

**EXHIBIT**

**"A"**

**CITY OF ROUND ROCK AGREEMENT FOR  
CONSULTING SERVICES FOR THE  
2016 LAKE CREEK GST IMPROVEMENTS PROJECT  
WITH  
HOT INSPECTION SERVICES, INC.**

**THE STATE OF TEXAS**

§

**THE CITY OF ROUND ROCK**

§

**KNOW ALL BY THESE PRESENTS**

§

**COUNTY OF WILLIAMSON**

§

**COUNTY OF TRAVIS**

§

THIS AGREEMENT for consulting services related to a 2016 Lake Creek GST Improvements Project (the "Agreement") is made by and between the CITY OF ROUND ROCK, a Texas home-rule municipal corporation with offices located at 221 East Main Street, Round Rock, Texas 78664-5299, (the "City") and HOT INSPECTION SERVICES, INC. (the "Consultant").

**RECITALS:**

**WHEREAS**, City has determined that there is a need for document preparation, construction administration, and inspection services for the rehabilitation and improvements related to the 500,000-gallon Lake Creek Ground Storage Tanks; and

**WHEREAS**, City desires to contract for such services; and

**WHEREAS**, the parties desire to enter into this Agreement to set forth in writing their respective rights, duties and obligations hereunder;

**NOW, THEREFORE, WITNESSETH:**

That for and in consideration of the mutual promises contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, it is mutually agreed between the parties as follows:

**1.01 EFFECTIVE DATE, DURATION, AND TERM**

This Agreement shall be effective on the date this Agreement has been signed by each party hereto, and shall remain in full force and effect unless and until it expires by operation of the term indicated herein, or is terminated or extended as provided herein.

The term of this Agreement shall be until full and satisfactory completion of the work specified herein is achieved, with an estimated completion date of April 1, 2017.

City reserves the right to review the Agreement at any time, and may elect to terminate the Agreement with or without cause or may elect to continue.

## **2.01 PROPOSAL FOR SERVICES**

For the purposes of this Agreement, the City agrees to furnish the Consultant the information set forth in Exhibit "A" titled "City Services," which document is attached hereto and incorporated herein for all purposes. For purposes of this Agreement Consultant has issued its proposal for services for the tasks delineated therein, such proposal for services being attached to this Agreement as Exhibit "B" titled "Scope of Services," which document is incorporated herein for all purposes.

## **3.01 SCOPE OF SERVICES**

Consultant shall satisfactorily provide all services described herein and as set forth in Exhibit "B" according to the schedule set forth in the attached Exhibit "C" titled "Work Schedule," which document is incorporated herein for all purposes. Consultant's undertaking shall be limited to performing services for City and/or advising City concerning those matters on which Consultant has been specifically engaged. Consultant shall perform services in accordance with this Agreement, in accordance with the appended proposal for services, and in a professional and workmanlike manner.

## **4.01 LIMITATION TO SCOPE OF SERVICES**

Consultant and City agree that the scope of services to be performed is enumerated in Exhibit "B" and herein, and Consultant shall not undertake work that is beyond the Scope of Work set forth in Exhibit "B," however, either party may make written requests for changes to the Scope of Work. To be effective, a change to the Scope of Work must be negotiated and agreed to and must be embodied in a valid Supplemental Agreement as described in 10.01.

## **5.01 CONTRACT AMOUNT**

In consideration for the consulting services to be performed by Consultant, City agrees to pay Consultant in accordance with Exhibit "D" entitled "Fee Schedule," which document is attached hereto and incorporated herein for all purposes, in payment for services and the Scope of Services deliverables as delineated in Exhibit "B."

**Not-to-Exceed Total Payment for Services:** Consultant's total compensation for consulting services hereunder shall not exceed **Fifty-Three Thousand Five Hundred and no/100 (\$53,500.00)**. This amount represents the absolute limit of City's liability to Consultant hereunder unless same shall be changed by Supplemental Agreement, and City shall pay, strictly within the not-to-exceed sum recited herein, Consultant's fees for work done on behalf of City.

**Payment for Reimbursable Expenses:** There shall be no payments for reimbursable expenses included in this Agreement.

**Deductions:** No deductions shall be made for Consultant's compensation on account of penalty, liquidated damages or other sums withheld from payments to Consultant.

