energy Cost Adjustment	35
ECA LL Energy Cost Adjustment for Large Loads	36
TCRF Transmission Cost Recovery Factor	37
DGR Distributed Generation From Renewable Sources Rider	39
SFR Special Facilities Rider	41
PAF Pole Attachment Fee	42
BIF Banner Install Fee	44
WNA Wireless Node Attachments	45
EVCR Electric Vehicle Charging Rate	47
WTS Wholesale Transmission Service	48

RESIDENTIAL ELECTRIC SERVICE  
(Effective 04/01/26)

APPLICATION

Applicable to any Customer for all electric service used for residential purposes in an individual private dwelling or an individually metered apartment, supplied at one point of delivery and measured through one meter. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase Service <b>(R2)</b>	\$ 8.80
	Three-Phase Service <b>(R2)</b>	\$17.59
	Prepaid Service <b>(P2)</b>	\$16.26

plus;

(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	Winter (Billing months of November through April):	
	Tier 1: First 600 kWh	\$0.0694
	Tier 2: Additional kWh	\$0.0462
	Summer (Billing months of May through October):	
	Tier 1: All kWh	\$0.0694

plus;

(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
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plus;

(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>
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MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

## USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

Winter (Billing months of November through April):

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

Summer (Billing months of May through October):

$$\text{Usage Charge} = \text{All kWh} \times \text{Tier 1 Rate per kWh}$$

## SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

## PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GS

### GENERAL SERVICE SMALL

(Effective 04/01/26)

#### APPLICATION

Applicable to any commercial customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 21 kW in two consecutive months, account will be adjusted to bill under General Service Medium (GSM) and the Customer must remain on the GSM rate for a minimum of twelve (12) billing periods. At the end of the twelve (12) month billing period, a review will be conducted to determine if the account remains as GSM, drops to GSS or moves up to GSL at the next immediate billing period. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	Tier 1: First 2,500 kWh	\$0.0865
	Tier 2: Additional kWh	\$0.0453
plus;		
(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh}$$

kWh in Tier 2 × Tier 2 Rate per kWh, if applicable

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GM

### GENERAL SERVICE MEDIUM

(Effective 04/01/26)

#### APPLICATION

Applicable to any commercial customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under General Service Large (GSL), and the Customer must remain on the GSL rate for a minimum of twelve (12) billing periods. At the end of the twelve (12) month billing period, a review will be conducted to determine if the account remains as GSL or drops to GSM at the next immediate billing period.

Applicable to GSM Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GM2)**

Applicable to GSM Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GM3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	<b>Demand Charge</b>	<b>Per kW</b>
	All kW	\$4.85
plus;		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	<b>GM</b> Tier 1: First 6,000 kWh	\$0.0531
	Tier 2: Additional kWh	\$0.0438
	<b>GM2</b> Tier 1: First 6,000 kWh	\$0.0521
	Tier 2: Additional kWh	\$0.0428
	<b>GM3</b> Tier 1: First 6,000 kWh	\$0.0500
	Tier 2: Additional kWh	\$0.0408

plus;

(4) **Energy Cost Adjustment Charge** **See Schedule ECA**  
plus;

(5) **Transmission Cost Recovery Factor** **See Schedule TCRF**

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

#### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kW demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 21 kW; or (3) seventy percent (70%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

#### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

#### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE GL**

**GENERAL SERVICE LARGE**

(Effective 04/01/26)

**APPLICATION**

Applicable to any commercial customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GSL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GL2)**

Applicable to GSL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GL3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

**MONTHLY RATE**

	<b>(1) Facility Charge</b>		<b>Per Bill</b>
	Three-Phase		\$70.10
plus;			
	<b>(2) Demand Charge</b>		<b>Per kVA</b>
	All kVA		\$10.96
plus;			
	<b>(3) Usage Charge</b>		<b>Per kWh</b>
	<b>GL</b>	Tier 1: First 200,000 kWh	\$0.0249
		Tier 2: Additional kWh	\$0.0142
	<b>GL2</b>	Tier 1: First 200,000 kWh	\$0.0239
		Tier 2: Additional kWh	\$0.0132
	<b>GL3</b>	Tier 1: First 200,000 kWh	\$0.0218
		Tier 2: Additional kWh	\$0.0112
plus;			

- plus;
- |     |  |                          |
|-----|--|--------------------------|
| (4) | <b>Energy Cost Adjustment Charge</b>     | <b>See Schedule ECA</b>  |
| (5) | <b>Transmission Cost Recovery Factor</b> | <b>See Schedule TCRF</b> |

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

#### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 250 kVA; or (3) seventy percent (70%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

#### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

#### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE TG**

GENERAL SERVICE TIME OF USE

(Effective 04/01/26)

APPLICATION

Applicable to any Customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers electing this Rate must remain on this Rate for a minimum of twelve (12) continuous billing months. If the Customer is new or does not have a history of on-peak use for June through September, and elects to accept service on the TGS Rate, the Customer's demand shall be billed at the GSL Demand Rate until the Customer establishes a separate on-peak and off-peak demand during an on-peak month.

Applicable to TGS Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(TG2)**

Applicable to TGS Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(TG3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

	<b>(1) Facility Charge</b>		<b>Per Bill</b>
	Three-Phase		\$81.75
plus;			
	<b>(2) Demand Charge</b>		<b>Per kVA</b>
	On-Peak		\$13.97
	Off-Peak		\$ 2.76
plus;			
	<b>(3) Usage Charge</b>		<b>Per kWh</b>
	<b>TG</b> All kWh		\$0.0083
	<b>TG2</b> All kWh		\$0.0073
	<b>TG3</b> All kWh		\$0.0053
plus;			
	<b>(5) Energy Cost Adjustment Charge</b>		<b>See Schedule ECA</b>

plus;

**(6) Transmission Cost Recovery Factor**

**See Schedule TCRF**

**MINIMUM BILLING**

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the On-Peak and Off-Peak Demand Charges, regardless of actual energy usage.

**DEFINITION OF TIME OF USE HOURS**

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M. each Monday through Friday, for the months of June through September excluding Independence Day and Labor Day. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

**DETERMINATION OF DEMAND**

On-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA; or (3) one hundred percent (100%) of the actual maximum on-peak demand similarly determined during the billing months of June through September in the twelve (12) months immediately preceding the current month. The On-Peak Demand Charge will be applied to each billing period.

Off-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA. The Off-Peak Demand Charge will be applied to each billing period.

**USAGE CHARGE**

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

**SPECIAL FACILITIES**

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GOS

### LOCAL GOVERNMENT SERVICE SMALL

(Effective 04/01/26)

#### APPLICATION

Applicable to any local City, County or School District customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand equals or exceeds 21 kW in two consecutive months, account will be adjusted to bill under Local Government Service Medium (GOM), and the Customer must remain on the GOM Rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby or supplementary service.

#### NET MONTHLY RATE

<b>Facility Charge</b>		<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	Tier 1: First 2,500 kWh	\$0.0865
	Tier 2: Additional kWh	\$0.0453
plus;		
(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

#### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE GOM

### LOCAL GOVERNMENT SERVICE MEDIUM

(Effective 04/01/26)

#### APPLICATION

Applicable to any local City, County, or School District customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under Local Government Service Large (GOL), and the customer must remain on the GOL rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

#### NET MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	<b>Demand Charge</b>	<b>Per kW</b>
	All kW	\$4.85
plus;		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	Tier 1: First 6,000 kWh	\$0.0531
	Tier 2: Additional kWh	\$0.0438
plus;		
(4)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(5)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

#### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) The actual kW demand supplied during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1 kWh} \times \text{Rate per kWh} \\ \text{kWh in Tier 2 kWh} \times \text{Rate per kWh, if applicable} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

The due date for the payment of the bill for utility services shall not be less than ten (10) business days after issuance.

**SCHEDULE GOL**

LOCAL GOVERNMENT SERVICE LARGE

(Effective 04/01/26)

APPLICATION

Applicable to any local City, County, or School District customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GOL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GO2)**

Applicable to GOL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GO3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Three-Phase	\$70.10
plus;		
(2)	<b>Demand Charge</b>	<b>Per kVA</b>
	All kVA	\$10.96
plus;		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	<b>GOL</b> Tier 1: First 200,000 kWh	\$0.0249
	Tier 2: Additional kWh	\$0.0142
	<b>GO2</b> Tier 1: First 200,000 kWh	\$0.0239
	Tier 2: Additional kWh	\$0.0132
	<b>GO3</b> Tier 1: First 200,000 kWh	\$0.0218
	Tier 2: Additional kWh	\$0.0112
plus;		

- plus;
- |     |  |                          |
|-----|--|--------------------------|
| (4) | <b>Energy Cost Adjustment Charge</b>     | <b>See Schedule ECA</b>  |
| (5) | <b>Transmission Cost Recovery Factor</b> | <b>See Schedule TCRF</b> |

### MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE T1**

TEMPORARY SERVICE

(Effective 04/01/26)

APPLICATION

Applicable to short term or temporary electric service where a Customer has received a permit. This Rate is not applicable after the certificate of occupancy or building final inspection has been issued.

