

EXHIBIT 3

PROFESSIONAL ENGINEERING SERVICES FOR MAGNOLIA DRAINAGE PHASE II (CONTRACT 6405)

THIS AGREEMENT is made and entered into this date _____, by and between the City of Denton, Texas, a Texas municipal corporation, with its principal office at 215 East McKinney Street, Denton, Denton County, Texas 76201, hereinafter called "Owner" and Teague Nall and Perkins, Inc., with its corporate office at 1517 Centre Place Drive, Suite 320, Denton, TX 76205, hereinafter called "Design Professional," acting herein, by and through their duly authorized representatives.

In consideration of the covenants and agreements herein contained, the parties hereto do mutually agree as follows:

SECTION 1 EMPLOYMENT OF DESIGN PROFESSIONAL

The Owner hereby contracts with the Design Professional, a licensed Texas engineer, as an independent contractor. The Design Professional hereby agrees to perform the services in conjunction with the Magnolia Drainage Phase II project as described herein and in the Proposal (**Exhibit 5**), the General Conditions (**Exhibit 4**), and other attachments to this Agreement that are referenced in Section 4. The Project shall include, but shall not be limited to, the following major components (for a more precise or comprehensive description of the Scope refer to **Exhibit 5**, Attachment B):

Basic Services

A. Construction Plans & Bid Documents

Construction plans will be based on survey provided by the City, and will follow the selected route, which is along Windsor Drive from the detention pond outfall west to Hinkle Drive, and south on Hinkle Drive to the culvert crossing.

Additional Services

A. Utility Coordination

Utility coordination will be accomplished at hourly rates, with the estimated fee shown in Exhibit 5, Attachment A. Plans will be provided to utility companies and other City departments.

B. Bid Support

Bid support will be accomplished at hourly rates, with the estimated fee shown in Exhibit 5, Attachment A. Technical support will be provided during bidding, bids will be evaluated, and a Recommendation of Award prepared.

C. Construction Support

Construction support will be accomplished at hourly rates, with the estimated fee shown in Exhibit 5, Attachment A. Attendance at the Pre-Construction meeting, site visits as requested by the City, and preparation of record drawings will be provided.

EXHIBIT 3**SECTION 2
COMPENSATION AND SCHEDULE**

Total compensation for the Design Professional contemplated under the terms of this agreement **shall be a total not-to-exceed \$ 118,000** for all services including reimbursable expenses. The Owner shall compensate the Design Professional as follows:

2.1 BASIC SERVICES

2.1.1 For Basic Services the total compensation shall be a lump sum amount of \$ 105,000.

2.1.2 Progress payments for Basic Services shall be paid monthly based on the actual work satisfactorily completed per month in each phase as a percentage of the overall compensation for that phase, with the following amounts of the total compensation for the Basic Services for each phase of the Project:

Construction Plans & Bid Documents

Preliminary Design	\$ 80,000
Final Design	<u>\$ 25,000</u>
Sub-total	\$105,000

2.2 ADDITIONAL SERVICES

2.2.1 For Additional Services the total compensation shall be **\$ 11,000**. Compensation for Additional Services shall be based on actual services authorized and performed with lump sum or maximum not to exceed subtotals depending on the service provided all as shown in **Exhibit 5**, Attachment A. The schedule for the hourly rates is attached as **Exhibit 7**.

Utility Coordination	\$ 3,000
Bid Support (Hourly, Est. Fee)	\$ 3,000
Construction Support (Hourly, Est. Fee)	<u>\$ 5,000</u>
Total	\$ 11,000

2.2.2 Compensation for Additional Services of consultants, including additional structural, mechanical and electrical engineering services, geotechnical services, right-of-way services, etc. shall be based on a multiple of 1.1 times the amounts billed to the Design Professional for such additional services.

2.3 REIMBURSABLE EXPENSES Reimbursable Expenses shall be a multiple of 1.1 times the expenses incurred by the Design Professional, the Design Professional's employees and consultants in the interest of the Project as defined in the General Conditions but not to exceed a total of **\$ 2,000.00** without the prior written approval of the Owner. This amount does not include appraisals, escrow fees, abstract fees, title fees, FEMA review fees, 404 permit fees, and TDLR fees.

2.4 SCHEDULE The Design Professional will be authorized to commence work on the Project upon execution of this AGREEMENT and agrees to complete the detailed design services in a total of approximately 120 calendar days as shown on the schedule included in **Exhibit 6**.

EXHIBIT 3**SECTION 3**
INVOICES

Invoices shall be sent directly to the City of Denton Accounts Payable Department, 215 E. McKinney St, Denton, TX, 76201-4299. A pro-forma invoice shall be sent to the contract administrator as identified in the Notice to Proceed. It is the intention of the City of Denton to make payment on completed orders within thirty days after receipt of invoice, unless unusual circumstances arise. **Invoices must be fully documented as to labor, materials, and equipment provided, if applicable, and must reference the City of Denton Purchase Order Number in order to be processed. No payments shall be made on invoices not listing a Purchase Order Number.**

SECTION 4
ENTIRE AGREEMENT

This Agreement includes this executed agreement and the following documents all of which are attached hereto and made a part hereof by reference as if fully set forth herein:

- Exhibit 1 Certificate of Interested Parties Electronic Filing.
- Exhibit 2 City of Denton Insurance Requirements for Consultants/Contractors.
- Exhibit 3 Conflict of Interest Questionnaire.
- Exhibit 4 City of Denton General Conditions to Agreement for Architectural or Engineering Services.
- Exhibit 5 The Design Professional's Proposal
Attachments A through E:
Attachment A – Summary of Engineering Fees
Attachment B – Scope of Services and Deliverables
- Exhibit 6 Project Schedule.
- Exhibit 7 Schedule of Rates.
- Exhibit 8 Project Limits Map.

EXHIBIT 3

This Agreement is signed by the parties hereto effective as of the date first above written.

CITY OF DENTON, TEXAS
A Municipal Corporation

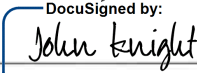
BY: _____

TODD HILEMAN
CITY MANAGER

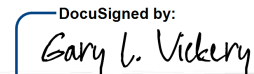
ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

BY:  _____
DocuSigned by:
C821996C2A2B439...

Teague Nall and Perkins, Inc.
A Corporation

BY:  _____
DocuSigned by:
76635A082680487
Gary L. Vickery, P.E.
Principal

gvickery@tnpinc.com
EMAIL ADDRESS

2017-175560

TEXAS ETHICS COMMISSION
CERTIFICATE NUMBER

EXHIBIT 3**Exhibit 1****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 an original notarized 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/whatsnew/elf_info_form1295.htm
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on the signature page of this contract.
5. Sign and notarize the Form 1295
6. Email the notarized form to 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.

EXHIBIT 3

Exhibit 2
CITY OF DENTON
INSURANCE REQUIREMENTS FOR
CONSULTANTS/CONTRACTORS

The Offeror's/Bidder's attention is directed to the insurance requirements below. It is highly recommended that offerors/bidders confer with their respective insurance carriers or brokers to determine in advance of its proposal or bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an offeror/apparent low bidder fails to comply strictly with the insurance requirements, that offeror/bidder may be disqualified from award of the contract. Upon award, all insurance requirements shall become contractual obligations, which the successful offeror/bidder shall have a duty to maintain throughout the course of this contract.

STANDARD PROVISIONS:

Without limiting any of the other obligations or liabilities of the Consultant/Contractor, the Consultant/Contractor shall provide and maintain until the contracted work has been completed and accepted by the City of Denton, Owner, the minimum insurance coverage as indicated hereinafter.

As soon as practicable after notification of award, Consultant/Contractor shall file with the Purchasing Department satisfactory certificates of insurance, containing the proposal/bid number and title of the project. Consultant/Contractor may, upon written request to the Purchasing Department, ask for clarification of any insurance requirements at any time; however, Consultants/Contractors are strongly advised to make such requests prior to proposal/bid opening, since the insurance requirements may not be modified or waived after proposal/bid opening unless a written exception has been submitted with the proposal/bid. Consultant/Contractor shall not commence any work or deliver any material until he or she receives notification that the contract has been accepted, approved, and signed by the City of Denton.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least **A or better**.
- Any deductibles or self-insured retentions shall be declared in the proposal or bid. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees and volunteers; or, the Consultant/Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:

EXHIBIT 3

- Name as additional insured the City of Denton, its Officials, Agents, Employees and volunteers.
- That such insurance is primary to any other insurance available to the additional insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
- ***Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.***
- Should any of the required insurance be provided under a claims-made form, Consultant/Contractor shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the contract term which give rise to claims made after expiration of the contract shall be covered.
- Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Consultant/Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
- Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

[X] A. General Liability Insurance:

General Liability insurance with combined single limits of not less than **\$500,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.