**Additions:** No additions shall be made to Consultant's compensation based upon project claims, whether paid by the City or denied.

#### **6.01 INVOICE REQUIREMENTS; TERMS OF PAYMENT**

**Invoices:** To receive payment, Consultant shall prepare and submit detailed invoices to the City, in accordance with the delineation contained herein, for services rendered. Such invoices for services shall track the referenced Scope of Work, and shall detail the services performed, along with documentation for each service performed. Payment to Consultant shall be made on the basis of the invoices submitted by Consultant and approved by the City. Such invoices shall conform to the schedule of services and costs in connection therewith.

Should additional backup material be requested by the City relative to service deliverables, Consultant shall comply promptly. In this regard, should the City determine it necessary, Consultant shall make all records and books relating to this Agreement available to the City for inspection and auditing purposes.

**Payment of Invoices:** The City reserves the right to correct any error that may be discovered in any invoice that may have been paid to Consultant and to adjust same to meet the requirements of this Agreement. Following approval of an invoice, the City shall endeavor to pay Consultant promptly, but no later than the time period required under the Texas Prompt Payment Act described in Section 8.01 herein. Under no circumstances shall Consultant be entitled to receive interest on payments which are late because of a good faith dispute between Consultant and the City or because of amounts which the City has a right to withhold under this Agreement or state law. The City shall be responsible for any sales, gross receipts or similar taxes applicable to the services, but not for taxes based upon Consultant's net income.

#### **7.01 INSURANCE**

Consultant shall meet all City of Round Rock Insurance Requirements set forth at: [http://www.roundrocktexas.gov/wp-content/uploads/2014/12/corr\\_insurance\\_07.20112.pdf](http://www.roundrocktexas.gov/wp-content/uploads/2014/12/corr_insurance_07.20112.pdf).

#### **8.01 PROMPT PAYMENT POLICY**

In accordance with Chapter 2251, V.T.C.A., Texas Government Code, any payment to be made by the City to Consultant will be made within thirty (30) days of the date the City receives goods under this Agreement, the date the performance of the services under this Agreement are completed, or the date the City receives a correct invoice for the goods or services, whichever is later. Consultant may charge interest on an overdue payment at the "rate in effect" on September 1 of the fiscal year in which the payment becomes overdue, in accordance with V.T.C.A., Texas Government Code, Section 2251.025(b). This Prompt Payment Policy does not apply to payments made by the City in the event:

- (a) There is a bona fide dispute between the City and Consultant, a contractor, subcontractor, or supplier about the goods delivered or the service performed that cause the payment to be late; or
- (b) There is a bona fide dispute between Consultant and a subcontractor or between a subcontractor and its supplier about the goods delivered or the service performed that causes the payment to be late; or
- (c) The terms of a federal contract, grant, regulation, or statute prevent the City from making a timely payment with federal funds; or
- (d) The invoice is not mailed to the City in strict accordance with any instruction on the purchase order relating to the payment.

#### **9.01 NON-APPROPRIATION AND FISCAL FUNDING**

This Agreement is a commitment of the City's current revenues only. It is understood and agreed that the City shall have the right to terminate this Agreement at the end of any City fiscal year if the governing body of the City does not appropriate funds sufficient to purchase the services as determined by the City's budget for the fiscal year in question. The City may effect such termination by giving Consultant a written notice of termination at the end of its then-current fiscal year.

#### **10.01 SUPPLEMENTAL AGREEMENT**

The terms of this Agreement may be modified by written Supplemental Agreement hereto, duly authorized by City Council or by the City Manager, if the City determines that there has been a significant change in (1) the scope, complexity, or character of the services to be performed; or (2) the duration of the work. Any such Supplemental Agreement must be executed by both parties within the period specified as the term of this Agreement. Consultant shall not perform any work or incur any additional costs prior to the execution, by both parties, of such Supplemental Agreement. Consultant shall make no claim for extra work done or materials furnished unless and until there is full execution of any Supplemental Agreement, and the City shall not be responsible for actions by Consultant nor for any costs incurred by Consultant relating to additional work not directly authorized by Supplemental Agreement.