NET MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$16.86
	Three-Phase	\$22.52
plus;		
(2)	<b>Usage Charge</b>	<b>Per kWh</b>
	All kWh	\$0.0867
plus;		
(3)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(4)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

ADDITIONAL TEMPORARY SERVICE CHARGES

Labor	Regular time or overtime labor hourly rates in effect at the time the work is performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.
Transportation	To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.
Material	Material that cannot be salvaged shall be billed at the City's Warehouse cost plus twenty five percent (25%), plus applicable sales tax. At the time a temporary service is removed or converted, any loss of the installed material due to negligence or willful action by the Customer will be billed separately to the Customer at replacement cost plus twenty five percent (25%), plus applicable sales tax.
Administrative Fee	Ten percent (10%) of the total labor, transportation, and material costs.

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE AF**

ATHLETIC FIELD  
(Effective 04/01/26)

APPLICATION

Applicable to all electric service metered at one point for use to light specified areas for athletic events. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service except in conjunction with applicable rider.

NET MONTHLY RATE

(1)	<b>Facility Charge</b>	<b>Per Bill</b>
	Single-Phase	\$23.09
	Three-Phase	\$34.62
plus;		
(2)	<b>Demand Charge</b>	<b>Per kW</b>
	On-Peak	\$6.15
	Off-Peak	\$1.46
plus:		
(3)	<b>Usage Charge</b>	<b>Per kWh</b>
	On-Peak	\$0.0992
	Off-Peak	\$0.0496
plus;		
(4)	<b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
plus;		
(5)	<b>Transmission Cost Recovery Factor</b>	<b>See Schedule TCRF</b>

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge, regardless of actual energy usage.

### DEFINITION OF ON-PEAK AND OFF-PEAK HOURS

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M., for the months of June through September. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

### DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the actual kW demand supplied during the fifteen (15) minute period of maximum use during the current billing period as determined by the City's demand meter.

### USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{On-Peak kWh} \times \text{Rate per kWh} \\ \text{Off Peak kWh} \times \text{Rate per kWh} \end{array}$$

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE LS**

**STREET LIGHTING**

(Effective 04/01/26)

**APPLICATION**

Applicable to all street lighting owned and maintained by the City.

**NET MONTHLY RATE**

(1) <b>Facility Charge</b>	<b>Per Bill</b>
<u>Luminaire Style Type</u>	
100 W Sodium Cobra (LSA)	\$6.17
250 W Sodium Cobra (LSB)	\$8.75
400 W Sodium Cobra (LSC)	\$11.02
100 W LED Cobra (LSD)	\$6.17
250 W LED Cobra (LSE)	\$8.75
400 W LED Cobra (LSF)	\$11.02
85 W LED Post (LSG)	\$11.02

plus;

(2) <b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
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**ENERGY COST ADJUSTMENT CHARGE**

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium(LSA)	48 kWh
250 W Sodium (LSB)	105 kWh
400 W Sodium (LSC)	159 kWh
100 W LED (LSD)	25 kWh
250 W LED (LSE)	96 kWh
400 W LED (LSF)	148 kWh
85 W LED (LSG)	23 kWh

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

TRAFFIC LIGHTING  
(Effective 04/01/26)

APPLICATION

Applicable to State and Local Government agencies that operate and maintain their own traffic signals.

**METERED TRAFFIC LIGHTING NET MONTHLY RATE (LT)**

plus;	(1)	Usage Charge	\$0.0674 per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA
	(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Metered Traffic Lighting Usage Charge shall be based on actual kWh consumption during the billing period. Usage Charge = All kWh x Rate per kWh

**UNMETERED TRAFFIC LIGHTING NET ANNUAL RATE (ULT)**

plus;	(1)	Usage Charge	\$0.0674 per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA
	(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Unmetered Traffic Lighting Usage Charge shall be based on historical recorded annual kWh consumption. Usage Charge = All kWh x Rate per kWh

Annual Usage = 904 kWh per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE UFL**

UNMETERED SCHOOL ZONE/CROSSING FLASHERS

(Effective 04/01/26)

APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered school zone/crossing flashers.

NET ANNUAL RATE

plus;	(1)	Usage Charge	\$0.0674per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA
	(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on historical recorded annual kWh consumption. The total billed usage divided by number of school zone/crossing flashers will determine the average kWh usage. This average consumption will be billed for each school zone/crossing flasher once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

$$\text{Annual Usage} = 48 \text{ kWh per account}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE USC**

**UNMETERED SECURITY CAMERA**

(Effective 04/01/26)

**APPLICATION**

Applicable to Local Government agencies that operate and maintain their own unmetered security cameras.

**NET ANNUAL RATE**

plus;	(1)	Facility Charge	\$18.09 per bill
	(2)	Usage Charge	\$0.0674 per kWh
plus;	(3)	Energy Cost Adjustment Charge	See Schedule ECA
	(1)	Transmission Cost Recovery Factor	See Schedule TCRF

**USAGE CHARGE**

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each camera once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

$$\text{Usage Charge} = \text{annual kWh per camera} \times \text{kWh Rate}$$

$$\text{Annual Usage} = 300 \text{ kWh per camera per account}$$

**PAYMENT**

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE UWF**

UNMETERED WI-FI DEVICES

(Effective 04/01/26)

APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered Wi-Fi devices.

NET ANNUAL RATE

plus;	(1)	Facility Charge	\$18.09 per bill
	(2)	Usage Charge	\$0.0674 per kWh
plus;	(3)	Energy Cost Adjustment Charge	See Schedule ECA
	(4)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

$$\text{Usage Charge} = \text{annual kWh per device} \times \text{kWh Rate}$$

$$\text{Annual Usage} = 300 \text{ kWh per device per account}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE LO

### OTHER LIGHTING (Effective 04/01/26)

#### APPLICATION

Applicable to Texas Department of Transportation unmetered and metered safety lighting systems and continuous lighting systems as those terms are defined in Texas Administrative Code, Title 43, Part 1, Chapter 25, Subchapter A, Rule §25.11.

#### **METERED LIGHTING NET MONTHLY RATE (LOB)**

plus;	(1)	Usage Charge	\$0.0674 per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA

#### METERED LIGHTING USAGE CHARGE (LOB)

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.  
Usage Charge = All kWh × Rate per kWh

#### **UNMETERED LIGHTING NET MONTHLY RATE (LOA)**

plus;	(1)	Usage Charge	\$0.0674 per kWh
	(2)	Energy Cost Adjustment Charge	See Schedule ECA

#### UNMETERED LIGHTING USAGE CHARGE (LOA)

Billing for the Usage Charge shall be based on estimated kWh consumption during the billing period.  
Usage Charge = (kWh Rate x Bulb Wattage/1000) x (Hours of Operation per Billing Period)

Hours of Operation per Billing Period = 333 hours

Bulb Wattage is the rated wattage of the luminaire bulb

#### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE DD**

SECURITY LIGHTING

(Effective 04/01/26)

APPLICATION

Applicable to all outdoor area lighting when such lighting facilities are operated as an extension of the City's distribution system.

NET MONTHLY RATE

(1) <b>Facility Charge</b>	<b>Per Bill</b>
<u>Luminaire Type</u>	
100 W Sodium Vapor (DSA)	\$ 9.75
250 W Sodium Vapor (DSB)	\$12.90
400 W Sodium Vapor (DSC)	\$15.55
250 W Metal Halide (DHA)	\$15.17
400 W Metal Halide (DHB)	\$18.09
100 W Equivalent LED (DSD)	\$ 9.75
250 W Equivalent LED (DSE)	\$12.90
400 W Equivalent LED (DSF)	\$15.55

plus;

(2) <b>Energy Cost Adjustment Charge</b>	<b>See Schedule ECA</b>
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ENERGY COST ADJUSTMENT CHARGE

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DSA)	48 kWh
250 W Sodium Vapor (DSB)	105 kWh
400 W Sodium Vapor (DSC)	159 kWh
250 W Metal Halide (DHA)	105 kWh
400 W Metal Halide (DHB)	159 kWh
100 W Equivalent LED (DSD)	25 kWh
250 W Equivalent LED (DSE)	96 kWh
400 W Equivalent LED (DSF)	148 kWh

### TYPE OF SERVICE

The City shall furnish, install, maintain and deliver electric service to automatically controlled lighting fixtures conforming to the City's standards and subject to its published rules and regulations.