If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:

- Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.

EXHIBIT 3

- Coverage B shall include personal injury.
- Coverage C, medical payments, is not required.

If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:

- Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
- Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

[X] Automobile Liability Insurance:

Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than \$500,000.00 either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.

Satisfaction of the above requirement shall be in the form of a policy endorsement for:

- any auto, or
- all owned, hired and non-owned autos.

[X] Workers' Compensation Insurance

Contractor shall purchase and maintain Worker's Compensation insurance which, in addition to meeting the minimum statutory requirements for issuance of such insurance, has Employer's Liability limits of at least \$100,000 for each accident, \$100,000 per each employee, and a \$500,000 policy limit for occupational disease. The City need not be named as an "Additional Insured" but the insurer shall agree to waive all rights of subrogation against the City, its officials, agents, employees and volunteers for any work performed for the City by the Named Insured. For building or construction projects, the Contractor shall comply with the provisions of Attachment 1 in accordance with §406.096 of the Texas Labor Code and rule 28TAC 110.110 of the Texas Worker's Compensation Commission (TWCC).

☐ Owner's and Contractor's Protective Liability Insurance

EXHIBIT 3

The Contractor shall obtain, pay for and maintain at all times during the prosecution of the work under this contract, an Owner's and Contractor's Protective Liability insurance policy naming the City as insured for property damage and bodily injury which may arise in the prosecution of the work or Contractor's operations under this contract. Coverage shall be on an "occurrence" basis, and the policy shall be issued by the same insurance company that carries the Contractor's liability insurance. Policy limits will be at least combined bodily injury and property damage per occurrence with a _____ aggregate.

☒ **Professional Liability Insurance**

Professional liability insurance with limits not less than \$1,000,000.00 per claim with respect to negligent acts, errors or omissions in connection with professional services is required under this Agreement.

☐ **Environmental Liability Insurance**

Environmental liability insurance for \$1,000,000 to cover all hazards contemplated by this contract.

☐ **Riggers Insurance**

The Contractor shall provide coverage for Rigger's Liability. Said coverage may be provided by a Rigger's Liability endorsement on the existing CGL coverage; through and Installation Floater covering rigging contractors; or through ISO form IH 00 91 12 11, Rigger's Liability Coverage form. Said coverage shall mirror the limits provided by the CGL coverage

☐ **Builders' Risk Insurance**

Builders' Risk Insurance, on an All-Risk form for 100% of the completed value shall be provided. Such policy shall include as "Named Insured" the City of Denton and all subcontractors as their interests may appear.

☐ **Commercial Crime**

Provides coverage for the theft or disappearance of cash or checks, robbery inside/outside the premises, burglary of the premises, and employee fidelity. The employee fidelity portion of this coverage should be written on a "blanket" basis to cover all employees, including new hires. This type insurance should be required if the contractor has access to City funds. Limits of not less than _____ each occurrence are required.

☐ **Additional Insurance**

EXHIBIT 3

Other insurance may be required on an individual basis for extra hazardous contracts and specific service agreements. If such additional insurance is required for a specific contract, that requirement will be described in the "Specific Conditions" of the contract specifications.

EXHIBIT 3**Exhibit 3****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)

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.

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.

Name of 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:

Gary L. Vickery

3/7/2017

Signature of vendor doing business with the governmental entity

Date

Exhibit 4
CITY OF DENTON
GENERAL CONDITIONS
TO

AGREEMENT FOR ARCHITECTURAL OR ENGINEERING SERVICES

ARTICLE 1. ARCHITECT OR ENGINEER'S RESPONSIBILITIES

1.1 The Architect or Engineer's services consist of those services for the Project (as defined in the agreement (the "Agreement") and proposal (the "Proposal") to which these General Conditions are attached) performed by the Architect or Engineer (hereinafter called the "Design Professional") or Design Professional's employees and consultants as enumerated in Articles 2 and 3 of these General Conditions as modified by the Agreement and Proposal (the "Services").

1.2 The Design Professional will perform all Services as an independent contractor to the prevailing professional standards consistent with the level of care and skill ordinarily exercised by members of the same profession currently practicing in the same locality under similar conditions, including reasonable, informed judgments and prompt timely actions (the "Degree of Care"). The Services shall be performed as expeditiously as is consistent with the Degree of Care necessary for the orderly progress of the Project. Upon request of the Owner, the Design Professional shall submit for the Owner's approval a schedule for the performance of the Services which may be adjusted as the Project proceeds, and shall include allowances for periods of time required for the Owner's review and for approval of submissions by authorities having jurisdiction over the Project. Time limits established by this schedule and approved by the Owner shall not, except for reasonable cause, be exceeded by the Design Professional or Owner, and any adjustments to this schedule shall be mutually acceptable to both parties.

ARTICLE 2 SCOPE OF BASIC SERVICES

2.1 BASIC SERVICES DEFINED The Design Professional's Basic Services consist of those described in Sections 2.2 through 2.6 of these General Conditions and include without limitation normal structural, civil, mechanical and electrical engineering services and any other engineering services necessary to produce a complete and accurate set of Construction Documents, as described by and required in Section 2.4. The Basic Services may be modified by the Agreement.

2.2 SCHEMATIC DESIGN PHASE

2.2.1 The Design Professional, in consultation with the Owner, shall develop a written program for the Project to ascertain Owner's needs and to establish the requirements for the Project.

2.2.2 The Design Professional shall provide a preliminary evaluation of the Owner's program, construction schedule and construction budget requirements, each in terms of the other, subject to the limitations set forth in Subsection 5.2.1.

2.2.3 The Design Professional shall review with the Owner alternative approaches to design and construction of the Project.

2.2.4 Based on the mutually agreed-upon program, schedule and construction budget requirements, the Design Professional shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components. The Schematic Design shall contemplate compliance with all applicable laws, statutes, ordinances, codes and regulations.

2.2.5 The Design Professional shall submit to the Owner a preliminary detailed estimate of Construction Cost based on current area, volume or other unit costs and which indicates the cost of each category of work involved in constructing the Project and establishes an elapsed time factor for the period of time from the commencement to the completion of construction.

2.3 DESIGN DEVELOPMENT PHASE

2.3.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program, schedule or construction budget, the Design Professional shall prepare for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate, which shall comply with all applicable laws, statutes, ordinances, codes and regulations. Notwithstanding Owner's approval of the documents, Design Professional represents that the Documents and specifications will be sufficient and adequate to fulfill the purposes of the Project.

2.3.2 The Design Professional shall advise the Owner of any adjustments to the preliminary estimate of Construction Cost in a further Detailed Statement as described in Section 2.2.5.

2.4 CONSTRUCTION DOCUMENTS PHASE

2.4.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by the Owner, the Design Professional shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail requirements for the construction of the Project, which shall comply with all applicable laws, statutes, ordinances, codes and regulations.

2.4.2 The Design Professional shall assist the Owner in the preparation of the necessary bidding or procurement information, bidding or procurement forms, the Conditions of the contract, and the form of Agreement between the Owner and contractor.

2.4.3 The Design Professional shall advise the Owner of any adjustments to previous preliminary estimates of Construction Cost indicated by changes in requirements or general market conditions.

EXHIBIT 3

2.4.4 The Design Professional shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

2.5 CONSTRUCTION CONTRACT PROCUREMENT

2.5.1 The Design Professional, following the Owner's approval of the Construction Documents and of the latest preliminary detailed estimate of Construction Cost, shall assist the Owner in procuring a construction contract for the Project through any procurement method that is legally applicable to the Project including without limitation, the competitive sealed bidding process. Although the Owner will consider the advice of the Design Professional, the award of the construction contract is in the sole discretion of the Owner.

2.5.2 If the construction contract amount for the Project exceeds the total construction cost of the Project as set forth in the approved Detailed Statement of Probable Construction Costs of the Project submitted by the Design Professional, then the Design Professional, at its sole cost and expense, will revise the Construction Documents as may be required by the Owner to reduce or modify the quantity or quality of the work so that the total construction cost of the Project will not exceed the total construction cost set forth in the approved Detailed Statement of Probable Construction Costs.