#### **11.01 TERMINATION; DEFAULT**

**Termination:** It is agreed and understood by Consultant that the City may terminate this Agreement for the convenience of the City, upon thirty (30) days' written notice to Consultant, with the understanding that immediately upon receipt of said notice all work being performed under this Agreement shall cease. Consultant shall invoice the City for work satisfactorily completed and shall be compensated in accordance with the terms hereof for work accomplished prior to the receipt of said notice of termination. Consultant shall not be entitled to any lost or anticipated profits for work terminated under this Agreement. Unless otherwise specified in this

Agreement, all data, information, and work product related to this project shall become the property of the City upon termination of this Agreement, and shall be promptly delivered to the City in a reasonably organized form without restriction on future use. Should the City subsequently contract with a new consultant for continuation of service on the project, Consultant shall cooperate in providing information.

Termination of this Agreement shall extinguish all rights, duties, and obligations of the City and the terminated party to fulfill contractual obligations. Termination under this section shall not relieve the terminated party of any obligations or liabilities which occurred prior to termination.

Nothing contained in this section shall require the City to pay for any work which it deems unsatisfactory or which is not performed in compliance with the terms of this Agreement.

**Default:** Either party may terminate this Agreement, in whole or in part, for default if the Party provides the other Party with written notice of such default and the other fails to satisfactorily cure such default within ten (10) business days of receipt of such notice (or a greater time if agreed upon between the Parties).

If default results in termination of this Agreement, then the City shall give consideration to the actual costs incurred by Consultant in performing the work to the date of default. The cost of the work that is useable to the City, the cost to the City of employing another firm to complete the useable work, and other factors will affect the value to the City of the work performed at the time of default. Neither party shall be entitled to any lost or anticipated profits for work terminated for default hereunder.

The termination of this Agreement for default shall extinguish all rights, duties, and obligations of the terminating Party and the terminated Party to fulfill contractual obligations. Termination under this section shall not relieve the terminated party of any obligations or liabilities which occurred prior to termination.

Nothing contained in this section shall require the City to pay for any work which it deems unsatisfactory, or which is not performed in compliance with the terms of this Agreement.

## **12.01 NON-SOLICITATION**

All parties agree that they shall not directly or indirectly solicit for employment, employ, or otherwise retain staff of the other during the term of this Agreement.

## **13.01 CITY'S RESPONSIBILITIES**

City shall perform the services described in Exhibit "A." Consultant's performance requires receipt of all requested information reasonably necessary to provision of services. Consultant agrees, in a timely manner, to provide City with a comprehensive and detailed information request list, if any.

#### **14.01 INDEPENDENT CONTRACTOR STATUS**

Consultant is an independent contractor, and is not the City's employee. Consultant's employees or subcontractors are not the City's employees. This Agreement does not create a partnership, employer-employee, or joint venture relationship. No party has authority to enter into contracts as agent for the other party. Consultant and the City agree to the following rights consistent with an independent contractor relationship:

- (1) Consultant has the right to perform services for others during the term hereof.
- (2) Consultant has the sole right to control and direct the means, manner and method by which it performs its services required by this Agreement.
- (3) Consultant has the right to hire assistants as subcontractors, or to use employees to provide the services required by this Agreement.
- (4) Consultant or its employees or subcontractors shall perform services required hereunder, and the City shall not hire, supervise, or pay assistants to help Consultant.
- (5) Neither Consultant nor its employees or subcontractors shall receive training from the City in skills necessary to perform services required by this Agreement.
- (6) City shall not require Consultant or its employees or subcontractors to devote full time to performing the services required by this Agreement.
- (7) Neither Consultant nor its employees or subcontractors are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of the City.

#### **15.01 CONFIDENTIALITY; MATERIALS OWNERSHIP**

Any and all programs, data, or other materials furnished by the City for use by Consultant in connection with services to be performed under this Agreement, and any and all data and information gathered by Consultant, shall be held in confidence by Consultant as set forth hereunder. Each party agrees to take reasonable measures to preserve the confidentiality of any proprietary or confidential information relative to this Agreement, and to not make any use thereof other than for the performance of this Agreement, provided that no claim may be made for any failure to protect information that occurs more than three (3) years after the end of this Agreement.