Where necessary for proper illumination or where existing poles are inadequate, the City will install or cause to be installed, one (1) wood pole with the necessary lighting hardware and overhead conductor for each installed light, at a distance not to exceed eighty (80') feet from existing lines, at no charge to the Customer. Additional contractual arrangements between the City and the Customer are subject to the Special Facilities Rider.

### TERM OF CONTRACT

A two (2) year contract shall be agreed to and signed by each Customer desiring security lighting service authorizing fixed monthly charges, which may be reviewed annually, and to be applied to the Customer's monthly municipal utilities bill. In the event that a Customer requests the removal of the unit or discontinuance of the service prior to completion of two (2) years, the remainder of the contract period shall become due and payable. After the end of the initial two (2) year contract, service shall continue on a month-to-month basis and may be canceled by either party upon thirty (30) days' notice.

### SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## SCHEDULE DSL

### NON-STANDARD STREET LIGHTING (Effective 04/01/26)

#### APPLICATION

Applicable to street lighting owned and maintained by the Customer. Availability of this service is contingent on the existence of an executed Special Facilities Rider between the legally responsible party and the City under which the legally responsible party accepts all responsibilities, both legal and financial, related to operation and maintenance of the subject lights, including but not limited to payment of all applicable energy charges.

#### NET MONTHLY RATE

plus;	(1) Facility Charge	\$ 9.32 per bill
	(2) Usage Charge	\$0.0674per kWh
plus;		
	(3) Energy Cost Adjustment Charge	See Schedule ECA

#### USAGE CHARGE

Current usage charge and ECA rates are multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DLSA)	48 kWh
250 W Sodium Vapor (DLSB)	105 kWh
400 W Sodium Vapor (DLSC)	159 kWh
250 W Metal Halide (DLHA)	105 kWh
400 W Metal Halide (DLHB)	159 kWh

#### ADDITIONAL SERVICE CHARGES

If the City is required to maintain the privately owned lights to ensure public safety, the owner of the lights may be subject to additional service charges. The additional service charges shall be the actual cost of performing any work required to perform the necessary maintenance including but not limited to:

Labor                      Regular time or overtime labor hourly rates in effect at the time the work is

performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.

Transportation To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.

Material Any material needed to repair and/or maintain facilities will be billed at City Warehouse cost plus twenty five percent (25%).

Administrative Fee Ten percent (10%) of the total labor, transportation, and material costs.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

## **SCHEDULE EGR**

### **ECONOMIC GROWTH RIDER**

(Effective 04/01/26)

#### **PURPOSE**

The purpose of this Rider is to facilitate local economic growth and expand the ad valorem tax base of the City.

#### **AVAILABILITY**

This Rider is available to the Customers who:

- (1) Receive service from Rate Schedules GSL or TGS; and
- (2) Pay City ad valorem tax; and
- (3) Receive no electric service discounts other than those specifically defined in the GSL or TGS Rate Schedules.

#### **APPLICATION**

This Rider is available to electric service supplied at any one location. It is for firm electric service applicable to new and existing customers as described below, over a five (5) year period. This Rider is available to the following classes of customers:

- (1) New Customers whose electric service represents demand not previously served by the City at any location in the City's service area in the last twelve (12) months, where such metered demand will be in excess of 1,000 kVA and customer load factor must be greater than the City's electric system load factor, as estimated and mutually agreed upon by the General Manager of the City's electric utility and the Customer.
- (2) Existing Customers served under Rate Schedules GSL or TGS who increase their prior existing metered demand by 1,000 kVA and customer load factor must be greater than the City's electric system load factor. This increase shall be verified by sub-metering (at the Customer's expense) the additional load. If sub-metering is not possible, at the discretion of the General Manager of the City's electric utility, the increase may be verified by comparing a three-month rolling average of the new level of demand to the prior demand averaged for corresponding months. During periods in which this verification method cannot be applied, the General Manager and the Customer may develop a mutually agreed-upon formula to estimate the base and additional demand levels.

In light of additional costs associated with the Economic Growth Rider and to mitigate potential risk to ratepayers, any participant in the Economic Growth Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

NET MONTHLY RATE

The Customer shall be charged under the appropriate applicable rate schedules with the exception that the monthly billing demand (for the GSL Rate) or system demand and on-peak demand (for the TGS Rate) will be adjusted in accordance with the following table:

<u>Time Period</u>	<u>Reduction to Billing Demand</u>
First Year	50%
Second Year	40%
Third Year	30%
Fourth Year	20%
Fifth Year	10%

CONTRACT PERIOD

The term of the contract will be for five (5) years.

## **SCHEDULE GIP**

### **GREENSENSE INCENTIVE PROGRAM**

(Effective 04/01/26)

#### **PROGRAM SUMMARY**

The objective of the GreenSense Incentive Program (“Program”) is to reduce energy demand and consumption by promoting energy conservation, thereby reducing the utility bills of City Customers, reducing the peak load of the City’s electric system, reducing emissions in the state, and promoting energy conservation. The Program offers incentives that may be distributed in the form of credits on the electric service bills or cash incentives to City retail customers.

Any participant in the GreenSense Incentive Program must be, at the time this program is applied for and continuing while such program is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Program is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

Program applicants will be able to qualify for multiple incentives simultaneously, unless specified in the individual guidelines. A separate application may be necessary for each incentive. The Program will be in effect each fiscal year beginning on October 1, until the allotted funding is depleted or until cancellation of the program by the City. At the time the funds are depleted, no additional applications for participation will be accepted until the next fiscal year.

Qualifying applicants must receive electric service from the City. The program guidelines and payment provisions are subject to change by the City without prior notice. The City may, at any time, discontinue the Program without prior notice. The current program guidelines may be found in the GreenSense Incentive Program Manual located at [www.cityofdenton.com](http://www.cityofdenton.com).

**SCHEDULE ECA**

**ENERGY COST ADJUSTMENT**

(Effective 04/01/26)

The Energy Cost Adjustment (ECA) Rate shall be set to recover the net cost of energy delivered to Customers that are not Large Load Customers and to maintain the City’s electric utility in a financially sound position.

**NET MONTHLY RATE**

(1) **Energy Cost Adjustment Charge** **\$0.0462 per kWh**

**ENERGY COST ADJUSTMENT BALANCING ACCOUNT CALCULATION**

The ECA Balancing Account shall be calculated using the following formula:

$$\text{ECA Balancing Account} = (\text{Beginning ECA Account Balance}) - (\text{Projected Net Energy Cost})$$

Where:

Projected Net Energy Cost = For the next fiscal quarter, the electric utility’s projected cost of electric load purchases from ERCOT plus all projected electric utility power/energy related costs for that same period including, but not limited to, power production (excluding the Denton Energy Center debt); purchased power; applicable transmission services, losses and congestion; other ERCOT charges; renewable energy credits; and financial and/or physical power/energy trades (including natural gas); less all projected revenue to be received by the electric utility for power/energy related sales and/or trades; plus applicable Franchise Fees and required ROI.

**ENERGY COST ADJUSTMENT CALCULATION**

$$\text{ECA} = [(\text{Projected Net Energy Cost}) + (\text{ECA Balancing Account})] / (\text{Projected kWh sales})$$

**ENERGY COST ADJUSTMENT CHARGE**

The Energy Cost Adjustment Charge shall be based on actual kWh consumption during the billing period. Energy Cost Adjustment Charge = kWh × ECA Rate

The General Manager of the City’s electric utility or their designee shall calculate the ECA Balancing Account monthly. In the event that the ECA Balancing Account calculated during the last month of each fiscal quarter (December, March, June, and September) is projected to be over or under collected by \$20,000,000 or more at the end of the next 4 quarters, the General Manager or their designee may recommend to the PUB and City Council a revision to the ECA to maintain the City’s electric utility in a financially sound position. Any change to the ECA will be placed on the City Council’s consent agenda.