2.6 CONSTRUCTION PHASE - ADMINISTRATION OF THE CONSTRUCTION CONTRACT

2.6.1 The Design Professional's responsibility to provide Basic Services for the Construction Phase under this Agreement commences with the award of the Contract for Construction and terminates at the issuance to the Owner of the final Certificate for Payment, unless extended under the terms of Subsection 8.3.2.

2.6.2 The Design Professional shall provide detailed administration of the Contract for Construction as set forth below. For design professionals the administration shall also be in accordance with AIA document A201, General Conditions of the Contract for Construction, current as of the date of the Agreement as may be amended by the City of Denton special conditions, unless otherwise provided in the Agreement. For engineers the administration shall also be in accordance with the Standard Specifications for Public Works Construction by the North Central Texas Council of Governments, current as of the date of the Agreement, unless otherwise provided in the Agreement.

2.6.3 Construction Phase duties, responsibilities and limitations of authority of the Design Professional shall not be restricted, modified or extended without written agreement of the Owner and Design Professional.

2.6.4 The Design Professional shall be a representative of and shall advise and consult with the Owner (1) during construction, and (2) at the Owner's direction from time to time during the correction, or warranty period described in the Contract for Construction. The Design Professional shall have authority to act on behalf of the Owner only to the extent provided in the Agreement and these General Conditions, unless otherwise modified by written instrument.

2.6.5 The Design Professional shall observe the construction site at least one time a week, while construction is in progress, and as reasonably necessary while construction is not in progress, to become familiar with the progress and quality of the work completed and to determine if the work is being performed in a manner indicating that the work when completed will be in accordance with the Contract Documents. Design Professional shall provide Owner a written report subsequent to each on-site visit. On the basis of on-site observations the Design Professional shall keep the Owner informed of the progress and quality of the work, and shall exercise the Degree of Care and diligence in discovering and promptly reporting to the Owner any observable defects or deficiencies in the work of Contractor or any subcontractors. The Design Professional represents that he will follow Degree of Care in performing all Services under the Agreement. The Design Professional shall promptly correct any defective designs or specifications furnished by the Design Professional at no cost to the Owner. The Owner's approval, acceptance, use of or payment for all or any part of the Design Professional's Services hereunder or of the Project itself shall in no way alter the Design Professional's obligations or the Owner's rights hereunder.

2.6.6 The Design Professional shall not have control over or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the work. The Design Professional shall not be responsible for the Contractor's schedules or failure to carry out the work in accordance with the Contract Documents except insofar as such failure may result from Design Professional's negligent acts or omissions. The Design Professional shall not have control over or charge of acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other persons performing portions of the work.

2.6.7 The Design Professional shall at all times have access to the work wherever it is in preparation or progress.

2.6.8 Except as may otherwise be provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall communicate through the Design Professional. Communications by and with the Design Professional's consultants shall be through the Design Professional.

2.6.9 Based on the Design Professional's observations at the site of the work and evaluations of the Contractor's Applications for Payment, the Design Professional shall review and certify the amounts due the Contractor.

2.6.10 The Design Professional's certification for payment shall constitute a representation to the Owner, based on the Design Professional's observations at the site as provided in Subsection 2.6.5 and on the data comprising the Contractor's Application for Payment, that the work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to minor deviations from the Contract Documents correctable prior to completion and to specific qualifications expressed by the Design Professional. The issuance of a Certificate for Payment shall further constitute a representation that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment shall not be a representation that the Design Professional has (1) reviewed construction means, methods, techniques, sequences or procedures, or (2) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

2.6.11 The Design Professional shall have the responsibility and authority to reject work which does not conform to the Contract Documents. Whenever the Design Professional considers it necessary or advisable for implementation of the intent of the Contract Documents, the Design Professional will have authority to require additional inspection or testing of the work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Design Professional nor a decision made in good faith either to exercise or not exercise such

EXHIBIT 3

authority shall give rise to a duty or responsibility of the Design Professional to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons performing portions of the work.

2.6.12 The Design Professional shall review and approve or take other appropriate action upon Contractor's submittals such as Shop Drawings, Product Data and Samples for the purpose of (1) determining compliance with applicable laws, statutes, ordinances and codes; and (2) determining whether or not the work, when completed, will be in compliance with the requirements of the Contract Documents. The Design Professional shall act with such reasonable promptness to cause no delay in the work or in the construction of the Owner or of separate contractors, while allowing sufficient time in the Design Professional's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities or for substantiating instructions for installation or performance of equipment or systems designed by the Contractor, all of which remain the responsibility of the Contractor to the extent required by the Contract Documents. The Design Professional's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Design Professional, of construction means, methods, techniques, sequences or procedures. The Design Professional's approval of a specific item shall not indicate approval of an assembly of which the item is a component. When professional certification of performance characteristics of materials, systems or equipment is required by the Contract Documents, the Design Professional shall be entitled to rely upon such certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents.

2.6.13 The Design Professional shall prepare Change Orders and Construction Change Directives, with supporting documentation and data if deemed necessary by the Design Professional as provided in Subsections 3.1.1 and 3.3.3, for the Owner's approval and execution in accordance with the Contract Documents, and may authorize minor changes in the work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are not inconsistent with the intent of the Contract Documents.

2.6.14 On behalf of the Owner, the Design Professional shall conduct inspections to determine the dates of Substantial Completion and Final Completion, and if requested by the Owner shall issue Certificates of Substantial and Final Completion. The Design Professional will receive and review written guarantees and related documents required by the Contract for Construction to be assembled by the Contractor and shall issue a final certificate for Payment upon compliance with the requirements of the Contract Documents.

2.6.15 The Design Professional shall interpret and provide recommendations on matters concerning performance of the Owner and Contractor under the requirements of the Contract Documents on written request of either the Owner or Contractor. The Design Professional's response to such requests shall be made with reasonable promptness and within any time limits agreed upon.

2.6.16 Interpretations and decisions of the Design Professional shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and initial decisions, the Design Professional shall endeavor to secure faithful performance by both Owner and Contractor, and shall not be liable for results or interpretations or decisions so rendered in good faith in accordance with all the provisions of this Agreement and in the absence of negligence.

2.6.17 The Design Professional shall render written decisions within a reasonable time on all claims, disputes or other matters in question between the Owner and Contractor relating to the execution or progress of the work as provided in the Contract Documents.

2.6.18 The Design Professional (1) shall render services under the Agreement in accordance with the Degree of Care; (2) will reimburse the Owner for all damages caused by the defective designs the Design Professional prepares; and (3) by acknowledging payment by the Owner of any fees due, shall not be released from any rights the Owner may have under the Agreement or diminish any of the Design Professional's obligations thereunder.

2.6.19 The Design Professional shall provide the Owner with four sets of reproducible prints showing all significant changes to the Construction Documents during the Construction Phase.

ARTICLE 3 ADDITIONAL SERVICES**3.1 GENERAL**

3.1.1 The services described in this Article 3 are not included in Basic Services unless so identified in the Agreement or Proposal, and they shall be paid for by the Owner as provided in the Agreement, in addition to the compensation for Basic Services. The services described under Sections 3.2 and 3.4 shall only be provided if authorized or confirmed in writing by the Owner. If services described under Contingent Additional Services in Section 3.3 are required due to circumstances beyond the Design Professional's control, the Design Professional shall notify the Owner in writing and shall not commence such additional services until it receives written approval from the Owner to proceed. If the Owner indicates in writing that all or part of such Contingent Additional Services are not required, the Design Professional shall have no obligation to provide those services. Owner will be responsible for compensating the Design Professional for Contingent Additional Services only if they are not required due to the negligence or fault of Design Professional.

3.2 PROJECT REPRESENTATION BEYOND BASIC SERVICES

3.2.1 If more extensive representation at the site than is described in Subsection 2.6.5 is required, the Design Professional shall provide one or more Project Representatives to assist in carrying out such additional on-site responsibilities.

3.2.2 Project Representatives shall be selected, employed and directed by the Design Professional, and the Design Professional shall be compensated therefor as agreed by the Owner and Design Professional.

3.3 CONTINGENT ADDITIONAL SERVICES

3.3.1 Making material revisions in Drawings, Specifications or other documents when such revisions are:

1. inconsistent with approvals or instructions previously given by the Owner, including revisions made necessary by adjustments in the Owner's program or Project budget;

EXHIBIT 3

2. required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents, or

3. due to changes required as a result of the Owner's failure to render decision in a timely manner.