**The parties recognize and understand that the City is subject to the Texas Public Information Act and its duties run in accordance therewith.**



All data relating specifically to the City's business and any other information which reasonably should be understood to be confidential to City is confidential information of City. Consultant's proprietary software, tools, methodologies, techniques, ideas, discoveries, inventions, know-how, and any other information which reasonably should be understood to be confidential to Consultant is confidential information of Consultant. The City's confidential information and Consultant's confidential information is collectively referred to as "Confidential Information." Each party shall use Confidential Information of the other party only in furtherance of the purposes of this Agreement and shall not disclose such Confidential Information to any third party without the other party's prior written consent, which consent shall not be unreasonably withheld. Each party agrees to take reasonable measures to protect the confidentiality of the other party's Confidential Information and to advise their employees of the confidential nature of the Confidential Information and of the prohibitions herein.

Any and all materials created and developed by Consultant in connection with services performed under this Agreement, including all trademark and copyright rights, shall be the sole property of City at the expiration of this Agreement.

#### **16.01 WARRANTIES**

Consultant represents that all services performed hereunder shall be performed consistent with generally prevailing professional or industry standards, and shall be performed in a professional and workmanlike manner. Consultant shall re-perform any work not in compliance with this representation.

#### **17.01 LIMITATION OF LIABILITY**

Should any of Consultant's services not conform to the requirements of the City or of this Agreement, then and in that event the City shall give written notification to Consultant; thereafter, (a) Consultant shall either promptly re-perform such services to the City's satisfaction at no additional charge, or (b) if such deficient services cannot be cured within the cure period set forth herein, then this Agreement may be terminated for default.

In no event will Consultant be liable for any loss, damage, cost or expense attributable to negligence, willful misconduct or misrepresentations by the City, its directors, employees or agents.

In no event shall Consultant be liable to the City, by reason of any act or omission relating to the services provided under this Agreement (including the negligence of Consultant), whether a claim be in tort, contract or otherwise, (a) for any consequential, indirect, lost profit, punitive, special or similar damages relating to or arising from the services, or (b) in any event, in the aggregate, for any amount in excess of the total fees paid by the City to Consultant under this Agreement, except to the extent determined to have resulted from Consultant's gross negligence, willful misconduct or fraudulent acts relating to the service provided hereunder.

## **18.01 INDEMNIFICATION**

Consultant agrees to hold harmless, exempt, and indemnify City, its officers, agents, directors, servants, representatives and employees, from and against any and all suits, actions, legal proceedings, demands, costs, expenses, losses, damages, fines, penalties, liabilities and claims of any character, type, or description, including but not limited to any and all expenses of litigation, court costs, attorneys' fees and all other costs and fees incident to any work done as a result hereof.

To the extent allowable by law, City agrees to hold harmless, exempt, and indemnify Consultant, its officers, agents, directors, servants, representatives and employees, from and against any and all suits, actions, legal proceedings, demands, costs, expenses, losses, damages, fines, penalties, liabilities and claims of any character, type, or description, including but not limited to any and all expenses of litigation, court costs, attorneys' fees and all other costs and fees incident to any work done as a result hereof.

## **19.01 ASSIGNMENT AND DELEGATION**

The parties each hereby bind themselves, their successors, assigns and legal representatives to each other with respect to the terms of this Agreement. Neither party may assign any rights or delegate any duties under this Agreement without the other party's prior written approval, which approval shall not be unreasonably withheld.

## **20.01 LOCAL, STATE AND FEDERAL TAXES**

Consultant shall pay all income taxes, and FICA (Social Security and Medicare taxes) incurred while performing services under this Agreement. The City will not do the following:

- (1) Withhold FICA from Consultant's payments or make FICA payments on its behalf;
- (2) Make state and/or federal unemployment compensation contributions on Consultant's behalf; or
- (3) Withhold state or federal income tax from any of Consultant's payments.

If requested, the City shall provide Consultant with a certificate from the Texas State Comptroller indicating that the City is a non-profit corporation and not subject to State of Texas Sales and Use Tax.