## SCHEDULE ECA LL

### ENERGY COST ADJUSTMENT FOR LARGE LOADS

(Effective 04/01/26)

The Energy Cost Adjustment (ECA) for Large Loads (LL) Rate shall be set to recover the net cost of energy delivered to Large Load Customers and to maintain the City's electric utility in a financially sound position. This rate applies to all Large Load customers regardless of their actual monthly usage. Large Load Customers are defined as customers whose planned or actual single point of delivery meets or exceeds 20MW.

#### NET MONTHLY RATE

**(1) Energy Cost Adjustment for Large Load Charge                      \$0.0606 per kWh**

#### ENERGY COST ADJUSTMENT BALANCING ACCOUNT CALCULATION

The ECA Balancing Account shall be calculated using the following formula:

ECA Balancing Account = (Beginning ECA LL Account Balance) – (Projected Net Energy Cost for Large Load)

Where:

Projected Net Energy Cost = For the next fiscal quarter, the electric utility's projected cost of electric load purchases from ERCOT to feed Large Loads plus all projected Large Load related electric utility power/energy related costs for that same period including, but not limited to, purchased power; applicable transmission services, losses and congestion; other ERCOT charges; renewable energy credits; and financial and/or physical power/energy trades (including natural gas); less all projected revenue to be received by the electric utility for Large Load related power/energy related sales and/or trades; plus applicable Franchise Fees and required ROI.

#### ENERGY COST ADJUSTMENT CALCULATION

ECA LL = [(Projected Large Load Net Energy Cost) + (ECA LL Balancing Account)] / (Projected Large Load kWh sales)

#### ENERGY COST ADJUSTMENT CHARGE

The Energy Cost Adjustment Large Load Charge shall be based on actual kWh consumption during the billing period. Energy Cost Adjustment Charge for Large Load = kWh × ECA LL Rate

The General Manager of the City's electric utility or their designee shall calculate the ECA LL Balancing Account monthly. In the event that the ECA LL Balancing Account calculated during the last month of each fiscal quarter (December, March, June, and September) is projected to be below \$0 to \$20,000,000 or more at the end of the next 4 quarters, the General Manager or their designee may recommend to the PUB and City Council a revision to the ECA LL to maintain the City's electric utility in a financially sound position. Any change to the ECA LL will be placed on the City Council's consent agenda.

**SCHEDULE TCRF**

TRANSMISSION COST RECOVERY FACTOR

(Effective 04/01/26)

The Transmission Cost Recovery Factor (TCRF) Rate shall be set to recover the costs of transmission service paid by DME to other transmission owners within the boundaries of the Electric Reliability Council of Texas (“ERCOT”) region. The TCRF Rate shall be reviewed on a quarterly basis and adjusted as defined below. The TCRF Rate charges are pass-through charges to customers in order to maintain the City’s electric utility in a financially sound position.

NET MONTHLY RATE \$0.0156 Per kWh

- Residential
- General Service Small
- Local Government Service Small
- Temporary Service
- Athletic Field
- Traffic Lighting
- Unmetered Traffic Lighting
- Unmetered School Zone/Crossing
- Unmetered Security Camera
- Unmetered Wi-Fi Devices

NET MONTHLY RATE \$4.45 Per kW

- General Service Medium
- Local Government Service Medium

NET MONTHLY RATE \$6.16 Per kVA

- General Service Large
- Local Government Service Large
- General Service Time Of Use

TRANSMISSION COST RECOVERY FACTOR BALANCING ACCOUNT CALCULATION

The TCRF shall be calculated using the following formula:

$$\text{TCRF Annual Billing} = (\text{Actual monthly net TCOS billing amounts charged by ERCOT transmission service providers to the City}) + (\text{Projected increases or decreases pursuant to PUCT-approved TCOS billing amount charges to ERCOT utilities}) + (\text{applicable Franchise Fees and required ROI})$$

During the last month of each fiscal year quarter (December, March, June, and September), the General Manager of the City’s electric utility or their designee shall calculate the TCRF Balancing Account. The TCRF charge will be developed by the City for each applicable customer billing schedule herein, based on projected kWh sales for billing schedules without a demand component and on monthly peak kW or kVA for billing schedules with a demand component. The cumulative forecasted TCRF revenues from all rate classes shall fully recover the TCRF Annual Billing. The General Manager or their designee may recommend to the PUB and City Council a revision to the

TCRF to maintain the City's electric utility in a financially sound position. Any change to the TCRF will be placed on the City Council's consent agenda.

TCRF rate class allocation amount = [(TCRF annual billing) x (Projected rate class kWh usage)] / (Total projected usage for all rate classes).

## **SCHEDULE DGR**

### **DISTRIBUTED GENERATION FROM RENEWABLE SOURCES RIDER**

(Effective 04/01/26)

#### **APPLICATION**

This Rider is available to retail Customers receiving electric service under a City electric rate schedule who owns and operates an on-site generating system powered by a renewable resource capable of producing power, and which is interconnected with the City's electric system. Systems greater than 20 kW may be required to enter into a Purchase Power Agreement (PPA) applicable to their specific situation in lieu of this rate schedule. Renewable energy technology is any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly or indirectly from the sun or wind. A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources.

This Rider applies to a Customer-owned generating system that primarily offsets all or part of the Customer's electric service provided by the City. If the Customer-owned generating system is sized such that it produces energy in excess of a Customer's electric consumption, special arrangements and a contract may be necessary. The current interconnection guidelines may be found in the Distributed Generation Manual located at [www.cityofdenton.com](http://www.cityofdenton.com).

In light of additional costs associated with the Distributed Generation From Renewable Sources Rider and to mitigate potential risk to ratepayers, any participant in the Distributed Generation From Renewable Sources Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

#### **CONDITIONS OF SERVICE**

All charges, character of service, and terms and conditions of the electric rate schedule under which the Customer receives service shall apply except as expressly altered by this Rider. This Rider is subject to change at any time.

The Customer shall comply with the City's current technical requirements for distributed generation interconnection. The Customer shall obtain approval from the City prior to the installation of the on-site generating system. The Customer shall submit to the City a completed interconnection application form and signed Agreement for Interconnection and Parallel Operation of Distributed Generation before the system installation. The minimum term of an agreement under this Rider is one year, extended automatically unless terminated by either party with sixty (60) days advance written notice.

The Customer is responsible for the costs of interconnecting with the City's electric system, including transformers, service lines, or other equipment determined necessary by the City for safe installation and operation of the Customer's equipment with the City's electric system. The

Customer is responsible for any costs associated with required inspections and permits.

### METERING

Metering under this Rider shall be performed by a single meter capable of registering the flow of electricity in two directions (delivered by the City's electric system to the Customer and delivered to the City's electric system by the Customer's system) to determine the Customer's generation delivered to the City.

### The Value of Solar (VOS) Rate

Applicable to any customer receiving City electric service that owns an on-site distributed generation (DG) system powered by solar which is interconnected with the City's electric system and does not otherwise have a purchase power agreement with the City.

### MONTHLY RATE

<b>(1) Value of Solar Rate</b>	<b>\$0.0500 per kWh</b>
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### VALUE OF SOLAR CALCULATION

VOS Credit = (all kWh delivered from customer DG to DME) \* (VOS Rate)

The Value of Solar credit will be applied monthly based on all kWh delivered from Customer to City's electric system during the billing period regardless of customer usage during that month.

Beginning in the billing period after a Customer receives approval from the City, to interconnect the Customer's on-site generating system; all energy generated by the Customer's system and delivered to the City's electric system will be considered renewable energy. The Customer shall be billed for all energy delivered by the City to the Customer under the approved rates.

Any Billing Period Credit shall be applied to the utility charges due from the Customer to the City for the billing period.

### INDEMNIFICATION

The Customer operating the renewable distributed generation system indemnifies the City and holds the City harmless for all damages and injuries to the City, the Customer, or others arising out of Customer's use, ownership or operation of Customer's distributed generation facilities in parallel with the City's system. Customer is solely responsible for providing adequate protection for operating in parallel with the City's system in such a manner that faults or other disturbances on the City's system do not cause damage to the Customer's distributed generation equipment.

## **SCHEDULE SFR**

### SPECIAL FACILITIES RIDER

(Effective 04/01/26)

- (1) All service shall be offered from available facilities. If a Customer's service characteristics require facilities and devices not normally and readily available at the location where the Customer requests service, the total cost incurred by the City for all facilities installed, buried, relocated and/or removed shall be the responsibility of the Customer and subject to a contract entered between the City and the Customer. This contract shall be signed by both parties prior to the City providing service to the Customer.
  
- (2) Any contract under this rider is subject to the following approvals:
  - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or their designee. If a contract under this subsection is not approved by the City Manager, or their designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council.
  
  - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council.

**SCHEDULE PAF**

**POLE ATTACHMENT FEE**

(Effective 04/01/26)

**APPLICATION**

This Rate is available to a licensee (“Licensee” or “licensee”) who desires to access designated poles or conduits owned by the City for the purpose of installing and maintaining their facilities and associated equipment to provide services to the public. An agreement between such entity and the City or its contractor shall be executed on a separate form, but will reference, the following rate schedule:

$$\text{Space Factor} = \frac{\text{Rate} = \text{Space Factor} \times \text{Cost}}{[(\text{Space Occupied}) + (2/3 \times (\text{Unusable Space} \div \text{No. of Attaching Entities}))]} \text{ (Pole Height)}$$

Cost:

*in Service Areas where the number of Attaching Entities is 5 = 0.66 x (Net Cost of Bare Pole) x Carrying Charge Rate*

*in Service Areas where the number of Attaching Entities is 4 = 0.56 x (Net Cost of Bare Pole) x Carrying Charge Rate*

*in Service Areas where the number of Attaching Entities is 3 = 0.44 x (Net Cost of Bare Pole) x Carrying Charge Rate*

*in Service Areas where the number of Attaching Entities is 2 = 0.31 x (Net Cost of Bare Pole) x Carrying Charge Rate*

**NET ANNUAL RATE**

(1) Annual Pole Attachment (“APA”) Distribution

<b>\$/attachment/year</b>	<b>2 Attachers</b>	<b>3 Attachers</b>	<b>4 Attachers</b>	<b>5 Attachers</b>
	\$19.86	\$19.78	\$19.83	\$19.59

plus;

(2) APA Transmission

<b>\$/attachment/year</b>	<b>2 Attachers</b>	<b>3 Attachers</b>	<b>4 Attachers</b>	<b>5 Attachers</b>
	\$410.93	\$403.94	\$399.99	\$390.72

Note: Annual Rates (2) and (3) listed above are not available on all poles nor in all areas across the City.

MISCELLANEOUS

- |     |                                 |                                 |
|-----|---------------------------------|---------------------------------|
| (1) | Unauthorized Attachment Penalty | \$1,000 per attachment per pole |
| (2) | Undefined Work or Expense       | Rate pursuant to Schedule SFR   |

APPLICATION AND MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to any application fees, analysis, make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City or its Contractor will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs. These fees will be as set forth in the contract agreement with the third-party contractor who provides such services, if applicable.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE BIF**

**BANNER INSTALL FEE**

(Effective 04/01/26)

**APPLICATION**

Applicable to any person who has completed an application and received approval from the City to have a banner installed on facilities owned by the City for the purpose of marketing and publicizing community events shall be assessed a fee based on the following schedule:

**NET ANNUAL RATE**

Over the Street Banner Install	\$100.00 per banner
Pole One Time Banner Install	\$15.00 per banner
Pole Seasonal Banner Install	\$27.00 per banner

**TERMS AND CONDITIONS OF SERVICE**

Persons requesting the City install an Over the Street Banner must provide the City with a banner that is no more than three (3) feet tall by thirty-five (35) feet in length with six (6) feet of rope. All Over the Street Banners must be made out of mesh only (fish net type material). A sample of the banner material is recommended for approval. The City’s Building Inspections Department requires an application and permit fee of sixty (60) dollars for installation of an Over the Street Banner which needs to be completed prior to contacting the City’s electric utility.

Persons requesting the City install a Pole Banner must provide the City’s electric utility with a banner that is no more than thirty (30) inches tall by eighty (80) inches in length with openings of two (2) inches. Pole Banners are required to be made of weather beater or vinyl material only. The appropriate application for each type of banner must be completed prior to installation and returned to a representative of the City’s Electric Operations and Maintenance Division along with applicable fees listed above, a digital image of the banner, and location requests. The City’s electric utility will determine install locations depending on availability. Any banners that promote sponsors or advertisement are strictly prohibited.

**PAYMENT**

Payment is required to the City at the time the banners are given for installation. Permit fees, when applicable, are due to Building Inspections in order to reserve specific dates.

## SCHEDULE WNA

### WIRELESS NODE ATTACHMENTS

(Effective 04/01/26)

#### APPLICATION

This Rate is available to a licensee who desires to install and maintain their wireless nodes and associated equipment to provide services to the public. An agreement between such entity and the City shall be executed separate from, but will reference, the following rate schedule:

#### NET ANNUAL RATE

	(1)	Facility Charge	\$18.09 per node
plus;			
	(2)	Usage Charge	\$0.0674 per kWh
plus;			
	(3)	Energy Cost Adjustment Charge	See Schedule ECA
plus;			
	(4)	Transmission Cost Recovery Factor	See Schedule TCRF

#### METERED USAGE CHARGE

Billing for the Metered Usage Charge shall be based on actual kWh consumption for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{All kWh per device} \times \text{Rate per kWh}$$

#### UNMETERED USAGE CHARGE

Billing for the Unmetered Usage Charge shall be based on 1) kWh consumption from similarly installed metered equipment; or 2) technical information of installed equipment provided by licensee, if similar equipment is not already metered. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{Annual kWh per device} \times \text{Rate per kWh}$$

$$\text{Annual Usage} = 2,000 \text{ kWh per device per account (or calculated consumption based on technical information provided by licensee)}$$

#### MISCELLANEOUS

	(1)	Unauthorized Attachment Penalty	\$1,000 per attachment
	(2)	Undefined Work or Expense	Rate pursuant to Schedule SFR

### MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs.

### PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

**SCHEDULE EVCR**

**ELECTRIC VEHICLE CHARGING RATE**

(Effective 04/01/26)

**APPLICATION**

Applicable to vehicles that utilize charging services from City of Denton owned and operated Level 2 EV chargers.

**NET ANNUAL RATE**

(1) Usage Charge \$0.0406 per minute

**USAGE CHARGE**

Billing for the Usage Charge shall be based on actual charging time incurred. The billing service will be provided by a third-party vendor

Usage Charge = EV Charging duration × Rate per Minute

## **SCHEDULE WTS**

### **WHOLESALE TRANSMISSION SERVICE**

(Effective 04/01/26)

#### **AVAILABILITY**

To Eligible Transmission Service Customers for Wholesale Transmission Service through the Denton Municipal Electric Utility transmission system, at all points where transmission facilities of adequate capacity and suitable voltage are available to provide service, in accordance with Public Utility Commission of Texas (PUC or Commission) 16 Texas Administrative Code (TAC) §§ 25.191-.203.

#### **APPLICABILITY**

Applicable only to wholesale transactions involving the wholesale purchase of electric power and energy. This tariff for Wholesale Transmission Service is applicable to Transmission Service using any transmission facilities owned by the Denton Municipal Electric Utility in accordance with 16 TAC §§ 25.191-.203.

#### **TYPE OF SERVICE**

Three phase, 60 hertz alternating current, delivered onto, or received from Denton Municipal Electric Utility's transmission system at 60,000 volts or greater and on transmission facilities that have been prepared and made available for this service.

#### **TRANSMISSION SERVICE REQUIREMENTS**

As a condition to obtaining Wholesale Transmission Service, the Transmission Service Customer shall execute an Interconnection Agreement with each Transmission Provider, in accordance with 16 TAC § 25.198, and the Transmission Service Customer shall meet all Electric Reliability Council of Texas (ERCOT) requirements as specified in the ERCOT Protocols and Operating Guides.

#### **CONDITIONS PRECEDENT FOR RECEIVING SERVICE**

Subject to the terms and conditions hereof and of 16 TAC § 25.198, the Denton Municipal Electric Utility will provide wholesale Transmission Service to any Eligible Transmission Service Customer, provided that:

(A) the eligible Transmission Service Customer has completed an Application for Transmission Service, as provided under 16 TAC § 25.198;

(B) the eligible Transmission Service Customer and Denton Municipal Electric Utility, or a third party, have completed installation of all equipment specified under the Interconnection Agreement, consistent with NERC and ERCOT guidelines as set forth in 16 TAC § 25.198;

€ the eligible Transmission Service Customer has executed an Interconnection Agreement for service under this tariff or, if necessary, requested in writing that Denton Municipal Electric Utility file a proposed unexecuted agreement with the Commission;

(D) the eligible Transmission Service Customer has arranged for Ancillary Services necessary for the transactio€(E) each wholesale load for which Transmission Service is requested maintains a power factor of 95% or greater at each point of interconnection;

(F) the Transmission Service Customer has constructed, maintains and operates the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from a resource to Denton Municipal Electric Utility's transmission system and from Denton Municipal Electric Utility's transmission system to the Transmission Service Customer's loads;

(G) to the extent the Transmission Service requires the addition of facilities or upgrades to the transmission system, such facilities have been placed in service.