3.3.2 Providing services required because of significant changes in the Project including, but not limited to, size, quality, complexity, or the Owner's schedule, except for services required under Subsection 2.5.2.

3.3.3 Preparing Drawings, Specifications and other documentation and supporting data, and providing other services in connection with Change Orders and Construction Change Directives.

3.3.4 Providing consultation concerning replacement of work damaged by fire or other cause during construction, and furnishing services required in connection with the replacement of such work.

3.3.5 Providing services made necessary by the default of the Contractor, by major defects or deficiencies in the work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.

3.3.6 Providing services in evaluating an extensive number of claims submitted by the Contractor or others in connection with the work.

3.3.7 Providing services in connection with a public hearing, arbitration proceeding or legal proceeding except where the Design Professional is party thereto.

3.3.8 Providing services in addition to those required by Article 2 for preparing documents for alternate, separate or sequential bids or providing services in connection with bidding or construction prior to the completion of the Construction Documents Phase.

3.3.9 Notwithstanding anything contained in the Agreement, Proposal or these General Conditions to the contrary, all services described in this Article 3 that are caused or necessitated in whole or in part due to the negligent act or omission of the Design Professional shall be performed by the Design Professional as a part of the Basic Services under the Agreement with no additional compensation above and beyond the compensation due the Design Professional for the Basic Services. The intervening or concurrent negligence of the Owner shall not limit the Design Professional's obligations under this Subsection 3.3.9.

3.4 OPTIONAL ADDITIONAL SERVICES

3.4.1 Providing financial feasibility or other special studies.

3.4.2 Providing planning surveys, site evaluations or comparative studies of prospective sites.

3.4.3 Providing special surveys, environmental studies and submissions required for approvals of governmental authorities or others having jurisdiction over the Project.

3.4.4 Providing services relative to future facilities, systems and equipment.

3.4.5 Providing services to investigate existing conditions or facilities or to make measured drawings thereof.

3.4.6 Providing services to verify the accuracy of drawings or other information furnished by the Owner.

3.4.7 Providing coordination of construction performed by separate contractors or by the Owner's own forces and coordination of services required in connection with construction performed and equipment supplied by the Owner.

3.4.8 Providing detailed quantity surveys or inventories of material, equipment and labor.

3.4.9 Providing analyses of operating and maintenance costs.

3.4.10 Making investigations, inventories of materials or equipment, or valuations and detailed appraisals of existing facilities.

3.4.12 Providing assistance in the utilization of equipment or systems such as testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance and consultation during operation.

3.4.13 Providing interior design and similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.

3.4.14 Providing services other than as provided in Section 2.6.4, after issuance to the Owner of the final Certificate for Payment and expiration of the Warranty period of the Contract for Construction.

3.4.15 Providing services of consultants for other than architectural, civil, structural, mechanical and electrical engineering portions of the Project provided as a part of Basic Services.

3.4.16 Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

EXHIBIT 3

3.4.17 Preparing a set of reproducible record drawings in addition to those required by Subsection 2.6.19, showing significant changes in the work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Design Professional.

3.4.18 Notwithstanding anything contained in the Agreement, Proposal or these General Conditions to the contrary, all services described in this Article 3 that are caused or necessitated in whole or in part due to the negligent act or omission of the Design Professional shall be performed by the Design Professional as a part of the Basic Services under the Agreement with no additional compensation above and beyond the compensation due the Design Professional for the Basic Services. The intervening or concurrent negligence of the Owner shall not limit the Design Professional's obligations under this Subsection 3.4.18.

ARTICLE 4 OWNER'S RESPONSIBILITIES

4.1 The Owner shall consult with the Design Professional regarding requirements for the Project, including (1) the Owner's objectives, (2) schedule and design constraints and criteria, including space requirements and relationships, flexibility, expendability, special equipment, systems and site requirements, as more specifically described in Subsection 2.2.1.

4.2 The Owner shall establish and update an overall budget for the Project, including the Construction Cost, the Owner's other costs and reasonable contingencies related to all of these costs.

4.3 If requested by the Design Professional, the Owner shall furnish evidence that financial arrangements have been made to fulfill the Owner's obligations under this Agreement.

4.4 The Owner shall designate a representative authorized to act on the Owner's behalf with respect to the Project. The Owner or such authorized representative shall render decisions in a timely manner pertaining to documents submitted by the Design Professional in order to avoid unreasonable delay in the orderly and sequential progress of the Design Professional's services.

4.5 Where applicable, the Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data pertaining to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a project benchmark.

4.6 Where applicable, the Owner shall furnish the services of geotechnical engineers when such services are requested by the Design Professional. Such services may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistivity tests, including necessary operations for anticipating sub-soil conditions, with reports and appropriate professional recommendations.

4.6.1 The Owner shall furnish the services of other consultants when such services are reasonably required by the scope of the Project and are requested by the Design Professional and are not retained by the Design Professional as part of its Basic Services or Additional Services.

4.7 When not a part of the Additional Services, the Owner shall furnish structural, mechanical, chemical, air and water pollution tests, tests of hazardous materials, and other laboratory and environmental tests, inspections and reports required by law or the Contract Documents.

4.8 The Owner shall furnish all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including auditing services the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor has used the money paid by or on behalf of the Owner.

4.9 The services, information, surveys and reports required by Owner under Sections 4.5 through 4.8 shall be furnished at the Owner's expense, and the Design Professional shall be entitled to rely upon the accuracy and completeness thereof in the absence of any negligence on the part of the Design Professional.

4.10 The Owner shall give prompt written notice to the Design Professional if the Owner becomes aware of any fault or defect in the Project or nonconformance with the Contract Documents.

4.11 Design Professional shall propose language for certificates or certifications to be requested of the Design Professional or Design Professional's consultants and shall submit such to the Owner for review and approval at least fourteen (14) days prior to execution. The Owner agrees not to request certifications that would require knowledge or services beyond the scope of the Agreement.

ARTICLE 5 CONSTRUCTION COST

5.1 CONSTRUCTION COST DEFINED

5.1.1 The Construction Cost shall be the total cost or estimated cost to the Owner of all elements of the Project designed or specified by the Design Professional.

5.1.2 The Construction Cost shall include the cost at current market rates of labor and materials furnished by the Owner and equipment designed, specified, selected or specially provided for by the Design Professional, plus a reasonable allowance for the Contractor's overhead and profit. In addition, a reasonable allowance for contingencies shall be included for market conditions at the time of bidding and for changes in the work during construction.

5.1.3 Construction Cost does not include the compensation of the Design Professional and Design Professional's consultants, the costs of the land, rights-of-way, financing or other costs which are the responsibility of the Owner as provided in Article 4.

EXHIBIT 3**5.2 RESPONSIBILITY FOR CONSTRUCTION COST**

5.2.1 Evaluations of the Owner's Project budget, preliminary estimates of Construction Cost and detailed estimates of Construction Cost prepared by the Design Professional represent the Design Professional's best judgment as a design professional familiar with the construction industry. It is recognized, however, that neither the Design Professional nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding or market conditions. Accordingly, the Design Professional cannot and does not warrant or represent that bids or cost proposals will not vary from the Owner's Project budget or from any estimate of Construction Cost or evaluation prepared or agreed to by the Design Professional.

5.2.2 No fixed limit of Construction Cost shall be established as a condition of the Agreement by the furnishing, proposal or establishment of a Project budget, unless such fixed limit has been agreed upon in writing and signed by the parties thereto. If such a fixed limit has been established, the Design Professional shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids to adjust the Construction Cost to the fixed limit. Fixed limits, if any, shall be increased in the amount of an increase in the Contract Sum occurring after execution of the Contract for Construction.

5.2.3 If the Procurement Phase has not commenced within 90 days after the Design Professional submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect changes in the general level of prices in the construction industry between the date of submission of the Construction Documents to the Owner and the date on which proposals are sought.

ARTICLE 6 OWNERSHIP AND USE OF DOCUMENTS

6.1 The Drawings, Specifications and other documents prepared by the Design Professional for this Project are instruments of the Design Professional's service and shall become the property of the Owner upon termination or completion of the Agreement. The Design Professional is entitled to retain copies of all such documents. Such documents are intended only be applicable to this Project, and Owner's use of such documents in other projects shall be at Owner's sole risk and expense. In the event the Owner uses any of the information or materials developed pursuant to the Agreement in another project or for other purposes than are specified in the Agreement, the Design Professional is released from any and all liability relating to their use in that project

6.2 Submission or distribution of documents to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the Design Professional's reserved rights.