## **21.01 COMPLIANCE WITH LAWS, CHARTER AND ORDINANCES**

A. Consultant, its consultants, agents, employees and subcontractors shall use best efforts to comply with all applicable federal and state laws, the Charter and Ordinances of the City of Round Rock, as amended, and with all applicable rules and regulations promulgated by local,



state and national boards, bureaus and agencies. Consultant shall further obtain all permits, licenses, trademarks, or copyrights, if required in the performance of the services contracted for herein, and same shall belong solely to the City at the expiration of the term of this Agreement.

B. Consultant acknowledges and understands that City has adopted a Storm Water Management Program (SWMP) and an Illicit Discharge Ordinance, Sections 14-139 through 14-152 of the City's Code of Ordinances, to manage the quality of the discharges from its Municipal Separate Storm Sewer System (MS4) and to be in compliance with the requirements of the Texas Commission on Environmental Quality (TCEQ) and the Texas Pollutant Discharge Elimination System (TPDES). The Consultant agrees to perform all operations on City-owned facilities in compliance with the City's Illicit Discharge Ordinance to minimize the release of pollutants into the MS4. The Consultant agrees to comply with of the City's stormwater control measures, good housekeeping practices and any facility specific stormwater management operating procedures specific to a certain City facility. In addition, the Services Provider agrees to comply with any applicable TCEQ Total Maximum Daily Load (TMDL) Requirements and/or I-Plan requirements.

## **22.01 FINANCIAL INTEREST PROHIBITED**

Consultant covenants and represents that Consultant, its officers, employees, agents, consultants and subcontractors will have no financial interest, direct or indirect, in the purchase or sale of any product, materials or equipment that will be recommended or required hereunder.

## **23.01 DESIGNATION OF REPRESENTATIVES**

The City hereby designates the following representative authorized to act in its behalf with regard to this Agreement:

Jeff Bell  
Senior Project Manager  
2008 Enterprise Drive  
Round Rock, TX 78664  
(512)218-7076

## **24.01 NOTICES**

All notices and other communications in connection with this Agreement shall be in writing and shall be considered given as follows:

- (1) When delivered personally to recipient's address as stated herein; or
- (2) Three (3) days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated in this Agreement.

**Notice to Consultant:**

HOT Inspection Services, Inc.  
P.O. Box 1208  
Round Rock, TX 78680-1208

**Notice to City:**

City Manager, City of Round Rock  
221 East Main Street  
Round Rock, TX 78664

**AND TO:**

Stephan L. Sheets, City Attorney  
309 East Main Street  
Round Rock, TX 78664

Nothing contained in this section shall be construed to restrict the transmission of routine communications between representatives of the City and Consultant.

**25.01 APPLICABLE LAW; ENFORCEMENT AND VENUE**

This Agreement shall be enforceable in Round Rock, Texas, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for same shall lie in Williamson County, Texas. This Agreement shall be governed by and construed in accordance with the laws and court decisions of Texas.

**26.01 EXCLUSIVE AGREEMENT**

The terms and conditions of this Agreement, including exhibits, constitute the entire agreement between the parties and supersede all previous communications, representations, and agreements, either written or oral, with respect to the subject matter hereof. The parties expressly agree that, in the event of any conflict between the terms of this Agreement and any other writing, this Agreement shall prevail. No modifications of this Agreement will be binding on any of the parties unless acknowledged in writing by the duly authorized governing body or representative for each party.

**27.01 DISPUTE RESOLUTION**

The City and Consultant hereby expressly agree that no claims or disputes between the parties arising out of or relating to this Agreement or a breach thereof shall be decided by any arbitration proceeding, including without limitation, any proceeding under the Federal Arbitration Act (9 USC Section 1-14) or any applicable state arbitration statute.

## **28.01 SEVERABILITY**

The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion of provision of this Agreement void shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provision shall be deemed severed from this Agreement, and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the particular portion of provision held to be void. The parties further agree to amend this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Article shall not prevent this entire Agreement from being void should a provision which is of the essence of this Agreement be determined void.

## **29.01 STANDARD OF CARE**

Consultant represents that it is specially trained, experienced and competent to perform all of the services, responsibilities and duties specified herein and that such services, responsibilities and duties shall be performed, whether by Consultant or designated subconsultants, in a manner acceptable to the City and according to generally accepted business practices.