### APPLICATION PROCEDURES

The Denton Municipal Electric Utility and the Transmission Service Customer shall comply with the application procedures for Transmission Services set forth in 16 TAC § 25.198, which shall govern such procedures.

### CONSTRUCTION OF NEW FACILITIES

Construction of new facilities needed to accommodate a request for Planned Transmission Service shall be in accordance with the procedures set forth in 16 TAC § 25.198. Upon receipt of a request for Transmission Service, the Denton Municipal Electric Utility shall, if necessary, perform a System Security Study in accordance with 16 TAC § 25.198. Based on the results of the System Security Study, the Denton Municipal Electric Utility also may perform a Facilities Study, in accordance with 16 TAC § 25.198. An executed Facilities Study agreement with the Transmission Service Customer is required prior to the Denton Municipal Electric Utility performing a Facilities Study. In the event that existing facilities are inadequate to support the requested Transmission Service, Denton Municipal Electric Utility may require the Transmission Service Customer to provide a contribution in aid of construction attributable to directly assigned facilities.

### LOAD SHEDDING AND CURTAILMENT

Transmission Service hereunder shall be subject to, and the Denton Municipal Electric Utility and the Transmission Service Customer will comply with, the load shedding and curtailment procedures established under 16 TAC § 25.200. Any interruption shall be based on operational factors and shall not accord a higher priority to the Denton Municipal Electric Utility's retail and wholesale customers than to its customers taking Transmission Service. Service to all customers shall be restored as quickly as possible.

PRICING FOR TRANSMISSION SERVICE WITHIN ERCOT

Charges for Transmission Service hereunder shall be in accordance with Texas Utilities Code § 35.004(d). For Transmission Service a Transmission Service Customer shall incur both an access charge, as set forth below, and loss compensation charges.

**Annual Postage Stamp Charge (access charge) \$0.333063 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.**

**Monthly Postage Stamp Charge (access charge) \$0.027755 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.**

Charges for each calendar year shall be adjusted pursuant to the schedule in the PUC’s Order approving the transmission charges for that year.

PRICING FOR TRANSMISSION SERVICE FOR EXPORTS FROM ERCOT

Charges for Transmission Service for exports from ERCOT shall be in accordance with Texas Utilities Code § 35.004(d) and 16 TAC § 25.192. Transmission Service Customers exporting power from ERCOT will be assessed transmission service charges based on the amount of power actually exported and the duration of the transaction. Charges for Transmission Service for exports from ERCOT shall be determined in accordance with 16 TAC § 25.192(e) and shall be calculated using the charges set forth below:

	<u><b>Access Rate</b></u>
	<b>per kW of</b>
	<b>peak demand</b>
<u><b>Service Type</b></u>	<b>\$0.000038</b>
<b>Hourly Rate</b>	

LOSSES

Losses shall be calculated by the Independent System Operator (ISO) in accordance with the method approved by the 16 TAC § 25.192.

RESALE OF TRANSMISSION RIGHTS

With advance written notice to the Denton Municipal Electric Utility and subject to a reasonable credit review, a Transmission Service Customer may resell any and all Transmission Service rights contracted for by the Transmission Service Customer to other wholesale market participants pursuant to 16 TAC § 25.191. The Transmission Service Customer shall inform the Denton Municipal Electric Utility and obtain ISO approval for any resale of Transmission Service rights.

RELIABILITY GUIDELINES

To maintain reliability of the ERCOT transmission grid, Denton Municipal Electric Utility shall operate its transmission system in accordance with ERCOT Protocols, ERCOT Operating

Guides, NERC guidelines, and any other guidelines of the ISO that may apply to Denton Municipal Electric Utility' transmission system.

The Denton Municipal Electric Utility reserves the right, consistent with good utility practice and on a non-discriminatory basis, to interrupt Transmission Service without liability on the Denton Municipal Electric Utility's part for the purpose of making necessary adjustments to, changes in, or repairs to its lines, substations and other facilities, or where the continuance of Transmission Service would endanger persons or property. In the event of any adverse condition or disturbance on Denton Municipal Electric Utility's system or any other system directly or indirectly interconnected with Denton Municipal Electric Utility's system, Denton Municipal Electric Utility, consistent with Good Utility Practice, also may interrupt Transmission Service on a non-discriminatory basis in order to limit the extent or damage of the adverse condition or disturbance, to prevent damage to generating or transmission facilities, or to expedite restoration of service. The Denton Municipal Electric Utility will give the Transmission Service Customer as much advance notice as is practicable in the event of such interruption and shall restore service with due diligence.

The Transmission Service Customer's failure to respond to established emergency load shedding and curtailment procedures to relieve emergencies on Denton Municipal Electric Utility' transmission system may result in the Transmission Service Customer being deemed by Denton Municipal Electric Utility to be in default and may result in the termination of Transmission Service.

#### PAYMENT

Any charges due to Denton Municipal Electric Utility under this rate schedule shall be billed in accordance with 16 TAC § 25.202. Customers shall make payment to Denton Municipal Electric Utility in a manner consistent with the procedures and deadlines set forth in 16 TAC § 25.202. Any late payments by customers or customer defaults shall be handled in accordance with 16 TAC § 25.202.

#### CONTRACT TERM

Planned Transmission Service is available for annual service, monthly service in multiples of one-month, weekly service, and daily service. Unplanned Transmission Service is available for periods of not less than one hour or more than 30 days.

#### AGREEMENT

An agreement for Transmission Service containing terms and provisions consistent with 16 TAC §§ 25.191-.203 is required prior to commencement of such service. Such agreement will require approval of the City Council of Denton.

#### DEFINITIONS

Capitalized terms shall have the meanings set forth in 16 TAC §§ 25.5 and 25.191 .203.

## AMENDMENTS TO RULES

In the event 16 TAC §§ 25.191-.203 are amended or if a new rule is adopted governing the subject matter of this tariff, this tariff shall, nevertheless, remain effective until the new tariff(s) filed pursuant to any such amendment(s) or such new rules are approved, unless the amendment(s) or new rules or an agreement of the parties provide otherwise.

## PUBLIC UTILITIES COMMISSION OF TEXAS TARIFF

This Schedule WTS is subject to change. The most up to date WTS tariff rate is filed with the Public Utilities Commission of Texas

SECTION 2. The City Manager is hereby authorized to expend funds to authorize credits to Customers on their electric service bills and further to authorize cash incentives in accordance with the form and type set forth in Schedule GIP, as the installation of energy efficient upgrades is in the best interest of the City, as such will reduce energy demand and consumption, reduce the peak load of the City’s electric system, reduce emissions in the state, and promote energy conservation, which are all public purposes of the City.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. The rates herein adopted shall become effective, charged, and applied to all electric services rendered by the City, and all energy usage by Customers of the City effective with the first billing issued on and after October 15, 2025; and a copy of said rates shall be maintained on file in the Office of the City Secretary of the City of Denton, Texas.

SECTION 6. This ordinance shall be effective immediately upon its passage and approval.