ARTICLE 7 TERMINATION, SUSPENSION OR ABANDONMENT

7.1 The Design Professional may terminate the Agreement upon not less than thirty days written notice should the Owner fail substantially to perform in accordance with the terms of the Agreement through no fault of the Design Professional. Owner may terminate the Agreement or any phase thereof with or without cause upon thirty (30) days prior written notice to the Design Professional. All work and labor being performed under the Agreement shall cease immediately upon Design Professional's receipt of such notice. Before the end of the thirty (30) day period, Design Professional shall invoice the Owner for all work it satisfactorily performed prior to the receipt of such notice. No amount shall be due for lost or anticipated profits. All plans, field surveys, and other data related to the Project shall become property of the Owner upon termination of the Agreement and shall be promptly delivered to the Owner in a reasonably organized form. Should Owner subsequently contract with a new Design Professional for continuation of services on the Project, Design Professional shall cooperate in providing information.

7.2 If the Project is suspended by the Owner for more than 30 consecutive days, the Design Professional shall be compensated for services satisfactorily performed prior to notice of such suspension. When the Project is resumed, the Design Professional's compensation shall be equitably adjusted to provide for expenses incurred in the interruption and resumption of the Design Professional's services.

7.3 The Agreement may be terminated by the Owner upon not less than seven days written notice to the Design Professional in the event that the Project is permanently abandoned. If the Project is abandoned by the Owner for more than 90 consecutive days, the Design Professional or the Owner may terminate the Agreement by giving written notice.

7.4 Failure of the Owner to make payments to the Design Professional for work satisfactorily completed in accordance with the Agreement shall be considered substantial nonperformance and cause for termination.

7.5 If the Owner fails to make payment to Design Professional within thirty (30) days of receipt of a statement for services properly and satisfactorily performed, the Design Professional may, upon seven days written notice to the Owner, suspend performance of services under the Agreement.

7.6 In the event of termination not the fault of the Design Professional, the Design Professional shall be compensated for services properly and satisfactorily performed prior to termination.

ARTICLE 8 PAYMENTS TO THE DESIGN PROFESSIONAL**8.1 DIRECT PERSONNEL EXPENSE**

8.1.1 Direct Personnel Expense is defined as the direct salaries of the Design Professional's personnel engaged on the Project and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

8.2 REIMBURSABLE EXPENSES

8.2.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Design Professional and Design Professional's employees and consultants in the interest of the Project, as identified in the following Clauses.

EXHIBIT 3

8.2.1.1 Expense of transportation in connection with the Project; expenses in connection with authorized out-of-town travel; long-distance communications; and fees paid for securing approval of authorities having jurisdiction over the Project.

8.2.1.2 Expense of reproductions (except the reproduction of the sets of documents referenced in Subsection 2.6.19), postage and handling of Drawings, Specifications and other documents.

8.2.1.3 If authorized in advance by the Owner, expense of overtime work requiring higher than regular rates.

8.2.1.4 Expense of renderings, models and mock-ups requested by the Owner.

8.2.1.5 Expense of computer-aided design and drafting equipment time when used in connection with the Project.

8.2.1.6 Other expenses that are approved in advance in writing by the Owner.

8.3 PAYMENTS ON ACCOUNT OF BASIC SERVICES

8.3.1 Payments for Basic Services shall be made monthly and, where applicable, shall be in proportion to services performed within each phase of service, on the basis set forth in Section 2 of the Agreement and the schedule of work.

8.3.2 If and to the extent that the time initially established in the Agreement is exceeded or extended through no fault of the Design Professional, compensation for any services rendered during the additional period of time shall be computed in the manner set forth in Section 2 of the Agreement.

8.3.3 When compensation is based on a percentage of Construction Cost and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the schedule set forth in Section 2 of the Agreement based on (1) the lowest bona fide bid or (2) if no such bid or proposal is received, the most recent preliminary estimate of Construction Cost or detailed estimate of Construction Cost for such portions of the Project.

8.4 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES

8.4.1 Payments on account of the Design Professional's Additional Services and for Reimbursable Expenses shall be made monthly within 30 days after the presentation to the Owner of the Design Professional's statement of services rendered or expenses incurred.

8.5 PAYMENTS WITHHELD No deductions shall be made from the Design Professional's compensation on account of penalty, damages or other sums withheld from payments to contractors, or on account of the cost of changes in the work other than those for which the Design Professional is responsible.

8.6 DESIGN PROFESSIONAL'S ACCOUNTING RECORDS Design Professional shall make available to Owner or Owner's authorized representative records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of a multiple of Direct Personnel Expense for inspection and copying during regular business hours for three years after the date of the final Certificate of Payment, or until any litigation related to the Project is final, whichever date is later.

ARTICLE 9 INDEMNITY

9.1 The Design Professional shall indemnify and save and hold harmless the Owner and its officers, agents, and employees from and against any and all liability, claims, demands, damages, losses, and expenses, including, but not limited to court costs and reasonable attorney fees incurred by the Owner, and including, without limitation, damages for bodily and personal injury, death and property damage, resulting from the negligent acts or omissions of the Design Professional or its officers, shareholders, agents, or employees in the performance of the Agreement.

9.2 Nothing herein shall be construed to create a liability to any person who is not a party to the Agreement, and nothing herein shall waive any of the parties' defenses, both at law or equity, to any claim, cause of action, or litigation filed by anyone not a party to the Agreement, including the defense of governmental immunity, which defenses are hereby expressly reserved.

ARTICLE 10 INSURANCE During the performance of the Services under the Agreement, Design Professional shall maintain the following insurance with an insurance company licensed or authorized to do business in the State of Texas by the State Insurance Commission or any successor agency that has a rating with Best Rate Carriers of at least an A- or above:

10.1 Comprehensive General Liability Insurance with bodily injury limits of not less than \$1,000,000 for each occurrence and not less than \$2,000,000 in the aggregate, and with property damage limits of not less than \$100,000 for each occurrence and not less than \$250,000 in the aggregate.

10.2 Automobile Liability Insurance with bodily injury limits of not less than \$500,000 for each person and not less than \$500,000 for each accident, and with property damage limits of not less than \$100,000 for each accident.

10.3 Worker's Compensation Insurance in accordance with statutory requirements, and Employers' Liability Insurance with limits of not less than \$100,000 for each accident including occupational disease.

10.4 Professional Liability Insurance with limits of not less than \$1,000,000 annual aggregate.

10.5 The Design Professional shall furnish insurance certificates or insurance policies to the Owner evidencing insurance in compliance with this Article 10 at the time of the execution of the Agreement. The General Liability and Automobile Liability insurance policies shall name the Owner as an additional insured, the Workers' Compensation policy shall contain a waiver of subrogation in favor of the Owner, and each policy shall contain a

EXHIBIT 3

provision that such insurance shall not be canceled or modified without thirty (30) days' prior written notice to Owner and Design Professional. In such event, the Design Professional shall, prior to the effective date of the change or cancellation, furnish Owner with substitute certificates of insurance meeting the requirements of this Article 10.

ARTICLE 11 MISCELLANEOUS PROVISIONS

11.1 The Agreement shall be governed by the laws of the State of Texas. Venue of any suit or cause of action under the Agreement shall lie exclusively in Denton County, Texas.

11.2 The Owner and Design Professional, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. The Design Professional shall not assign its interests in the Agreement without the written consent of the Owner.

11.3 The term Agreement as used herein includes the executed Agreement, the Proposal, these General Conditions and other attachments referenced in Section 3 of the Agreement which together represent the entire and integrated agreement between the Owner and Design Professional and supersedes all prior negotiations, representations or agreements, either written or oral. The Agreement may be amended only by written instrument signed by both Owner and Design Professional. When interpreting the Agreement the executed Agreement, Proposal, these General Conditions and the other attachments referenced in Section 3 of the Agreement shall to the extent that is reasonably possible be read so as to harmonize the provisions. However, should the provisions of these documents be in conflict so that they can not be reasonably harmonized, such documents shall be given priority in the following order:

1. The executed Agreement
2. Attachments referenced in Section 3 of the Agreement other than the Proposal
3. These General Provisions
4. The Proposal

11.4 Nothing contained in the Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Design Professional.

11.5 Upon receipt of prior written approval of Owner, the Design Professional shall have the right to include representations of the design of the Project, including photographs of the exterior and interior, among the Design Professional's promotional and professional materials. The Design Professional's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Design Professional in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Design Professional on the construction sign and in the promotional materials for the Project.

11.6 Approval by the Owner shall not constitute, nor be deemed a release of the responsibility and liability of the Design Professional, its employees, associates, agents, subcontractors, and subconsultants for the accuracy and competency of their designs or other work; nor shall such approval be deemed to be an assumption of such responsibility by the Owner for any defect in the design or other work prepared by the Design Professional, its employees, subcontractors, agents, and consultants.

11.7 All notices, communications, and reports required or permitted under the Agreement shall be personally delivered or mailed to the respective parties by depositing same in the United States mail to the address shown below signature block on the Agreement, certified mail, return receipt requested, unless otherwise specified herein. All notices shall be deemed effective upon receipt by the party to whom such notice is given, or within three (3) days after mailing.

11.8 If any provision of the Agreement is found or deemed by a court of competent jurisdiction to be invalid or unenforceable, it shall be considered severable from the remainder of the Agreement and shall not cause the remainder to be invalid or unenforceable. In such event, the parties shall reform the Agreement to replace such stricken provision with a valid and enforceable provision which comes as close as possible to expressing the intention of the stricken provision.

11.9 The Design Professional shall comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the work covered hereunder as they may now read or hereinafter be amended during the term of this Agreement.

11.10 In performing the Services required hereunder, the Design Professional shall not discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or physical handicap.

11.11 The captions of the Agreement are for informational purposes only, and shall not in any way affect the substantive terms or conditions of the Agreement.

Exhibit 5, Attachment 'A'
SUMMARY OF ENGINEERING FEES
Magnolia Drainage Phase II

A. BASIC SERVICES:

For work performed by the ENGINEER within the scope identified in ATTACHMENT B, Itemized Scope of Services, the ENGINEER will be reimbursed as described below:

1. Labor

The following fixed fees (or hourly services as noted) shall be paid to the ENGINEER for labor involved in the various items of work within the scope of Basic Services identified in ATTACHMENT B:

Construction Plans & Bid Documents	\$ 105,000
------------------------------------	------------

2. Total Fee for Basic Services

TOTAL (BASIC SERVICES)	\$ 105,000
-------------------------------	-------------------

B. ADDITIONAL SERVICES:

Work performed by the ENGINEER outside that scope identified in ATTACHMENT B, Scope of Basic Services, shall be considered Additional Services. The ENGINEER will be reimbursed for Additional Services, should they be requested, as described below:

1. Labor

The following fixed fees (or hourly services as noted) shall be paid to the ENGINEER for labor involved in the various items of work within the scope of Additional Services identified in ATTACHMENT B:

Utility Coordination (Hourly, Estimated)	\$ 3,000
Bid Support (Hourly, Estimated)	\$ 3,000
Construction Support (Hourly, Estimated)	\$ 5,000

2. Total Estimated Fee for Additional Services

TOTAL (ADDITIONAL SERVICES)	\$ 11,000
------------------------------------	------------------

EXHIBIT 3**C. DIRECT EXPENSES**

Direct Expenses such as printing, reproductions, automobile mileage, delivery/courier services, etc. will be reimbursed to the ENGINEER at his direct invoice expense times 1.1 with a not-to-exceed amount of:

\$ 2,000

D. SUMMARY OF FEES:

Basic Services	\$ 105,000
Additional Services	\$ 11,000
Direct Expenses	\$ 2,000

TOTAL

\$ 118,000

EXHIBIT 3**EXHIBIT 5, ATTACHMENT 'B'
SCOPE OF SERVICES AND DELIVERABLES****Magnolia Drainage Phase II****CITY OF DENTON****BASIC SERVICES****PROJECT DESCRIPTION**

The scope set forth herein defines the work to be performed by the DESIGN PROFESSIONAL in completing the project. Both the CITY and DESIGN PROFESSIONAL have attempted to clearly define the work to be performed and address the needs of the Project.

The project involves the design of storm drain improvements to address flooding in portions of the Headlee Addition, bounded on the north by Windsor Drive, on the east by Mesquite Street, on the south by Headlee Street and on the west by Hinkle Drive. The proposed storm drain will extend from the existing channel at Windsor Drive (between Hinkle and Mesquite) to North Pecan Creek at Hinkle Drive. In addition, the plans will show abandonment of the existing 10" waste water line in Hinkle Drive and connection of services to the existing 18" waste water line.

For purposes of this proposal, the proposed storm drain route is expected to be as shown on Attachment C.

Approximate limits of storm drain system:

Windsor Drive	400'
Hinkle Drive	2,760'

Assumptions and Clarifications

The following assumptions were used by the DESIGN PROFESSIONAL for the preparation of this scope of Basic Services:

1. The City of Denton Engineering Division has provided the Design Professional with a topographic survey, as-built drawings of existing drainage facilities, and conceptual studies and models prepared by City staff, along with a Drainage Report prepared by Brown & Gay Engineers in 2009. The Design Professional will make use of this information where possible, but the Design Professional will ultimately be responsible for the design of these improvements, and will verify and/or decline to use portions of the previous studies based on the professional judgment of the Design Professional. It is likely that previous models will be reviewed for information but the models will be redeveloped by the Design Professional.
2. The City will provide the DESIGN PROFESSIONAL with the outlet hydrograph from the detention pond at the upper end of the system for use as a starting point.

EXHIBIT 3

3. The route of the proposed system as shown on Exhibit 8 will be considered the preferred route. If in the course of the design it is determined that this route is not feasible or desirable for whatever reason, alternate routes will be considered as Additional Services.
4. No additional surveying is anticipated, and accordingly, none is included in the scope of this agreement.
5. The City will provide TV inspection data of the wastewater lines for use by the DESIGN PROFESSIONAL where appropriate for reconnection of the waste water services.
6. It is assumed that all portions of the proposed storm drain will be constructed in public right-of-way or existing easements. No boundary surveying or easement document preparation is included in the scope of this agreement.
7. Because the proposed improvements are expected to be primarily within existing street right-of-way and within the limits of existing paving, no Subsurface Utility Engineering (S.U.E.) is included in the scope of this agreement. Should the Design Professional and City agree that S.U.E. services are needed, they will be accomplished as Additional Services. The Design Professional will contact Atmos Gas to determine if there are gas facilities in the project area.
8. Improvements to the culvert at Hinkle Drive and North Pecan Creek are not included in the scope of this agreement. It is assumed that the proposed storm drain system will discharge into North Pecan immediately east of Hinkle Drive and extend up Hinkle Drive.
9. It is assumed that the existing flumes will not be removed, and no modifications to the existing storm drain in that area will be a part of the scope of this work.
10. Plan and profile sheets will be prepared for all of the proposed storm drain. Plan and profile sheets will be prepared as 22"x 34" sheets, using a 1" = 20' scale and will be reducible to 11"x17" sheets at 1"=40' scale. Existing street addresses will be shown on the plan and profile sheets.
11. No street reconstruction plans will be prepared as a part of the scope of this agreement. Pavement repair details will be provided, as will plans and details necessary to repair curbs, driveways, inlets or other features to be replaced.
12. The CITY will make GIS shape files available that show buildings and other pertinent data.
13. No traffic control plans will be prepared as part of the scope of this agreement, other than to provide performance requirements that the contractor must comply with in his preparation of a traffic control plan.
14. It is assumed that there will be no public meetings.
15. A geotechnical investigation is not a part of the scope of this agreement. Efforts related to providing or coordinating any geotechnical work shall be considered an additional service.
16. Materials testing during construction is not included in the scope of this agreement.

EXHIBIT 3

17. Preparation of a Storm Water Pollution Prevention Plan (SWPPP) is not included in the scope of this agreement.

Scope of Basic Services

The scope of Basic Services is described as follows:

CONSTRUCTION PLANS & BID DOCUMENTS**Design Meetings**

1. The DESIGN PROFESSIONAL will conduct a project kickoff meeting with City staff to clarify responsibilities, to clarify project objectives (specifically known locations of drainage concerns), to specify phasing and other issues not yet finalized, and to review the project schedule, which the DESIGN PROFESSIONAL will provide prior to the meeting.
2. The DESIGN PROFESSIONAL will meet regularly as needed and as further described below with the City of Denton staff during the development of the final design phase of the project.

Schematic Plans

Based on the existing design survey, the Brown & Gay report, and the additional design materials provided by the City, the Design Professional will:

1. Prepare conceptual profiles as strip maps showing approximate pipe sizes and depths, and other major utilities where applicable;
2. Meet with City staff to review the conceptual analysis.
3. Develop a drainage area map and prepare pipe calculations to confirm pipe sizes;
4. Refine the strip maps to reflect the drainage calculations;
5. Prepare a summary report and schematic exhibits of the proposed system;
6. Prepare conceptual cost estimates of the recommended improvements.

Construction Plans

Completed construction plans shall include the following:

- Cover Sheet and General Notes Sheet
- Overall Layout and Control Sheets. The layout sheet shall identify the general location of proposed storm drain improvements, and will show the location and coordinates of survey control points to be used for construction.
- Drainage Area Map. This sheet(s) will show the surface area contributing to the proposed storm drain system, and will show topography, streets, and drainage patterns and divides, and will identify the area of each subbasin and the peak discharge.

EXHIBIT 3

- Storm Drain Calculations. Calculations shown will include runoff calculations, inlet calculations and pipe calculations including the hydraulic grade line for the design storm, in accordance with City of Denton design criteria.
- Demolition Plans will show removal of existing physical features, such as curbs, inlets, pavement, driveways, etc. Replacement of appropriate features will be shown on the storm drain plan and profile sheets.
- Storm Drain Plan and Profile sheets shall show the following: proposed storm drain plan and profile, with proposed pipe size, material and slope, junction box and inlet locations, existing utilities and features, and all pertinent information needed to construct the project. Street addresses shall be provided on the plan view. Coordinates will be shown on all P.C.'s, P.T.'s, P.I.'s, junction boxes, etc., in the same coordinate system as the Control Points. The outfall at North Pecan Creek will also be shown on these plans, with existing and proposed contours, extending up to 200-feet downstream of the Hinkle Drive culvert.
- Erosion Control plans will provide information showing the minimum necessary erosion controls, such as inlet protection and protection at discharge points. No SWPPP will be prepared.
- Water & Waste Water Relocation Plans will be provided where necessary to show water line relocations. Water line relocations are expected to consist only of isolated line lowerings to accommodate storm drain lines, not wholesale water line reconstruction. In addition, these plans will show the existing 10" waste water line in Hinkle to be abandoned and services connected to the existing 18" waste water line in Hinkle.
- Special Details will be prepared as needed, where needed to supplement the CITY's standard details.
- Bid Documents will be prepared for procurement by an Invitation to Bid using the then current City of Denton standard contract format, and will include individual pay items and quantities in a Pricing Sheet format and technical specifications for construction, along with City of Denton "front end documents" such as General Conditions, Contract form, bonds, etc. All construction plans and bid documents will be sealed by a Professional Engineer licensed in the State of Texas.

DELIVERABLES

- The DESIGN PROFESSIONAL will present the Schematic Plans as a single (or series of) strip map(s), for review and comment by staff. After comments are addressed, the DESIGN PROFESSIONAL will submit a single paper copy of the Schematic Plan and an electronic (pdf) copy.
- The DESIGN PROFESSIONAL will submit 4 copies of the preliminary design plans (approximately 75%) to the City for review, along with a Preliminary Opinion of Probable Construction Cost. Preliminary plans will include all sheets except standard details. Proposed construction will be shown in both plan and profile (where appropriate) with sufficient annotation to convey the design intent and identify conflicts or other issues that would affect the design.

EXHIBIT 3

- The City will review the preliminary plans and present comments and questions to the DESIGN PROFESSIONAL in a Preliminary Design Review meeting.
- Based on the Preliminary Design Review meeting and the reviewed preliminary plans, the DESIGN PROFESSIONAL will proceed with final design. The DESIGN PROFESSIONAL will submit 4 copies of the final design plans (95%) and technical specifications to the City for review, along with an updated Opinion of Probable Construction Cost. Final plans will include completed versions of all necessary plan sheets, complete and ready to advertise, pending final review comments from the City.
- After the Preliminary Design Review meeting, the DESIGN PROFESSIONAL will provide electronic (pdf) sets of plans to appropriate utility companies for their use in planning their own relocations.
- After review of the final plans, a Final Design Review meeting will be held to review any remaining City comments.
- Based on the Final Design Review, the DESIGN PROFESSIONAL will complete the plans and prepare them for advertisement and bidding. All final plans will be sealed and signed by a Professional Engineer registered in the State of Texas.

Scope of Additional Services**UTILITY COORDINATION**

1. After the Preliminary Design Review meeting, the DESIGN PROFESSIONAL will provide electronic (pdf) sets of plans to appropriate utility companies for their use in planning their own relocations.
2. The DESIGN PROFESSIONAL will consult with the CITY's Water Utilities and Wastewater Departments, and other CITY departments, public utilities, private utilities and government agencies in an attempt to determine the approximate location of above and underground utilities, and other facilities (current and future) that have an impact or influence on the project.

BID SUPPORT

The DESIGN PROFESSIONAL will provide the following support services:

1. The DESIGN PROFESSIONAL will provide to the CITY a Notice to Bidders for advertisement of the project for bid. The CITY shall bear the cost of advertisement. The DESIGN PROFESSIONAL shall provide up to 15 CDs and 15 hardcopy sets of construction plans, specifications and bid documents for use in obtaining bids, awarding contracts, and constructing the project. Additional sets of plans required will be considered Additional Services and will be paid for by the CITY at commercial printing rates. The CITY shall be responsible for dispersing all plans and specifications from its purchasing department to prospective bidders.
2. DESIGN PROFESSIONAL will provide technical support to the CITY during the Bidding & Contract Award phase by responding to bidder and CITY questions,

EXHIBIT 3

attending a Pre-Bid meeting, reviewing the bids, preparing a bid tabulation (if requested), reviewing bidder qualifications and references, and making a recommendation of award to the CITY. DESIGN PROFESSIONAL will prepare necessary addenda during the bidding phase for distribution by the City of Denton Purchasing Department.

CONSTRUCTION PHASE SUPPORT**1. Construction Support**

The DESIGN PROFESSIONAL will provide limited construction support for the project within the scope of Basic Services as outlined below. Detailed daily construction inspection and project oversight will be performed by the CITY. Any construction phase services requested by the CITY beyond those described below will be provided as Additional Services.

1. Attend the Pre-Construction Meeting for the project.
2. Make project visits as requested by the City to answer questions and/or assist in evaluation of unforeseen issues (up to 4 visits).
3. Prepare and submit record drawings (electronic and Mylar) based on information provided by the Contractor and the City inspector. The fee shown for preparation of record drawings assumes that the project is constructed substantially in conformance with the plans and specifications. Extensive deviations from the plans will require additional record drawing effort that is not anticipated in the scope of this agreement. This determination will be made jointly by the CITY and the DESIGN PROFESSIONAL. Preparing record drawings that include significant changes will be provided as Additional Services.

ITEMS TO BE PROVIDED BY CITY TO THE DESIGN PROFESSIONAL

The CITY or the CITY's designee will provide or make available to, or assist the DESIGN PROFESSIONAL in obtaining the following services, information and materials upon request:

1. Available past studies, correspondence, materials, TV logs and/or tapes, and mapping relative to the project.
2. Data related to the outlet hydrographs from the existing detention facility at the upper reach of the project.
3. GIS shape files that include layers such as buildings and existing utilities, and aerial photographic background files.
4. Assistance in obtaining data from third party sources which is available to the CITY at no cost to the DESIGN PROFESSIONAL.
5. Current City of Denton Standard Details, Specifications and/or Contract Document data, such as required prevailing wage rates.
6. Outlet hydrograph for the detention pond at the upstream end of the system.

EXHIBIT 3

**EXHIBIT 6
PROJECT SCHEDULE**

Magnolia Drainage Phase II

CITY OF DENTON

Schematic Plans

Schematic Plans will be submitted within three Weeks of written Notice to Proceed.

Preliminary Plans

Preliminary Plans will be submitted within five weeks of receipt of comments on the Schematic Plans.

Construction Plans & Technical Specifications (95%)

Construction Plans & Bid Documents will be submitted within four weeks of receipt of Preliminary Plan comments.

Final Construction Plans & Bid Documents

Final sealed plans and bid documents, ready for bidding, will be submitted for advertisement within two weeks of receipt of comments on the 95% submittal.

Each of the phases indicated above will include interim review meetings with City staff as needed.

EXHIBIT 3**EXHIBIT 7****TEAGUE NALL AND PERKINS, INC.**

Standard Rate Schedule for Time and Expense Contracts
Effective January 1, 2017 to December 31, 2017*

Engineering /Landscape Architecture/ROW	From	-	To	
Principal	\$200	-	\$240	Per Hour
Team Leader	\$170	-	\$220	Per Hour
Senior Project Manager	\$160	-	\$220	Per Hour
Project Manager	\$120	-	\$175	Per Hour
Senior Engineer	\$180	-	\$225	Per Hour
Project Engineer	\$95	-	\$160	Per Hour
Engineer III/IV	\$105	-	\$140	Per Hour
Engineer I/II	\$ 90	-	\$110	Per Hour
Landscape Architect / Planner	\$110	-	\$200	Per Hour
Landscape Designer	\$80	-	\$110	Per Hour
Senior Designer	\$105	-	\$150	Per Hour
Designer	\$100	-	\$130	Per Hour
Senior CAD Technician	\$90	-	\$120	Per Hour
CAD Technician	\$70	-	\$110	Per Hour
IT Consultant	\$100	-	\$170	Per Hour
Clerical	\$50	-	\$90	Per Hour
Construction Inspector II	\$75	-	\$100	Per Hour
Construction Inspector III	\$90	-	\$110	Per Hour
Senior Construction Inspector	\$100	-	\$125	Per Hour
ROW Manager	\$100	-	\$140	Per Hour
Senior ROW Agent	\$90	-	\$130	Per Hour
ROW Agent	\$80	-	\$115	Per Hour
Relocation Agent	\$100	-	\$130	Per Hour
Senior Utility Coordinator	\$90	-	\$135	Per Hour
Utility Coordinator	\$80	-	\$125	Per Hour
Intern	\$40	-	\$60	Per Hour

Surveying

Survey Manager	\$150	-	\$220	Per Hour
Registered Professional Land Surveyor (RPLS)	\$130	-	\$180	Per Hour
Field Coordinator	\$90	-	\$110	Per Hour
S.I.T. or Senior Survey Technician	\$70	-	\$110	Per Hour
Survey Technician	\$65	-	\$100	Per Hour
1-Person Field Crew w/Equipment**	\$125			Per Hour
2-Person Field Crew w/Equipment**	\$150			Per Hour
3-Person Field Crew w/Equipment**	\$170			Per Hour
4-Person Field Crew w/Equipment**	\$190			Per Hour
Flagger	\$40			Per Hour
Abstractor (Property Deed Research)	\$85			Per Hour

Subsurface Utility Engineering (SUE)

SUE Project Manager	\$185 Per Hour
SUE Engineer	\$160 Per Hour
Sr. Utility Location Specialist	\$100 Per Hour
Utility Location Specialist	\$ 85 Per Hour
1-Person Designator Crew w/Equipment***	\$120 Per Hour
2-Person Designator Crew w/Equipment***	\$145 Per Hour
2-Person Vac Excavator Crew w/Equip (Exposing Utility Only)	\$250 Per Hour (4 hr. min.)
2-Person Vac Excavator Crew w/Equip for QL-A ****	\$450 Per Hour (4 hr. min.)
Core Drill (equipment only)	\$750 Per Day

All subcontracted and outsourced services shall be billed at rates comparable to TNP's billing rates above or cost times a multiplier of 1.10.

* Rates shown are for calendar year 2017 and are subject to change in subsequent years.

** Survey equipment may include truck, ATV, Robotic Total Station, GPS Units and Digital Level.

*** Includes crew labor, vehicle costs, and field supplies.

**** Rate applies to Quality Level A (QL-A) test holes on utilities that were designated by TNP as QL-B.

EXHIBIT 3

ATTACHMENT 'A'
TEAGUE NALL AND PERKINS, INC.
Standard Rate Schedule for Time and Expense Contracts
Reimbursed Direct Cost Items
Effective January 1, 2017 to December 31, 2017*

Direct Cost Reimbursables

Photocopies:	\$0.154/sf	letter, legal and 11" x 17" size bond paper, B&W
	\$0.7701/sf	letter, legal and 11" x 17" bond paper, color
Prints:	\$0.154/sf	letter, legal and 11" x 17" bond paper, B&W
	\$0.7701/sf	letter, legal and 11" x 17" bond paper, color
Plots:	\$0.154/sf	letter, legal and 11" x 17" bond paper, B&W
	\$0.7701/sf	letter, legal and 11" x 17" bond paper, color
	\$0.50/sf	22" x 34" and larger bond paper or vellum, B&W
	\$1.00/sf	22" x 34" and larger mylar or acetate, B&W
Mileage	\$0.535/mile	
Plans on CD	\$20/each	

EXHIBIT 3



Magnolia Drainage Phase II

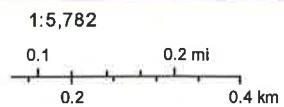


EXHIBIT 3



Certificate Of Completion

Envelope Id: E4E8392FD49D490DBBB546E366990D96

Status: Sent

Subject: City Council Docusign Item - PSA 6405

Source Envelope:

Document Pages: 32

Signatures: 3

Envelope Originator:

Supplemental Document Pages: 0

Initials: 0

Karen E. Smith

Certificate Pages: 6

AutoNav: Enabled

Payments: 0

karen.smith@cityofdenton.com

Envelopeld Stamping: Enabled

IP Address: 129.120.6.150

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

Record Tracking

Status: Original

Holder: Karen E. Smith

Location: DocuSign

3/7/2017 11:10:41 AM

karen.smith@cityofdenton.com

Signer Events

Signature

Timestamp

Karen E. Smith

Completed

Sent: 3/7/2017 11:13:56 AM

karen.smith@cityofdenton.com

Viewed: 3/7/2017 11:14:06 AM

Assistant Purchasing Manager

Signed: 3/7/2017 11:15:10 AM

City of Denton

Using IP Address: 129.120.6.150

Security Level: Email, Account Authentication (Optional)

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

Gary L. Vickery

DocuSigned by:
Gary L. Vickery
76635A0926E04B7...

Sent: 3/7/2017 11:15:11 AM

GVickery@TNPINC.com

Viewed: 3/7/2017 11:43:58 AM

Principal

Signed: 3/7/2017 11:52:48 AM

Security Level: Email, Account Authentication (Optional)

Using IP Address: 71.123.192.18

Electronic Record and Signature Disclosure:

Accepted: 3/7/2017 11:43:58 AM

ID: d841cab8-68aa-49dc-bd21-3f52bfa25bc4

John Knight

DocuSigned by:
John Knight
C821996C2A2B439...

Sent: 3/7/2017 11:52:51 AM

john.knight@cityofdenton.com

Viewed: 3/7/2017 11:54:49 AM

Deputy City Attorney

Signed: 3/7/2017 11:55:05 AM

City of Denton

Using IP Address: 129.120.6.150

Security Level: Email, Account Authentication (Optional)

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

Julia Winkley

Sent: 3/7/2017 11:55:07 AM

julia.winkley@cityofdenton.com

Viewed: 3/8/2017 8:38:27 AM

Contracts Administration Supervisor

City of Denton

Security Level: Email, Account Authentication (Optional)

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

EXHIBIT 3

Signer Events	Signature	Timestamp
Todd Hileman todd.hileman@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Accepted: 2/8/2017 6:52:51 PM ID: 8154723a-9757-4d53-a4b5-794656233671		
Jennifer Walters jennifer.walters@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
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
Julia Winkley julia.winkley@cityofdenton.com Contracts Administration Supervisor City of Denton Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	COPIED	Sent: 3/7/2017 11:52:50 AM
Sherri Thurman sherri.thurman@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	COPIED	Sent: 3/7/2017 11:52:50 AM Viewed: 3/7/2017 12:09:16 PM
Jane Richardson jane.richardson@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Robin Fox Robin.fox@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Accepted: 10/9/2015 1:39:51 PM ID: 04463961-03db-4c4d-9228-d660d6146ed6		

EXHIBIT 3

Carbon Copy Events	Status	Timestamp
Jennifer Bridges jennifer.bridges@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Jane Richardson jane.richardson@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Frank Payne Frank.payne@cityofdenton.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:		
Notary Events		Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/7/2017 11:55:07 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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.

EXHIBIT 3

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: kevin.gunn@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 kevin.gunn@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 kevin.gunn@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 kevin.gunn@cityofdenton.com and in the body of such request you must state your e-mail, full name, US 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">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** 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.

EXHIBIT 3

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.