## **30.01 GRATUITIES AND BRIBES**

City, may by written notice to Consultant, cancel this Agreement without incurring any liability to Consultant if it is determined by City that gratuities or bribes in the form of entertainment, gifts, or otherwise were offered or given by Consultant or its agents or representatives to any City Officer, employee or elected representative with respect to the performance of this Agreement. In addition, Consultant may be subject to penalties stated in Title 8 of the Texas Penal Code.

## **31.01 RIGHT TO ASSURANCE**

Whenever either party to this Agreement, in good faith, has reason to question the other party's intent to perform hereunder, then demand may be made to the other party for written assurance of the intent to perform. In the event that no written assurance is given within the reasonable time specified when demand is made, then and in that event the demanding party may treat such failure an anticipatory repudiation of this Agreement.

## **32.01 MISCELLANEOUS PROVISIONS**

**Time is of the Essence.** Consultant agrees that time is of the essence and that any failure of Consultant to complete the services for each phase of this Agreement within the agreed project schedule may constitute a material breach of this Agreement. Consultant shall be fully responsible for its delays or for failures to use reasonable efforts in accordance with the terms of this Agreement. Where damage is caused to City due to Consultant's failure to perform in these

circumstances, City may withhold, to the extent of such damage, Consultant's payments hereunder without a waiver of any of City's additional legal rights or remedies. City shall render decisions pertaining to Consultant's work promptly to avoid unreasonable delays in the orderly progress of Consultant's work.

**Force Majeure.** Notwithstanding any other provisions hereof to the contrary, no failure, delay or default in performance of any obligation hereunder shall constitute an event of default or breach of this Agreement, only to the extent that such failure to perform, delay or default arises out of causes beyond control and without the fault or negligence of the party otherwise chargeable with failure, delay or default; including but not limited to acts of God, acts of public enemy, civil war, insurrection, riots, fires, floods, explosion, theft, earthquakes, natural disasters or other casualties, strikes or other labor troubles, which in any way restrict the performance under this Agreement by the parties.

**Section Numbers.** The section numbers and headings contained herein are provided for convenience only and shall have no substantive effect on construction of this Agreement.

**Waiver.** No delay or omission by either party in exercising any right or power shall impair such right or power or be construed to be a waiver. A waiver by either party of any of the covenants to be performed by the other or any breach thereof shall not be construed to be a waiver of any succeeding breach or of any other covenant. No waiver of discharge shall be valid unless in writing and signed by an authorized representative of the party against whom such waiver or discharge is sought to be enforced.

**Multiple Counterparts.** This Agreement may be executed in multiple counterparts, which taken together shall be considered one original. The City agrees to provide Consultant with one fully executed original.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates hereafter indicated.

**City of Round Rock, Texas**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

**HOT Inspection Services, Inc.**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

**For City, Attest:**

By: \_\_\_\_\_  
Sara L. White, City Clerk

**For City, Approved as to Form:**

By: \_\_\_\_\_  
Stephan L. Sheets, City Attorney





**HOT Inspection Services, Inc.**  
P.O. Box 1208 • Round Rock, TX 78680-1208

Office: (512) 244-2523  
Fax: (512) 485-5129

**Exhibit A**  
**City Services**

Lake Creek GST Improvements Project

The City of Round Rock will provide to Hot Inspection Services, Inc. the following items/information/assistance:

1. Furnish any existing data, maps, plans, as-builds or construction drawings, etc. that may pertain to the project as requested. Provide contract templates and forms necessary to compile the contract documents.
2. Provide utility location services for all City owned utilities within the project boundaries as requested.
3. Provide access to the tank site, assist with tank site visits and drain tank and fill as needed for the rehabilitation project. Trim any trees or remove obstacles that impede the access to the tank surfaces.
4. Provide timely review of construction plans, technical specifications, and contract documents submitted for review.
5. Provide assistance and coordination with Private Property Owners if needed.
6. Provide production of contract documents, publish dates and bidding information for project.
7. Provide Engineering Seal for contract documents.
8. Assist during the bid opening date.