The motion to approve this ordinance was made by \_\_\_\_\_, seconded by \_\_\_\_\_, and was passed and approved by the following vote [\_\_\_\_ - \_\_\_\_]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
GERARD HUDSPETH, MAYOR

ATTEST:  
INGRID REX, CITY SECRETARY

BY: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:  
MACK REINWAND, CITY ATTORNEY

BY:     *Marcella Lunn*



## 2<sup>nd</sup> Quarter Review- Energy Cost Adjustment (ECA) and Transmission Cost Recovery Factor (TCRF)

Melissa Cuevas  
Division Manager of Business Services  
March 9, 2026

ID #PUB26-026

# Current Rates

- Native Load Energy Cost Adjustment (No Changes Recommended)
  - \$0.0462/kWh
  - Provides a buffer +/- \$20,000,000 ECA Balance
- Large Load Energy Cost Adjustment (Increase)
  - \$0.0577/kWh increase to \$0.0606/kWh
  - Provides a \$0 to \$20,000,000 ECA balance buffer
- Transmission Cost Recovery Factor (Decrease)
  - \$0.0176/kWh decrease to \$0.0156/kWh
  - \$5.02/kW decrease to \$4.45/kW
  - \$6.95/kVA decrease to \$6.16/kVA

# Native Load ECA Forecasted Account Balance

ECA Account Balance Forecast		
Month	Year	Maintain Rate
		\$ 0.0462
January	2026	19,566,842.04
February	2026	20,186,122.71
March	2026	20,059,123.80
April	2026	20,177,628.78
May	2026	20,991,107.86
June	2026	22,729,656.04
July	2026	23,634,571.09
August	2026	21,289,202.40
September	2026	19,213,207.74
October	2026	18,674,550.52
November	2026	17,574,193.28
December	2026	\$16,545,993.19

Native Load ECA Rate Changes			
Month	Year	ECA Rate	
October	2023	\$	0.0341
April	2024	\$	0.0447
August	2024	\$	0.0515
December	2024	\$	0.0462

(as of October 2023)

# TCRF Forecasted Account Balance

TCRF Account Balance Forecast			
Month	Year	Maintain Rate	Decrease Rate
		\$ 0.0176	\$ 0.0156
January	2026	718,349	718,349
February	2026	645,565	645,565
March	2026	661,104	661,104
April	2026	697,536	422,099
May	2026	1,170,421	569,949
June	2026	2,149,962	1,166,881
July	2026	3,541,495	2,128,988
August	2026	4,866,171	3,031,835
September	2026	5,571,337	998,154
October	2026	5,744,279	3,017,563
November	2026	5,771,640	2,770,518
December	2026	\$ 6,112,619	\$ 2,801,451

TCRF Rate Changes as of October 2023		
Month	Year	TCRF Rate
October	2023	\$ -
April	2024	\$ 0.0135
December	2025	\$ 0.0176
April	2026	\$ 0.0156

(as of October 2023)

# Monthly Rate Impact

Average Customer by Type	Current Bill	New Bill	Difference
Residential	\$ 137.36	\$ 135.36	\$ (2.00)
General Service Small	\$ 182.33	\$ 180.13	\$ (2.20)
General Service Medium	\$ 1,780.94	\$ 1,753.58	\$ (27.36)
General Service Large	\$ 38,419.39	\$ 37,734.46	\$ (684.93)

# Demand Charge Revision

PUB & City Council provided direction in work sessions to move forward with the following revisions:

- Current Practice –
  - Post 12-month lock-in period, electric commercial accounts were reviewed prospectively to determine if they should remain in the current rate class, move down a rate class or move up a rate class.
- New Practice
  - Post 12-month lock-in period, electric commercial accounts will now be reviewed retroactively to determine if they should remain in the current rate class, move down a rate class, or move up a rate class. This would be effective immediately at the next billing.

# Recommendation

DME General Manager and Finance Department recommendation  
(Effective April 1, 2026)

- ECA
  - No requested changes for next quarter
- Large Load ECA
  - Increase LL ECA to \$0.0606/kWh
- TCRF
  - Decrease TCRF to \$0.0156/kWh
- Demand Charge
  - Post lock-in period to retroactive review





Questions?



## MEMORANDUM

**DATE:** March 9, 2026  
**TO:** Membership of the Public Utilities Board  
**FROM:** Matthew Hamilton, Chief Financial Officer &  
David Brown, Water Utilities Project Manager  
**SUBJECT:** CMAR Construction for PCWRP

During the February 23<sup>rd</sup> Public Utility Board meeting a question was asked concerning contract language and tariffs. The construction phase services construction manager at risk agreement for the PCWRP Headworks and Expansion Project does include language to terminate the contract.

### **Section 9.1. Termination clause in Contract**

#### **Termination for Convenience**

Upon receipt of written notice to CM@Risk, City may, at its discretion and without cause, elect to terminate this Agreement. In such event, City shall pay CM@Risk only the direct value of its completed Work and materials supplied as of the date of termination and the reasonable costs and expenses attributable to such termination. CM@Risk shall be entitled to profit and overhead on completed Work only but shall not be entitled to anticipated profit or anticipated overhead.

An increase in costs due to tariffs is outlined in Exhibit B – GMP Proposal, Section 5, Item 2.

### **Tarriff language in contract**

The GMP is based on material, equipment, and labor costs available at the time of preparation. Potential changes in tariffs on materials and goods that may be imposed through January (or until such tariffs are enacted) could significantly impact costs and delivery timelines. Therefore, this estimate does not account for any additional expenses or delays that may result from these tariffs. Should new tariffs be implemented, the City of Denton and Sundt will mutually agree on impacts or changes to actual project costs or schedule.

Any mutually agreed upon changes will be covered by contingency and not allowances.

Prepared By:  
Lori Hewell, Purchasing Manager

### **OUR CORE VALUES**

Inclusion • Collaboration • Quality Service • Strategic Focus • Fiscal Responsibility

Submitted By:

Matthew Hamilton, Assistant Director of Financial Planning & Analysis

Department Contact

David Brown, Water Utilities Project Manager

## Future Public Utilities Board Agenda Items

Note: This is a working draft of pending PUB items and is subject to change without notice.

Meeting Date	Item	Dept
March 9, 2026		
March 23, 2026		
April 13, 2026	Water/Wastewater Quarterly Report	Water
April 27, 2026		
May 4, 2026		
May 18, 2026		
June 8, 2026		
June 22, 2026	Water/Wastewater Quarterly Report Budget Update	Water Budget
July 13, 2026	Budget Workshop	Budget
July 27, 2026	Rate and Budget Recommendation	Budget
August 10, 2026		
August 24, 2026		
September 14, 2026		
September 28, 2026	Water/Wastewater Quarterly Report	Water

October 12, 2026	2027 PUB Schedule	DME
October 26, 2026		
November 16, 2026		
December 14, 2026	Water/Wastewater Quarterly Report	Water

Codes: Work Session WS, Consent Agenda CA, Individual Consideration IC

## PUBLIC UTILITIES BOARD - NEW BUSINESS ACTION ITEMS

	DATE REQUESTED	REQUESTOR	ITEM	DEPT	STATUS
1.	2/9/26	Riback	Major Water and Wastewater infrastructure projects such as Ray Roberts Expansion, Pecan Creek Expansion and any others the department may deem responsive to this request.	Water/Waste water – Stephen Gay	Quarterly Reports 4/13/26, 6/22/26, 9/28/26, 12/14/26
2.	2/23/26	Taylor	Comparison of Electric Commercial Rates	Electric	3/23/26



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Finance

**ACM:** Christine Taylor

**DATE:** March 9, 2026

### **SUBJECT**

Receive a report, hold a discussion, and give staff direction regarding online card processing and cost recovery options.

### **BACKGROUND**

The purpose of this work session is to provide the Public Utilities Board (PUB) with an update regarding online card processing and cost recovery options.

The City has processed credit card payments for more than twenty-five years and annually budgets for related processing costs. In 2014, Customer Service's online credit card expenses began increasing faster than budget allocations could support. This rise was driven primarily by the growing use of commercial cards, which carry higher interchange rates due to their cardholder rewards. To offset these costs, City Council approved a 2.7% convenience fee on commercial utility accounts paid online or by phone.

Card brand rules changed in 2019, allowing convenience fees to be assessed only as a flat amount rather than a percentage. Due to the complexity of these evolving rules, and the limitation to a flat fee, both the PUB and City Council directed staff to discontinue the convenience fee.

On July 14, 2025, staff presented PUB work session item #25-008 outlining rising card processing costs and options for recovering those expenditures. A subsequent presentation to City Council on July 15, 2025, resulted in direction to continue exploring additional fee structures, including tiered fees, fees based on customer account type, and percentage-based fees.

In October 2025, card brand rules were updated again, introducing a new service fee option. This option may be applied as either a flat or percentage-based fee, may be charged on recurring transactions, and excludes eChecks (ACH bank drafts). To recover online card processing costs, the required service fee rate is estimated at 1.55% if applied to all card payments. If applied only to commercial accounts, the estimated rate is 2.60%.

Card processing costs are currently absorbed by department operating budgets and funded through City revenues. Customer Service (Utility Billing) represents approximately 70% of the City's annual credit card processing costs, primarily from online transactions, totaling about \$1.57 million annually. Costs continue to escalate, increasing 20% from \$1.31 million in FY 2024 to \$1.57 million in FY 2025. The \$264,175 year-over-year processing expense increase is attributed to an annual trend of higher transaction volumes across all customer types. Consumer cards represent roughly 32% of the total processing costs and 70% of the

total dollar amount processed. Commercial cards represent roughly 68% of the total processing costs and 30% of the total dollar amount processed.

If direction is provided to implement a fee, staff will develop and launch a customer education campaign highlighting the fee and promoting no-fee payment alternatives such as eChecks.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

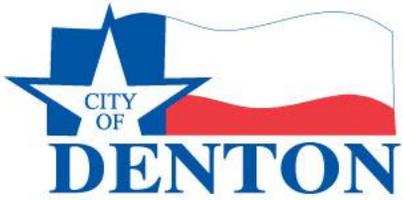
Staff presented PUB work session item #25-008 on July 14, 2025, and City Council work session item #24-2618 regarding credit card fees and cost recovery options. Direction was provided to staff to continue seeking additional card processing fee options and provide a future update.

**EXHIBITS**

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Presentation

Respectfully submitted:  
Matt Hamilton  
Chief Financial Officer  
(940) 349-8127



# Credit Card Processing & Cost Recovery Options

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Matt Hamilton, CFO  
Finance Department  
March 9, 2026

# Background

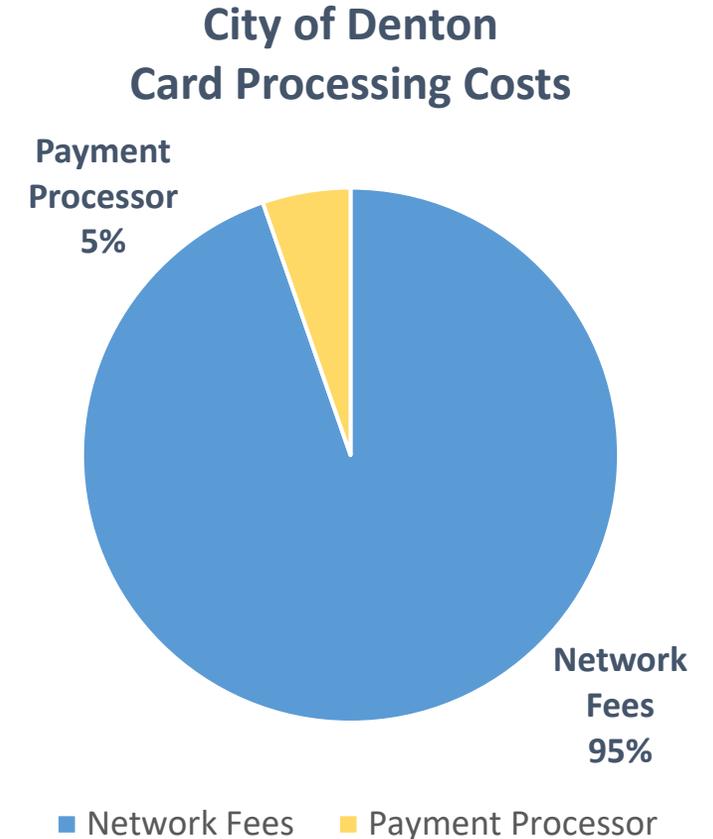
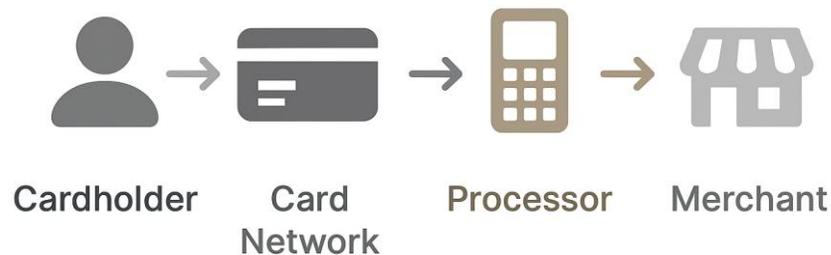
- The City of Denton has processed credit card payments for over 25 years, budgeting annually for these costs.
- **2011:** Convenience fees were previously applied to online transactions but removed in 2011 across all payment portals.
- **2014:** Rising costs (due to commercial cards with higher interchange rates) led to a 2.7% convenience fee for commercial utility accounts paying online or by phone.
- **2019:** Card brand rules changed, restricting convenience fees to flat amounts only.
- **2020:** City Council directed convenience fees to be removed when the City adopted a new card processing contract with Wells Fargo Merchant Services (WFMS) since a percentage was no longer allowed.  
  
Card processing costs are absorbed by departmental budgets and funded through City revenues.
- **2025:** Card brand rules changed in Oct. 2025 presenting a new fee option that can be implemented on a percentage basis.



# Current Card Processing Costs

Three cost components:

- 1. Interchange Rate:** Non-negotiable,  $\sim 1.51\% + \$0.10$  per transaction.
- 2. Card Network Assessment:** Non-negotiable,  $\sim 0.12\% - 0.15\%$  of monthly sales.
  - Set by the payment networks (card brands) such as Visa, Mastercard, American Express, and Discover.
- 3. Payment Processor Fee:** Fixed by contract (WFMS).



# Why Revisit Fees?

- Customer Service (Utility Billing) = 70% of the City's annual card processing costs, primarily from online payments, and account for approximately \$1.57 million annually in expense.
- Costs continue to significantly increase, up 20% from \$1.31M to \$1.57M (FY 2024 vs. FY 2025).
- Utility payments are governed by MCC 4900.
  - Merchant Category Codes (MCC) are assigned by card networks (e.g., Visa, Mastercard) to categorize merchants for transaction processing, fee calculation, and compliance.
  - "MCC 4900" identifies transactions as utility-related payments.
  - Reduced interchange rates compared to retail merchants.
- Previously, only a **convenience fee** was permissible with MCC 4900, but it provides limited flexibility in how the fee is applied.
- Changes in card processing rules (Oct. 2025) now allow for a **service fee** option with MCC 4900.



# Fee Options

	Convenience Fee	Service Fee
Allowed for MCC 4900	✓ Yes	✓ Yes
Fee Type	Flat fee only	Flat or percentage
Online Transactions	✓ Yes	✓ Yes
Includes Recurring Payments	✗ No	✓ Yes
Rate Can Be Tiered	✗ No	✗ No
Segregation by Account Type	✓ Yes	✓ Yes
Includes eChecks	✓ Yes (must apply to <u>all</u> payment types)	✗ No



# Fee Options

## 1. Convenience Fee (Current Rules):

- Flat fee only.
- Applies to all payment types (including eChecks).
- Excludes recurring payments.



Estimated rate to recover  
100% of costs:

\$2.90 flat fee

## 2. Service Fee (New Visa Rules – Oct 2025):

- Percentage or flat fee.
- Includes recurring payments.
- Excludes eChecks.
- Estimate provided by WFMS.



1.55% (all card payments)  
**or**  
2.60% (commercial only)

# Online Card Volumes by Utility Customer Type

## Fiscal Year 2024

	Number of Transactions	Amount Processed	Average Payment Amount	Fees Paid By City
COMMERCIAL	27,998	\$ 34,966,645	\$1,248.90	\$ 895,904
RESIDENTIAL	553,175	\$ 91,653,493	\$165.69	\$ 415,903
<b>FY 2024 Total</b>	<b>581,173</b>	<b>\$ 126,620,138</b>		<b>\$ 1,311,807</b>

## Fiscal Year 2025

	Number of Transactions	Amount Processed	Average Payment Amount	Fees Paid By City
COMMERCIAL	32,619	\$ 44,282,327	\$1,357.56	\$ 1,076,323
RESIDENTIAL	631,679	\$ 106,896,692	\$169.23	\$ 499,659
<b>FY 2025 Total</b>	<b>664,298</b>	<b>\$ 151,179,019</b>		<b>\$ 1,575,982</b>
<b>YoY Increase</b>	<b>+ 83,125</b>	<b>\$ 24,558,881</b>		<b>\$ 264,175</b>



# Implementation Timeline

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If direction is provided to proceed with implementing a fee:

- Staff will initiate a marketing campaign to educate customers on the fee and payment methods which do not incur card fees (e.g., eChecks).
- Staff will work with our vendors to implement the fee modules.
- Estimated time to implement is approximately 6 months.
- Fees would begin with the start of the new fiscal year, October 1, 2026.



# PUB Direction

PUB direction on the recovery of credit card processing costs:

**Option 1 (Status Quo)** – Maintain cost recovery through utility department budgets.

- The cost is recovered in utility base rates.

**Option 2** – Implement a convenience fee.

- A flat fee assessed for non-recurring online payments, including eChecks.

**Option 3** – Implement a service fee.

- A flat fee or percentage for all online payments, excluding eChecks.

Additionally, determine if the fee is to be applied to residential, commercial, or both.



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# Questions