**HOT Inspection Services, Inc.**  
P.O. Box 1208 • Round Rock, TX 78680-1208

Office: (512) 244-2523  
Fax: (512) 485-5129

## **EXHIBIT "B"**

### **KONZEN'S SCOPE OF SERVICES** **LAKE CREEK GST REHAB PROJECT**

#### **A. PRELIMINARY PHASE**

1. Attend preliminary conference with the Owner/Engineer regarding the project.
2. Prepare a preliminary report on the project indicating the problem involved and alternate solutions available, including probable cost based on the 2015 Comprehensive Inspection.
3. Furnish Owner with copy of preliminary report and discuss which plan of action to take based on the projected outcome of each alternate.

#### **B. PRE CONSTRUCTION PHASE**

1. Establish the scope of work and specifications based on the site surveys and research conducted. Prepare contract documents authorized by the Owner.
2. Assist the Owner in the advertisements of the project for bids.
3. Conduct a pre bid meeting with the Contractor and Owner.
4. Assist the Owner in the opening and tabulation of bids for construction of the project and consult with the Owner as to the proper action to be taken, based on all of the considerations involved.
5. Assist in the preparation of formal Contract Documents.
6. Conduct a pre construction meeting with the Contractor and Owner.

#### **C. CONSTRUCTION PHASE**

1. Conduct on site visits to provide Quality Assurance Surveillance and observe the progress and quality of the executed work in accordance with the Contract Documents. Reasonable measures will be taken by Konzen in performing these services to protect Owner against defects and deficiencies in the Contractor's work. Konzen shall not guarantee responsibility for the actual supervision of

construction operations or for the safety measures which Contractor takes or should take.

2. Konzen, as an AWS Certified Welding Inspector and NACE Certified Coating Inspector, shall be on the referenced project. The objective of this project is to provide quality assurance surveillance of the welding, sandblasting, and painting during the rehabilitation of the water tanks. Inspection and testing visits will be strategic and at the discretion of the Owner/Engineer. The services to be rendered will include the following:

#### Welding and Repair Inspection

- Review tank project drawings to provide comments and recommendations.
- Review welder qualification records, welding procedures.
- Verify proper welding electrodes and electrode storage to be used on project.
- Conduct inspections on shop fabricated components.
- Conduct inspections of field welding and repairs.

The inspection methods to be implemented for the above inspection will consist of Visual Testing. All inspections shall verify compliance with the Contract Specifications. Konzen as an AWS Certified Welding Inspector and NACE Certified Coating Inspector, shall conduct all welding inspections.

Shop fabricated items will be inspected on site as they arrive unless the owner requests a shop visit. The fabrication and weld quality will be inspected for compliance to AWWA D100-96. If the owner requires a shop inspection, it shall consist of a visual inspection of the fabricating practices and operations to determine compliance with the AWWA Standard. All travel and labor expenses will be charged as additional expenses.

#### Sandblasting and Coating Inspection

- Pre-surface preparation inspection.
- Measurement of ambient conditions.
- Evaluation of compressor and surface preparation equipment.
- Determination of surface preparation cleanliness and profile.
- Inspection of application equipment.
- Witnessing coating mixing.
- Inspecting coating application.

- Determination of wet film thickness.
- Determination of dry film thickness.
- Evaluating cleanliness between coats.
- Witnessing holiday testing conducted by the contractor
- Evaluating cure.

The inspection methods to be implemented for the sandblasting and coating inspections will consist of visual inspections, mil gauging, holiday testing, profile gauging and atmospheric measuring. All inspections will verify compliance with the AWWA D102-97 and contract specifications. The measurement of air temperature, surface temperature, humidity, dew point, coating thickness and holiday detection will be recorded in a inspectors logbook. The equipment to obtain such measurements will be supplied by Konzen.

3. Consult and advise with the Owner: issue all instruction to the contractor requested by the Owner; and prepare and issue routine change orders with Owner's approval
4. Review with the Owner, submittals by the Contractor. This review is for the benefit of the Owner and covers only general conformance with the information given by the Contract Documents. This review does not relieve the Contractor of any responsibility such as appropriate safety measures to protect workers, property and the public, of the necessity to construct a complete and workable facility in accordance with the Contract Documents.
5. Obtain and review monthly and final estimates for payments to the contractor, and furnish to the Owner any recommended payments to contractors and suppliers; assemble written guarantees, which are required by the contract documents.
6. Conduct with the Owner and contractor, a final inspection of the project for compliance with the Contract Documents and submit recommendations concerning project status, as it may affect Owner's final payment to Contractor.

#### **E. WORK EXCLUDED:**

1. Work required for safely accessing the tank is not included in the cost of this project. It will be the contractor's responsibility for providing safe access to all areas of the tank for inspection and testing during the construction. OSHA approved staging will be necessary for the complete access of the tank.
2. This proposal assumes that the tank will be accessible for inspection and that any restrictions requiring special work will affect the cost of this proposal.



**HOT Inspection Services, Inc.**  
P.O. Box 1208 • Round Rock, TX 78680-1208

Office: (512) 244-2523  
Fax: (512) 485-5129

## **Exhibit C Work Schedule**

### **Lake Creek GST Improvements Project**

#### Lake Creek GST

Preliminary Phase	07/1/16 – 07/10/16
Pre-Construction/Bidding Phase	07/11/16 – 8/31/16
Construction Phase	11/1/16 – 4/01/17

Project bids will be scheduled for opening the week of [REDACTED]. Notice to proceed for construction is estimated for [REDACTED]. The actual construction schedule may vary depending on tank availability and shutdown schedule by City. Anticipated completion of Lake Creek GST is 4/01/17. The tank will need to be drained for assuring a good coating application.





**HOT Inspection Services, Inc.**  
P.O. Box 1208 • Round Rock, TX 78680-1208

Office: (512) 244-2523  
Fax: (512) 485-5129

## **Exhibit D Fee Schedule**

### **Lake Creek GST Project**

Providing personal services to the City of Round Rock for consulting, project management, and inspection for the rehabilitation and improvements on the Lake Creek Ground Storage Tank. Services to include: probable cost estimates, technical data, pre-construction and construction documents, bidding and negotiation phase documents, and construction phase inspection.

Fee's are based on \$110.00 per hour for consulting and inspection services provided, whereas the cost is divided between the Preliminary and Bidding Phases, Pre-Construction Phase and the Construction Phase for both tanks.

### Lake Creek Tank

Preliminary Phase	\$ 4,400.00
Bidding & Pre-Construction Phase	\$16,125.00
Construction Phase	\$33,000.00
 Total Estimated Fee	 \$53,500.00



## EXHIBIT "E"

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
3/23/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Watkins Insurance Group-Austin 3834 Spicewood Springs Rd, St Austin TX 78759	<b>CONTACT NAME:</b> Susan Hord
	<b>PHONE (A/C, No, Ext):</b> 512-452-8877 <b>FAX (A/C, No):</b> 512-452-0999
	<b>E-MAIL ADDRESS:</b> shord@watkinsinsurancegroup.com
	<b>INSURER(S) AFFORDING COVERAGE</b>
	<b>INSURER A:</b> The Hartford <b>NAIC #</b> 29424
	<b>INSURER B:</b>
	<b>INSURER C:</b>
	<b>INSURER D:</b>
	<b>INSURER E:</b>
	<b>INSURER F:</b>

**INSURED** HOTIN-1  
Hot Inspection Services Inc.  
John Konzen  
P O Box 1208  
Round Rock TX 78680

## COVERAGES

CERTIFICATE NUMBER: 889966592

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		65SBAPV1060	3/21/2016	3/21/2017	EACH OCCURRENCE \$500,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$500,000 GENERAL AGGREGATE \$1,000,000 PRODUCTS - COMP/OP AGG \$1,000,000 \$
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	Y		65SBAPV1060	3/21/2016	3/21/2017	COMBINED SINGLE LIMIT (Ea accident) \$500,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A		65WECBK4151	12/18/2015	12/18/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$100,000 E.L. DISEASE - EA EMPLOYEE \$100,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Round Rock is additional insured on the general liability and auto liability policies, per blanket endorsements, where required by written contract.

## CERTIFICATE HOLDER

## CANCELLATION

City of Round Rock  
221 E Main St  
Round Rock TX 78664

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE