



Sherry Garrison, Council Position 1  
TJ Haight, Council Position 2  
Tommy Ginn, Council Position 3

Bill Patterson, Council Position 4  
Ron Martin, Council Position 5  
Rae A. Sinor, Council Position 6

James Stokes, City Manager  
Gary Jackson, Assistant City Manager

Jerry Mouton Jr., Mayor

Shannon Bennett, TRMC, City Secretary  
Jim Fox, City Attorney

Ordinance #4141

Resolution #2020-03

## CALL TO ORDER

*The 1750th meeting of the Deer Park City Council.*

## INVOCATION

## PLEDGE OF ALLEGIANCE

## COMMENTS FROM AUDIENCE

*The Mayor shall call upon those who have registered to address Council in the order registered. There is a five minute time limit . A registration form is available in the Council Chambers and citizens must register by 7:25 p.m.*

## CONSENT CALENDAR

1. Approval of minutes of joint meeting on January 13, 2020.

[MIN 20-016](#)

**Recommended Action:** Approval

**Attachments:** [CDC MW 011320.JOINT CC PARC](#)

2. Approval of minutes of workshop meeting on January 21, 2020.

[MIN 20-017](#)

**Recommended Action:** Approval

**Attachments:** [CC MW 012120](#)

3. Approval of minutes of regular meeting on January 21, 2020.

[MIN 20-018](#)

**Recommended Action:** Approval

**Attachments:** [CC MR 012120](#)

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*The Mission of the City of Deer Park is to deliver exemplary municipal services that provide the community a high quality of life consistent with our history, culture and unique character.*

4. Approval of tax refund to Corelogic in the amount of \$1,080.27 due to an overpayment. [TAXR 20-001](#)  
**Recommended Action:** Approve the tax refund to Corelogic.  
**Department:** Finance
5. Approval of tax refund to Ruben & Denise Almaguer in the amount of \$702.99 due to an over-65 exemption, a value decrease, and a freeze change granted by Harris County Appraisal District. [TAXR 20-002](#)  
**Recommended Action:** Approve the tax refund to Ruben & Denise Almaguer.  
**Department:** Finance
6. Approval of tax refund to Wilma Ballew Meza in the amount of \$817.04 due to an over-65 exemption, a homestead exemption, and a freeze granted by Harris County Appraisal District. [TAXR 20-003](#)  
**Recommended Action:** Approve the tax refund to Wilma Ballew Meza.  
**Department:** Finance
7. Approval of tax refund to Walmart Stores Texas, LLC in the amount of \$3,237.46 due to a value decrease granted by Harris County Appraisal District. [TAXR 20-004](#)  
**Recommended Action:** Approve the tax refund to Walmart Stores Texas, LLC.  
**Department:** Finance
8. Approval of tax refund to 1609 Center St. Properties LLC in the amount of \$1,011.28 due to a value decrease granted by Harris County Appraisal District. [TAXR 20-005](#)  
**Recommended Action:** Approve the tax refund to 1609 Center St. Properties LLC.  
**Department:** Finance
9. Approval of tax refund to R. J. Hellyer Inc. in the amount of \$720.00 due to a value decrease granted by Harris County Appraisal District. [TAXR 20-006](#)  
**Recommended Action:** Approve the tax refund to R. J. Hellyer Inc.  
**Department:** Finance
10. Approval of tax refund to Wilma Ballew Meza in the amount of \$775.65 due to a homestead exemption, an over-65 exemption, and a freeze change granted by Harris County Appraisal District. [TAXR 20-007](#)  
**Recommended Action:** Approve the tax refund to Wilma Ballew Meza.  
**Department:** Finance

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11. Approval of tax refund to Joseph V. Damico III in the amount of \$606.34 due to a value decrease granted by Harris County Appraisal District. [TAXR 20-008](#)  
**Recommended Action:** Approve the tax refund to Joseph V. Damico III.  
**Department:** Finance
12. Authorization to reallocate budgeted funds to cover the purchase of supplies and software engineering services to upgrade the Supervisory Control and Data Acquisition system at the Water Treatment Plant. [AUT 20-005](#)  
**Recommended Action:** Staff recommends authorizing the quote from Automation Nation.  
**Department:** Public Works
13. Authorization to make payment toward the third year of the three year agreement with SHI for Microsoft Enterprise Services Agreement. [AUT 20-008](#)  
**Recommended Action:** Approve Payment  
**Attachments:** [SHI Quote-18231267](#)
14. Authorization to purchase a replacement SAN for the Deer Park Police Station from NWN via the Choice Partner cooperative agreement. [AUT 20-009](#)  
**Recommended Action:** Approve  
**Attachments:** [City of Deer Park - exagrid Solution 1-24-20](#)  
[Form 1295 Certificate City of Deer Exagrid 1-24-20](#)
15. Acceptance of completion and retainage release for the Deer Park Soccer Complex to Tandem Services, LLC. [ACT 19-039](#)  
**Recommended Action:** Staff is requesting approval of the release to Tandem Services, LLC and acceptance of completed project.  
**Attachments:** [Soccer Field Development- Pay Application No. 17-Final](#)  
[Deer Park Soccer Maintenance Bond](#)
16. Acceptance of Quarterly Investment Report for the quarter ended December 31, 2019. [RPT 20-005](#)  
**Recommended Action:** Accept the Investment Report for the Quarter Ended December 31, 2019.  
**Attachments:** [2020 1Q Investment Report](#)
17. Acceptance of the Deer Park Community Development Corporation's quarterly report for the period of October 1, 2019 - December 31, 2019. [RPT 20-009](#)  
**Recommended Action:** Accept the Deer Park Community Development Corporation's quarterly reports for the period of October 1, 2019 - December 31, 2019.  
**Department:** City Manager's Office, Finance and Parks & Recreation  
**Attachments:** [1stQ Report Oct-Dec 2019](#)
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18. Acceptance of the Fiscal Year 2020-2021 budget calendar.

[BUD 20-001](#)

**Recommended Action:** Accept the FY 2020-2021 budget calendar.

**Department:** City Manager's Office

**Attachments:** [BudgetCalendarFY2020-2021\(proposed\)-Council](#)

## NEW BUSINESS

19. Consideration of and action on a referral to the Planning and Zoning Commission for a Specific Use Permit from the request Wheelhouse to operate a Drug and Alcohol Rehabilitation Center at 210 W. Helgra.

[SUP 20-001](#)

**Recommended Action:** Refer to Planning and Zoning to schedule a Public Hearing.

**Department:** City Secretary's Office

**Attachments:** [210 Helgra Wheelhouse](#)

20. Consideration of and action on an addendum to the contract with National Signs Plaza for Phase I of the Wayfinding program.

[CON 20-004](#)

**Recommended Action:** Approval of the addendum to the contract for Phase I of the Wayfinding program.

**Attachments:** [National Signs Plaza Phase I  
wayfinding phase I amend](#)

21. Consideration of and action on authorization of closing out the contract for Phase I of the Wayfinding program.

[AUT 20-007](#)

**Recommended Action:** Authorize the closing out the contract for Phase I of the Wayfinding program.

**Attachments:** [wayfinding phase I amend](#)

22. Consideration of and action on entering into an agreement with PSI Water Technologies for improvements to the Avon Elevated Storage Tank and the P Street Ground Storage Tank.

[AGR 20-002](#)

**Recommended Action:** Staff recommends that City Council approve the agreement with PSI Water Technologies.

**Department:** Public Works

**Attachments:** [Deer Park TX - 0.5MG Avon EST RCS](#)  
[Deer Park TX - 1MG P Street GST RCS](#)  
[Sole Source Letter January 2020](#)

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23. Consideration of and action on an agreement with Harris County for the Hurricane Harvey CDBG-DR Bayou Bend Regional Detention Facility and Drainage Improvements Project. [AGR 20-006](#)

**Recommended Action:** Approve the agreement.

**Attachments:** [City of Deer Prk Bayou Bend and Drain Impv DR2017-041 Floods\\_Agreement 1](#)  
[Bayou Bend Regional Detention Budget](#)

24. Consideration of and action on an ordinance calling a General Election on May 2, 2020 to elect three Councilmembers. [ORD 20-009](#)

**Recommended Action:** Adoption of the ordinance.

**Department:** City Secretary's Office

**Attachments:** [Election Ord](#)  
[Order of Election.General.2020 DRAFT](#)

25. Consideration of and action on an ordinance calling a Special Election on May 2, 2020 for Type B Economic Development sales and use tax . [ORD 20-010](#)

**Recommended Action:** Adoption of ordinance.

**Department:** City Secretary's Office

**Attachments:** [Special Election ord-Type B\\_Final](#)  
[Order of Special Election.2020 - DRAFT](#)

## ADJOURN

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/s/Shannon Bennett, TRMC  
City Secretary

Posted on Bulletin Board  
January 31, 2020

*City Hall is wheelchair accessible and accessible parking spaces are available. Hearing assistance devices are available. Requests for accommodations services must be made 72 hours prior to any meeting. Please contact the City Secretary's office at 281-478-7248 for further information.*

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# City of Deer Park

710 E SAN AUGUSTINE  
DEER PARK, TX 77536

## Legislation Details (With Text)

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**File #:** MIN 20-016    **Version:** 1    **Name:**  
**Type:** Minutes    **Status:** Agenda Ready  
**File created:** 1/28/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Approval of minutes of joint meeting on January 13, 2020.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [CDC\\_MW\\_011320.JOINT CC PARC](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of minutes of joint meeting on January 13, 2020.

Summary:

Fiscal/Budgetary Impact:

None

Approval

CITY OF DEER PARK  
710 EAST SAN AUGUSTINE STREET  
DEER PARK, TEXAS 77536

CC 80-09  
CDC 1-222

Minutes

of

A JOINT WORKSHOP MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND PARKS AND RECREATION COMMISSION HELD AT CITY HALL 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON JANUARY 13, 2020 BEGINNING AT 5:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON	MAYOR
SHERRY GARRISON	COUNCILWOMAN
TJ HAIGHT	COUNCILMAN
TOMMY GINN	COUNCILMAN
BILL PATTERSON	COUNCILMAN
RON MARTIN	COUNCILMAN
RAE A. SINOR	COUNCILWOMAN

MEMBERS OF DEER PARK COMMUNITY DEVELOPMENT CORPORATION PRESENT:

GEORGETTE FORD	PRESIDENT
LAURA HICKS	VICE PRESIDENT
JEFF LAWTHOR	MEMBER
DOUG BURGESS	MEMBER
FAYLENE DEFRANCIS	MEMBER
LES ELLARD	MEMBER

MEMBERS OF THE PARKS AND RECREATION COMMISSION PRESENT:

GEORGETTE FORD	CHAIRMAN
JO KIEFER	VICE CHAIRMAN
ERIC RIPLEY	MEMBER
JAMIE COX	MEMBER

OTHER CITY OFFICIALS PRESENT:

JAMES STOKES	CITY MANAGER
GARY JACKSON	ASSISTANT CITY MANAGER
SHANNON BENNETT	CITY SECRETARY
CHARLIE SANDBERG	PARKS & RECREATION DIRECTOR

1. MEETING CALLED TO ORDER – Mayor Mouton opened the meeting on behalf of the City Council, President Georgette Ford opened on behalf of the Deer Park Community Development Corporation and Vice Chairman Jo Kiefer opened on behalf of the Parks and Recreation Commission at 5:30 p.m.
2. COMMENTS FROM AUDIENCE – No comments received.
3. THE DEER PARK CITY COUNCIL, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND THE DEER PARK PARKS AND RECREATION COMMISSION WILL DISCUSS POTENTIAL CONCEPTUAL OPTIONS FOR A POSSIBLE NEW COMMUNITY CENTER GYMNASIUM AND INDOOR POOL, INCLUDING POSSIBLE CONSTRUCTION AND OPERATING COSTS, AND COST RECOVERY OPTIONS – Steven Springs of Brinkley, Sargent, Wiginton Architects gave a brief history recap of the discussions at the previous meetings pertaining to the Community Center and included a review of the updated budget costs and projected schedule, which will begin after the May Elections and also highlighted details of the design and construction. The Community Center will be built first before the Recreation Center. Mr. Springs detailed the conceptual layout and design challenges in creating the right fit for the building.

Mike Svetz of Pros Consulting gave an overview of the operational projections that included total costs of ownership, operations and maintenance costs as well as an approach for successful cost recovery. Mr. Svetz highlighted amenity comparisons, current recreation budget summary, projected staffing levels full-time and part-time, emphasizing on the cleanliness and friendliness of the facility, projected Community Center Pro Forma, operating hours and membership/daily admissions. Mr. Svetz also advised Council that combining the Community Center and Recreation Center would require in the first full year of operations, a general fund subsidy of as \$174,407 to operate the facility, which would bring in around 89%-90% cost recovery. Exhibit (A1-A7)

Mr. Springs commented, “If you move forward after today, you are not setting anything in stone. This is just a tool for you all to continue evolving.”

4. THE DEER PARK CITY COUNCIL, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND THE DEER PARK PARKS AND RECREATION COMMISSION WILL DISCUSS A CONCEPT AND ASSOCIATED COST FOR A SWIMMING POOL BATHHOUSE – Assistant City Manager Gary Jackson advised Council that the ballot language would include an indoor pool at the community recreation center.
5. THE DEER PARK CITY COUNCIL, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND THE DEER PARK PARKS AND RECREATION COMMISSION WILL DISCUSS TYPE B FUNDING CAPACITY AND POTENTIAL FUTURE TYPE B PROJECT AUTHORIZATION – Assistant City Manager Gary Jackson advised Council of

the different options for the lengths of certificate of obligation between 15 to 25 years that could be issued and secured by the Type B debt. Mr. Jackson highlighted the option most favored, the 25 year certificate of obligation, that includes \$36,165,000 of proceeds and \$250,000, the O&M that wouldn't necessarily be restricted just for the Community Center, it could also help pay for some of the other Type B projects as well. The proposed ballot language may include to expand the Type B funding to cover the construction of the new Community Center, gymnasium and indoor facility and operating and public park services and maintenance cost. (Exhibit B1-B7)

City Manager James Stokes commented, "Once Council calls for the vote, we will start the education campaign to have some opportunities for the public to come out and see the pictures and be able to answer their questions."

6. THE DEER PARK CITY COUNCIL, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND THE DEER PARK PARKS AND RECREATION COMMISSION WILL DISCUSS THE NEXT STEPS FOR THE COMMUNITY CENTER PROJECT – City Manager Jay Stokes advised Council that the next step would be to call a Special Election.
7. ADJOURN – Mayor Mouton adjourned the workshop meeting on behalf of City Council, President Georgette Ford adjourned on behalf of the Deer Park Community Development Corporation and Vice Chairman Jo Kiefer adjourned on behalf of the Parks and Recreation Commission at 6:23 p.m.

ATTEST:

APPROVED:

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Shannon Bennett, TRMC  
City Secretary

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Jerry Mouton, Mayor  
City of Deer Park

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Georgette Ford, President  
Deer Park Community Development  
Corporation

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Jo Kiefer, Vice Chairman  
Parks and Recreation Commission



## Legislation Details (With Text)

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**File #:** MIN 20-017    **Version:** 1    **Name:**  
**Type:** Minutes    **Status:** Agenda Ready  
**File created:** 1/28/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Approval of minutes of workshop meeting on January 21, 2020.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [CC\\_MW\\_012120](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of minutes of workshop meeting on January 21, 2020.

Summary:

Fiscal/Budgetary Impact:

None

Approval

710 EAST SAN AUGUSTINE STREET

DEER PARK, TEXAS 77536

Minutes

of

A WORKSHOP MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS HELD AT CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON JANUARY 21, 2020 BEGINNING AT 6:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.  
TJ HAIGHT  
TOMMY GINN  
BILL PATTERSON  
RAE SINOR

MAYOR  
COUNCILMAN  
COUNCILMAN  
COUNCILMAN  
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAMES STOKES  
GARY JACKSON  
SHANNON BENNETT  
JIM FOX

CITY MANAGER  
ASSISTANT CITY MANAGER  
CITY SECRETARY  
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:00 p.m.
2. COMMENTS FROM AUDIENCE – None received.
3. EXECUTIVE SESSION – POTENTIAL LITIGATION – Mayor Mouton recessed the workshop meeting at 6:30 p.m. for an Executive Session.
4. RECONVENED – Mayor Mouton reconvened the workshop meeting at 6:45 p.m.
5. DISCUSSION OF ISSUES RELATED TO THE SPORTS ORGANIZATION UTILIZATION AGREEMENTS – Parks and Recreation Director Charlie Sandberg advised Council that on December 3, 2019, it was approved to extend the 2019 Sports Organization Utilization Agreements through the end of January 2020. Due to several items still being considered and revised, such as field usage, public access, maintenance Staff is recommending that this contract extension be amended to extend the contract through March 31, 2020.

City Manager James Stokes suggested a joint meeting to discuss the agreements and the City's role in regulating the field's usage.

Mayor Mouton commented, “I would advocate at some point that we bring in a sports management company to give us some clear analytical data in regards to what the best long term plan is to preserve the fields and move forward with a clear cut plan that is based on actual data.”

6. DISCUSSION OF ISSUES RELATED TO AMENDING THE FISCAL YEAR 2019-2020 CAPITAL IMPROVEMENTS FUND BUDGET FOR OUTDOOR WARNING (SIREN) SYSTEM REPAIRS – Emergency Services Director Robert Hemminger gave an overview of the authorized funding of \$112,590.19 for a three-phase upgrade of the Whelen Outdoor Warning (Siren) System. During the replacement of system components, the need for additional component replacements has been identified and the Deer Park LEPC Executive Committee has asked the City to fund this additional requirement at a cost of \$52,517.81 so that repairs may be made immediately and the Deer Park LEPC will again reimburse the City as a fourth year to the initial project to complete project for a total cost of \$165,108.00.
7. DISCUSSION OF ISSUES RELATING TO AMENDING THE FOOD TRUCK ORDINANCE – City Secretary Shannon Bennett gave an overview of the proposed changes to the Food Truck Ordinance to include allowing a licensed trailer designed for food preparations as an eligible vendor, proof of liability insurance from the vendor, a one-year or a temporary health permit from Harris County issued to the vendor, an annual inspection performed by the Fire Marshal for the vendor’s establishment and prohibiting any vendor from operating within the City at the same location for more than six (6) days per the 90 day permit period. The proposed changes also added a provision detailing a violation against the ordinance can be punishable by a fine of up to \$500 and classified as a Class-C misdemeanor. Some requirements that will be omitted within the ordinance include background checks and a list of menu items to be sold.

Councilman Patterson asked, “Is there a concern for the safety of the public from our Police Department by not having the requirement of the background check?”

Police Chief Grigg responded, “No. If there is any issue with an individual, we will come take care of it.”

8. DISCUSSION OF ISSUES RELATING TO THE FISCAL YEAR 2019-2020 BUDGET CALENDAR AND IMPACT OF S.B. 2 – Assistant City Manager Gary Jackson gave an overview of the 2019-2020 budget calendar year that includes budget related workshops, meetings and hearings for the City staff, City Council, the CCPD Board, the FCPEDMSD Board and the Deer Park Community Development Corporation Board. Mr. Jackson also discussed the potential impact Senate Bill 2 will have on FY 2020-2021. This bill became effective January 1, 2020 and did not impact the current fiscal year 2019-20 tax process, but will affect fiscal year 2020-2021. Had the legislation been applied to the current year’s property tax rates, it would have resulted in a loss of \$669,512 in maintenance and operations as well as \$412,153 in industrial district revenue. Together, the total loss in these significant revenue sources supporting the General Fund would have been \$1,081,655. (Exhibit A1)



Mr. Jackson commented “We do not know what the tax base is going to be on the tax roll yet for next year because it is way too early for that. This will affect us on the maintenance and operations side of the budget and will definitely be an impact.”

9. DISCUSSION OF ISSUES RELATING TO AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF DEER PARK AND THE TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM (TESRS) – Emergency Services Director Robert Hemminger gave an overview of the Texas Emergency Services Retirement System for volunteer firefighters and EMS personnel in which the pension benefit is calculated based on a monthly contribution during the member’s active service. The TESRS system does not have any form of COLA or other increase post-retirement, so a “13th check” is a mechanism that gives the retirees an increase in the form of one extra payment per year. This check is a one-time payment that if authorized, is available within the adopted budget with Council’s approval.
10. ADJOURN – Mayor Mouton adjourned the workshop meeting at 7:24 p.m.

ATTEST:

APPROVED:

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Shannon Bennett, TRMC  
City Secretary

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Jerry Mouton, Jr.  
Mayor



# City of Deer Park

710 E SAN AUGUSTINE  
DEER PARK, TX 77536

## Legislation Details (With Text)

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**File #:** MIN 20-018    **Version:** 1    **Name:**  
**Type:** Minutes    **Status:** Agenda Ready  
**File created:** 1/28/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Approval of minutes of regular meeting on January 21, 2020.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [CC\\_MR\\_012120](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of minutes of regular meeting on January 21, 2020.

Summary:

Fiscal/Budgetary Impact:

None

Approval

710 EAST SAN AUGUSTINE STREET

DEER PARK, TEXAS 77536

Minutes of

THE 1749th REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS HELD IN CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON JANUARY 21, 2020 AT 7:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.  
TJ HAIGHT  
TOMMY GINN  
BILL PATTERSON  
RAE SINOR

MAYOR  
COUNCILMAN  
COUNCILMAN  
COUNCILMAN  
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAY STOKES  
GARY JACKSON  
SHANNON BENNETT  
JIM FOX

CITY MANAGER  
ASSISTANT CITY MANAGER  
CITY SECRETARY  
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the meeting to order at 7:30 p.m.
2. INVOCATION – The invocation was given by Councilwoman Sinor.
3. PLEDGE OF ALLEGIANCE – Councilman Haight led the Pledge of Allegiance to the United States Flag and led the Texas Flag Pledge.
4. COMMENTS FROM THE AUDIENCE – No comments received.
5. AWARDING BID FOR THE HURRICANE HARVEY STORM OUTFALL REPLACEMENT PROJECT – Motion was made by Councilman Patterson and seconded by Councilwoman Sinor to award the bid for the Hurricane Harvey Storm Outfall Replacement Project to T Construction, low bidder, in the amount of \$90,161.00. Motion carried 5 to 0.
6. AWARDING BID FOR MOWING SERVICES FOR THE CITY OF DEER PARK – Motion was made by Councilwoman Sinor and Councilman Patterson to award the bid for mowing to Landscape Professionals of Texas, low bidder, in the amount of \$117,650.00. Motion carried 5 to 0.
7. CONSENT CALENDAR – Motion was made by Councilman Ginn and seconded by Councilman Patterson to approve the consent calendar as follows:

- a. Approval of minutes of workshop meeting on January 7, 2020.
- b. Approval of minutes of regular meeting on January 7, 2020.

Motion carried 5 to 0.

- 8. CONSIDERATION OF AND ACTION ON AUTHORIZATION TO PURCHASE THE SERVICES OF SKE CONSTRUCTION, LLC THROUGH THE BUY BOARD FOR THE REPAIR OF STORM OUTFALLS ON THE SOUTH GOLF COURSE DITCH – Motion was made by Councilman Patterson and seconded by Councilman Ginn to authorize to purchase services of SKE Construction, LLC through the Buy Board for the Repair of Storm Outfalls on the South Golf Course Ditch. Motion carried 5 to 0.
- 9. CONSIDERATION OF AND ACTION ON AUTHORIZING THE PURCHASE OF ONE (1) 2020 FRAZER REMOUNT AMBULANCE VIA THE HGAC COOPERATIVE PURCHASING PROGRAM – Motion was made by Councilwoman Sinor and seconded by Councilman Haight to authorize the purchase of one (1) 2020 Frazer remount ambulance via the HGAC Cooperative Purchasing Program. Motion carried 5 to 0.
- 10. CONSIDERATION OF AND ACTION ON AN AMENDMENT TO THE LEASE BETWEEN THE CITY OF DEER PARK AND TOUCHSTONE GOLF, LLC – Motion was made by Councilman Patterson and seconded by Councilman Haight to approve the amendment to the lease between the City of Deer Park and Touchstone Golf, LLC. Motion carried 5 to 0.
- 11. CONSIDERATION OF AND ACTION ON AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF DEER PARK AND THE TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM (TESRS) – Motion was made by Councilman Ginn and seconded by Councilman Haight to approve the amendment to the contract between the City of Deer Park and the Texas Emergency Services Retirement System (TESRS). Motion carried 5 to 0.
- 12. CONSIDERATION OF AND ACTION ON THE REQUEST OF AN EXTENSION FOR THE SPORTS ORGANIZATION UTILIZATION AGREEMENTS THRU MARCH 2020 – Motion was made by Councilman Patterson and seconded by Councilwoman Sinor to approve the request of an extension for the Sports Organization Utilization Agreements through March 2020. Motion carried 5 to 0.
- 13. CONSIDERATION OF AND ACTION ON AMENDING THE POST-ISSUANCE COMPLIANCE POLICY AND PROCEDURES MANUAL – Motion was made by Councilwoman Sinor and seconded by Councilman Patterson to approve the Post-Issuance Compliance Policy and Procedures Manual. Motion carried 5 to 0.

14. CONSIDERATION OF AND ACTION ON AN ORDINANCE AMENDING THE FISCAL YEAR 2019-2020 CAPITAL IMPROVEMENTS FUND BUDGET FOR REPAIRS TO THE OUTDOOR WARNING (SIREN) SYSTEM – After a proposed ordinance was read by caption, motion was made by Councilman Ginn and seconded by Councilman Haight to adopt on first reading Ordinance No. 4135, captioned as follows:

AN ORDINANCE AMENDING THE 2019-2020 BUDGET FOR THE CITY OF DEER PARK, TEXAS, AND APPROPRIATING THE SUMS SET UP THEREIN TO THE OBJECTS AND PURPOSES THEREIN NAMED.

Motion carried 5 to 0.

15. CONSIDERATION OF AND ACTION ON AUTHORIZATION TO PURCHASE THE WHELEN OUTDOOR SIREN SYSTEM UPGRADE AND REPAIRS FROM CROSSPOINT COMMUNICATIONS THROUGH THE BUYBOARD COOPERATIVE PURCHASING PROGRAM AND AUTHORIZING THE USE OF THE ASSIGNED FUND BALANCE – Motion was made by Councilwoman Sinor and seconded by Councilman Haight to authorize the purchase of the Whelen Outdoor Siren System Upgrade and Repairs from Crosspoint Communications through the BuyBoard Cooperative Purchasing Program and authorizing the use of the Assigned Fund Balance. Motion carried 5 to 0.

16. CONSIDERATION OF AND ACTION ON AN ORDINANCE AMENDING SECTIONS 22-48 AND 22-48 APPENDIX “B” OF THE CODE OF ORDINANCES RELATED TO FOOD TRUCKS – After a proposed ordinance was read by caption, motion was made by Councilman Ginn and seconded by Councilwoman Sinor to adopt on first reading Ordinance No. 4136, captioned as follows:

AN ORDINANCE AMENDING SECTIONS 22-48 and 22-48 APPENDIX “B” TO THE DEER PARK CODE OF ORDINANCES REGULATING MOBILE FOOD SERVICE UNITS WITHIN THE CITY OF DEER PARK, TEXAS.

Motion carried 5 to 0.

17. CONSIDERATION OF AND ACTION ON AN ORDINANCE ANNEXING A 12.0163 ACRE TRACT WITHIN THE CITY’S EXTRATERRITORIAL JURISDICTION INTO THE CITY OF DEER PARK UPON WRITTEN REQUEST OF THE PROPERTY OWNER AND APPROVING A SERVICE PLAN FOR SUCH TERRITORY – After a proposed ordinance was read by caption, motion was made by Councilman Ginn and seconded by Councilwoman Sinor to adopt on first reading Ordinance No. 4137, captioned as follows:

AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF DEER PARK, TEXAS, TO ANNEX A 12.0163 ACRE TRACT WITHIN THE CITY’S EXTRATERRITORIAL JURISDICTION WITHIN SUCH BOUNDARIES, UPON WRITTEN REQUEST BY THE PROPERTY OWNER; APPROVING A SERVICE PLAN FOR SUCH TERRITORY; MAKING

FINDINGS AND OTHER PROVISIONS RELATED TO THE SUBJECT; AND  
PROVIDING SAVING, SEVERABILITY CLAUSES.

Motion carried 5 to 0.

18. CONSIDERATION OF AND ACTION ON THE RESULTS OF THE JOINT PUBLIC HEARING HELD ON JANUARY 7, 2020 AND A PROPOSED ORDINANCE FROM THE REQUEST OF THE CITY OF DEER PARK TO AMEND ORDINANCE NO. 3886, THE ZONING ORDINANCE DESIGNATING A 12.0163 ACRE TRACT WHICH HAS BEEN ANNEXED INTO THE CITY AS HEAVY INDUSTRIAL ZONING DISTRICT (M3)  
– After a proposed ordinance was read by caption, motion was made by Councilman Patterson and seconded by Councilwoman Sinor to adopt on first reading Ordinance No. 4138, captioned as follows:

AN ORDINANCE AMENDING ORDINANCE NO. 3886 OF THE CITY OF DEER PARK, TEXAS, ADOPTED MARCH 21, 2017, AS AMENDED BY PLACING A 12.0163 ACRE TRACT OF LAND ALSO KNOWN AS 1155 INDEPENDENCE PARKWAY, CITY OF DEER PARK HARRIS COUNTY, TEXAS IN THE HEAVY INDUSTRIAL (M3) ZONING DISTRICT; PROVIDING FOR SEVERABILITY; PROVIDING PENALTIES BY A FINE UP TO \$2,000.00 FOR EACH DAYS VIOLATION OF THE PROVISIONS OF SUCH ORDINANCE, AS AMENDED.

Motion carried 5 to 0.

19. CONSIDERATION OF AND ACTION ON A RECOMMENDATION FROM THE PLANNING AND ZONING COMMISSION AND A PROPOSED ORDINANCE FROM THE REQUEST OF MOLTO PROPERTIES FOR A SPECIFIC USE PERMIT TO CONSTRUCT A BULK WAREHOUSE AT 1155 INDEPENDENCE PARKWAY – After a proposed ordinance was read by caption, motion was made by Councilman Haight and seconded by Councilman Patterson to adopt on first reading Ordinance No. 4139, captioned as follows:

AN ORDINANCE GRANTING A SPECIFIC USE PERMIT TO OPERATE A BULK WAREHOUSE ON A 12.0163 ACRE TRACT OF LAND LOCATED AT 1155 INDEPENDENCE PARKWAY., DEER PARK, TEXAS.

Motion carried 5 to 0.

20. CONSIDERATION OF AND ACTION ON AN ORDINANCE TO AMEND SCHEDULE B OF THE CODE OF ORDINANCE RELATED TO VARIOUS PARKS AND RECREATION DEPARTMENT FEES – After a proposed ordinance was read by caption, motion was made by Councilman Haight and seconded by Councilman Patterson to adopt on first reading Ordinance No. 4140, captioned as follows:

AN ORDINANCE AMENDING APPENDIX B–SECTION 74-1, 74-2, 74-3 and  
74-5 PARKS AND RECREATION FEES OF THE CODE OF ORDINANCES OF  
THE CITY OF DEER PARK.

Motion carried 5 to 0.

21. ADJOURN – Mayor Mouton adjourned the meeting at 7:40 p.m.

ATTEST:

APPROVED:

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Shannon Bennett, TRMC  
City Secretary

---

Jerry Mouton, Jr.  
Mayor



## Legislation Details (With Text)

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**File #:** TAXR 20-001   **Version:** 1   **Name:**  
**Type:** Tax Refund   **Status:** Agenda Ready  
**File created:** 1/13/2020   **In control:** City Council  
**On agenda:** 2/4/2020   **Final action:**  
**Title:** Approval of tax refund to Corelogic in the amount of \$1,080.27 due to an overpayment.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to Corelogic in the amount of \$1,080.27 due to an overpayment.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

Corelogic in the total amount of \$1,080.27 due to an overpayment (Acct. #105-547-000-0028).

Fiscal/Budgetary Impact: None.

Approve the tax refund to Corelogic.





## Legislation Details (With Text)

**File #:** TAXR 20-002 **Version:** 1 **Name:**  
**Type:** Tax Refund **Status:** Agenda Ready  
**File created:** 1/13/2020 **In control:** City Council  
**On agenda:** 2/4/2020 **Final action:**  
**Title:** Approval of tax refund to Ruben & Denise Almaguer in the amount of \$702.99 due to an over-65 exemption, a value decrease, and a freeze change granted by Harris County Appraisal District.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to Ruben & Denise Almaguer in the amount of \$702.99 due to an over-65 exemption, a value decrease, and a freeze change granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

Ruben & Denise Almaguer in the total amount of \$702.99 due to an over-65 exemption, a value decrease, and a freeze change granted by Harris County Appraisal District on the 2019 Correction Roll #04 (Acct. #011-319-000-0410).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to Ruben & Denise Almaguer.



## Legislation Details (With Text)

<b>File #:</b>	TAXR 20-003	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Tax Refund	<b>Status:</b>		Agenda Ready	
<b>File created:</b>	1/13/2020	<b>In control:</b>		City Council	
<b>On agenda:</b>	2/4/2020	<b>Final action:</b>			
<b>Title:</b>	Approval of tax refund to Wilma Ballew Meza in the amount of \$817.04 due to an over-65 exemption, a homestead exemption, and a freeze granted by Harris County Appraisal District.				
<b>Sponsors:</b>	Finance				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>					

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to Wilma Ballew Meza in the amount of \$817.04 due to an over-65 exemption, a homestead exemption, and a freeze granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

Wilma Ballew Meza in the total amount of \$817.04 due to an over-65 exemption, a homestead exemption, and a freeze granted by Harris County Appraisal District on the 2019 Correction Roll #04 (Acct. #092-129-000-0100).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to Wilma Ballew Meza.



## Legislation Details (With Text)

**File #:** TAXR 20-004 **Version:** 1 **Name:**  
**Type:** Tax Refund **Status:** Agenda Ready  
**File created:** 1/13/2020 **In control:** City Council  
**On agenda:** 2/4/2020 **Final action:**  
**Title:** Approval of tax refund to Walmart Stores Texas, LLC in the amount of \$3,237.46 due to a value decrease granted by Harris County Appraisal District.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to Walmart Stores Texas, LLC in the amount of \$3,237.46 due to a value decrease granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

Walmart Stores Texas, LLC in the total amount of \$3,237.46 due to a value decrease granted by Harris County Appraisal District on the 2018 Correction Roll #15 (Acct. #097-201-6).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to Walmart Stores Texas, LLC.



## Legislation Details (With Text)

**File #:** TAXR 20-005 **Version:** 1 **Name:**  
**Type:** Tax Refund **Status:** Agenda Ready  
**File created:** 1/13/2020 **In control:** City Council  
**On agenda:** 2/4/2020 **Final action:**  
**Title:** Approval of tax refund to 1609 Center St. Properties LLC in the amount of \$1,011.28 due to a value decrease granted by Harris County Appraisal District.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to 1609 Center St. Properties LLC in the amount of \$1,011.28 due to a value decrease granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

1609 Center St. Properties LLC in the total amount of \$1,011.28 due to a value decrease granted by Harris County Appraisal District on the 2019 Correction Roll #04 (Acct. #093-492-000-0027).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to 1609 Center St. Properties LLC.



## Legislation Details (With Text)

**File #:** TAXR 20-006 **Version:** 1 **Name:**  
**Type:** Tax Refund **Status:** Agenda Ready  
**File created:** 1/13/2020 **In control:** City Council  
**On agenda:** 2/4/2020 **Final action:**  
**Title:** Approval of tax refund to R. J. Hellyer Inc. in the amount of \$720.00 due to a value decrease granted by Harris County Appraisal District.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to R. J. Hellyer Inc. in the amount of \$720.00 due to a value decrease granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

R. J. Hellyer Inc. in the total amount of \$720.00 due to a value decrease granted by Harris County Appraisal District on the 2018 Correction Roll #15 (Acct. #044-050-000-0150).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to R. J. Hellyer Inc.



## Legislation Details (With Text)

**File #:** TAXR 20-007 **Version:** 1 **Name:**  
**Type:** Tax Refund **Status:** Agenda Ready  
**File created:** 1/13/2020 **In control:** City Council  
**On agenda:** 2/4/2020 **Final action:**  
**Title:** Approval of tax refund to Wilma Ballew Meza in the amount of \$775.65 due to a homestead exemption, an over-65 exemption, and a freeze change granted by Harris County Appraisal District.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to Wilma Ballew Meza in the amount of \$775.65 due to a homestead exemption, an over-65 exemption, and a freeze change granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

Wilma Ballew Meza in the total amount of \$775.65 due to a homestead exemption, an over-65 exemption, and a freeze change granted by Harris County Appraisal District on the 2018 Correction Roll #15 (Acct. #092-129-000-0100).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to Wilma Ballew Meza.



## Legislation Details (With Text)

**File #:** TAXR 20-008 **Version:** 1 **Name:**  
**Type:** Tax Refund **Status:** Agenda Ready  
**File created:** 1/13/2020 **In control:** City Council  
**On agenda:** 2/4/2020 **Final action:**  
**Title:** Approval of tax refund to Joseph V. Damico III in the amount of \$606.34 due to a value decrease granted by Harris County Appraisal District.  
**Sponsors:** Finance  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Approval of tax refund to Joseph V. Damico III in the amount of \$606.34 due to a value decrease granted by Harris County Appraisal District.

### Summary:

Section 31.11 of the Texas Property Tax Code requires that all refunds exceeding \$500 be approved by the governing body prior to the issuance of a check to the payee. The following refund is pending:

Joseph V. Damico III in the total amount of \$606.34 due to a value decrease granted by Harris County Appraisal District on the 2017 Correction Roll #26 (Acct. #023-144-000-0684).

### Fiscal/Budgetary Impact:

None.

Approve the tax refund to Joseph V. Damico III.



## Legislation Details (With Text)

**File #:** AUT 20-005    **Version:** 1    **Name:**

**Type:** Authorization    **Status:** Agenda Ready

**File created:** 1/22/2020    **In control:** City Council

**On agenda:** 2/4/2020    **Final action:**

**Title:** Authorization to reallocate budgeted funds to cover the purchase of supplies and software engineering services to upgrade the Supervisory Control and Data Acquisition system at the Water Treatment Plant.

**Sponsors:** Public Works

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Authorization to reallocate budgeted funds to cover the purchase of supplies and software engineering services to upgrade the Supervisory Control and Data Acquisition system at the Water Treatment Plant.

Summary: Originally, \$60,000 was allocated for the completion of the filter media replacement project in the 2019-2020 budget year. That project ended up being completed in last year's budget, so the \$60,000 is not going to be used for this purpose. We would like this expense reallocated for changing the Supervisory Control and Data Acquisition (SCADA) system at the Water Treatment Plant.

The SCADA system provides the main framework for overseeing and controlling different aspects of the water system. We currently utilize WonderWare as our platform. This platform has not been updated and minimal changes have been made to it because staff has limited power to make changes to the program. The server operating system is no longer supported and to change the operating system requires an upgrade to WonderWare, estimated by Texas Instruments and Controls, Inc. at approximately \$24,000. Staff also looked at VT SCADA, a second platform. The VT SCADA programming costs are estimated at \$24,600. Upon looking at the two systems and knowing that the Wastewater Treatment Plant selected VT SCADA as its platform, Public Works and IT Services staff recommend changing the Water Treatment Plant to VT SCADA.

The following quotes were received:

K-2 Services	\$27,552.76
Automation Nation	\$25,800.00
Prime Controls	\$68,670.00

Licensing is an additional \$10,769, payable through our vendor. Also required is a new server, three thin clients, a UPS, the Operating System Server License, and the VEEM License through our IT Services Department. Staff recommends accepting the quote from Automation Nation based on cost



and experience through the quote and follow-up period. The total cost of the project will be \$44,039.00 based on the quote by Automation Nation and IT Services.

**Fiscal/Budgetary Impact:**

\$60,000 was originally budgeted in 400-503-4904 for the replacement of filter media. As that project was completed and those funds have not been used, staff recommends using these funds for SCADA improvements.

Staff recommends authorizing the quote from Automation Nation.



## Legislation Details (With Text)

**File #:** AUT 20-008    **Version:** 1    **Name:**  
**Type:** Authorization    **Status:** Agenda Ready  
**File created:** 1/23/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Authorization to make payment toward the third year of the three year agreement with SHI for Microsoft Enterprise Services Agreement.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [SHI Quote-18231267](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Authorization to make payment toward the third year of the three year agreement with SHI for Microsoft Enterprise Services Agreement.

**Summary:**

The MESA provides continuous license compliance to install and use Microsoft desktop, server, and server management tools, software systems and applications.

**Fiscal/Budgetary Impact:**

The cost is \$59,451 and is included in FY 2019-2020 Budget Acct. #10-200-4278.

**Approve Payment**

## Embedded Secure Document

The file <https://cityofdeerpark.legistar.com/View.ashx?M=F&ID=8044688&GUID=27E269FD-9243-43A8-827D-5F09B043AD0E> is a secure document that has been embedded in this document. Double click the pushpin to view.





## Legislation Details (With Text)

**File #:** AUT 20-009    **Version:** 1    **Name:**  
**Type:** Authorization    **Status:** Agenda Ready  
**File created:** 1/24/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Authorization to purchase a replacement SAN for the Deer Park Police Station from NWN via the Choice Partner cooperative agreement.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [City of Deer Park - exagrid Solution 1-24-20](#)  
[Form 1295 Certificate City of Deer Exagrid 1-24-20](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Authorization to purchase a replacement SAN for the Deer Park Police Station from NWN via the Choice Partner cooperative agreement.

**Summary:**

Replacement of the PD SAN, which is primarily used for backup storage. Existing SAN nodes range in age up to 7 years and are due for replacement.

This is a purchase through the Choice Partners National Purchasing Cooperative. The Choice Partners contract number is: 18/056KD-44.

**Fiscal/Budgetary Impact:**

The cost is \$60,366.20. \$55,770.00 is included in FY 2019-2020 Budget Acct. #10-200-4904, and \$9,400.00 is included in FY 2019-2020 Budget Acct. #10-200-4282.

**Approve**

## PROPOSAL QUOTE SHEET

4802 N. Sam Houston Parkway West  
Suite 500  
Houston, TX 77086

281-983-9955 Phone  
281-983-5599 Fax



Exagrid Backup Storage						
<b>Client:</b>	City of Deer Park	<b>Issue Date:</b>	1/24/2020	2-Aug-18		
<b>Client Address 1:</b>	710 E. San Augustine	<b>Opportunity #:</b>	OP139192			
<b>Client Address 2:</b>	0	<b>Account Exec:</b>	Marc Friedhoff			
<b>Client City, State, Zip:</b>	Deer Park, TX 77536		mfriedhoff@nwnit.com			
<b>Attn:</b>	.	<b>Choice Partners</b>	Phone #			
<b>Phone:</b>	.	<b>Version:</b>	18/056KD-44			
<b>email:</b>	.		4.00			
Product Number	Description	Qty	List Price	Unit Price	Extended Price	
<b>Section 1 - Hardware and Software</b>						
EX63000E	Disk Capacity: Raw:144TB, Useable: 126TB, 63TB 1 Full Backup. Includes 1 10 Gigabit Add on Cards		\$110,628.00	\$52,941.18	\$	52,941.18
EX2-10T-2PA	10GB ENET DUAL PORT SFP+ TWINAXCPNT	1	\$1,600.00	\$0.01	\$	0.01
			\$0.00	\$0.00	\$	-
<b>Section 1 Hardware &amp; Software Subtotal</b>						\$ 52,941.19
<b>Section 2 - Manufacturing Maintenance</b>						
EX-1YR-MS-S	One year 5 x 8 Customer Support and product Maintenance	1	\$16,594.00	\$7,425.00	\$	7,425.00
EX2-10T-2PA1YRMSS	EX2-10T-2PA 1YR 8X5 SUPPORT SVCS	1	\$240.00	\$0.01	\$	0.01
				\$0.00	\$	-
				\$0.00	\$	-
<b>Section 2 Maintenance Subtotal</b>						\$ 7,425.01
<b>Subtotals</b>						
				Hardware and Software Subtotal:		\$ 52,941.19
				Manufacturer's Maintenance Subtotal:		\$ 7,425.01
				<b>Total Project Investment</b>		<b>\$ 60,366.20</b>
				<b>Estimated Taxes</b>		<b>\$ -</b>
				<b>Estimated Shipping</b>		<b>\$ -</b>
				<b>Estimated Tax on Shipping (TX Only)</b>		<b>\$0.00</b>
Signature: _____						
Print Name: _____						
Title: _____						
Date: _____						
				<b>Total Project Investment including Taxes &amp; Shipping</b>		<b>\$ 60,366.20</b>
<b>Terms &amp; Conditions</b>						
This quote is valid for 60 days from date of issue. Applicable taxes & freight charges will be applied to the final invoice. All other Terms and Conditions are included in the Master Services Agreement or Proposal document. NWN will invoice customer for hardware, software and maintenance upon shipment from Original Equipment Manufacturer.						

**CERTIFICATE OF INTERESTED PARTIES****FORM 1295**

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY  
CERTIFICATION OF FILING**

**Certificate Number:**  
 2020-580691

**Date Filed:**  
 01/24/2020

**Date Acknowledged:**

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**

NWN Corporation  
 Houston, TX United States

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**

City of Deer Park

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**

Choice Partners 18/056KD-44  
 ExaGrid Backup Solution

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

**5 Check only if there is NO Interested Party.****6 UNSWORN DECLARATION**

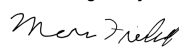
My name is Marc Friedhoff, and my date of birth is 3-21-68.

My address is 4802 N. Sam Houston Pkwy' Suite 500, Houston, TX, 77086, USA.  
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Harris County, State of Texas, on the 24 day of January, 2020.  
(month) (year)

DocuSigned by:



Signature of authorized agent of contracting business entity  
 (Declarant)



## Legislation Details (With Text)

**File #:** ACT 19-039    **Version:** 1    **Name:**  
**Type:** Acceptance    **Status:** Agenda Ready  
**File created:** 11/7/2019    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Acceptance of completion and retainage release for the Deer Park Soccer Complex to Tandem Services, LLC.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Soccer Field Development- Pay Application No. 17-Final](#)  
[Deer Park Soccer Maintenance Bond](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Acceptance of completion and retainage release for the Deer Park Soccer Complex to Tandem Services, LLC.

### Summary:

The Type B project, Deer Park Soccer Complex, has been substantially approved for completion and therefore we are releasing the final payment and retainage.

### Fiscal/Budgetary Impact:

The balance to finish plus the retainage to complete the project is \$79,810 and is funded by Type B funds approved by the voters in May of 2015.

Staff is requesting approval of the release to Tandem Services, LLC and acceptance of completed project.

# APPLICATION AND CERTIFICATION FOR PAYMENT

TO: City of Deer Park  
701 E. San Augustine  
Deer Park, TX 77536

PROJECT: Soccer Field  
Development- Phase I

AIA DOCUMENT G702

APPLICATION NO: 17- Final

PAGE ONE OF TWO

PAGES

FROM: Tandem Service, LLC  
4425 FM 2351 Suite 5  
Friendswood, TX 77546

ARCHITECT: Halff Associates, Inc.  
14800 St. Mary's Ln. #160  
Houston, TX 77079

PERIOD TO: 05/01/2019 to  
05/31/2019

PROJECT NOS: 31558-PH1-16003B

Distribution to:

<input type="checkbox"/>	OWNER
<input checked="" type="checkbox"/>	ARCHITECT
<input type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	

## CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.  
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM \$ 3,325,655.65
2. Net change by Change Orders \$ 289,049.92
3. CONTRACT SUM TO DATE (Line 1 + 2) \$ 3,614,705.57
4. TOTAL COMPLETED & STORED TO  
DATE (Column G on G703) \$ 3,607,035.05
5. RETAINAGE:
  - a. 0 % of Completed Work \$ 0.00  
(Column D + E on G703)
  - b. % of Stored Material \$ Included in above  
(Column F on G703)Total Retainage (Lines 5a + 5b or  
Total in Column I of G703) \$ 0.00
6. TOTAL EARNED LESS RETAINAGE \$ 3,607,035.05  
(Line 4 Less Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR  
PAYMENT (Line 6 from prior Certificate) \$ 3,534,894.35
8. CURRENT PAYMENT DUE \$ 72,140.70
9. BALANCE TO FINISH, INCLUDING RETAINAGE \$ 7,670.52  
(Line 3 less Line 6)

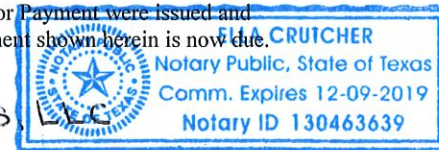
CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month	\$289,049.92	
TOTALS	\$289,049.92	\$0.00
NET CHANGES by Change Order	\$289,049.92	

The undersigned Contractor certifies that to the best of the Contractor's knowledge,  
information and belief the Work covered by this Application for Payment has been  
completed in accordance with the Contract Documents, that all amounts have been paid by  
the Contractor for Work for which previous Certificates for Payment were issued and  
payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Tandem Services, LLC

By: Dust-Joe Date: 5/30/2019

State of: Texas County of: Harris  
Subscribed and sworn to before me the 30 day of May, 2019.  
Notary Public: Elle Crutcher  
My Commission expires: 12-09-2019



## ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data  
comprising the application, the Architect certifies to the Owner that to the best of the  
Architect's knowledge, information and belief the Work has progressed as indicated,  
the quality of the Work is in accordance with the Contract Documents, and the Contractor  
is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED .....\$ \_\_\_\_\_

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this  
Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: \_\_\_\_\_ Date: \_\_\_\_\_

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the  
Contractor named herein. Issuance, payment and acceptance of payment are without  
prejudice to any rights of the Owner or Contractor under this Contract.



# CONTINUATION SHEET

AIA DOCUMENT G703

PAGE 2 OF 2 PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 17- Final

APPLICATION DATE: 5/31/2019

PERIOD TO: 5/31/2019

ARCHITECT'S PROJECT NO: 31558-PH1-16003B

ITEM NO.	DESCRIPTION OF WORK	QTY	UNIT	UNIT PRICES	BID AMOUNT	WORK COMPLETED								
						QUANTITIES			PAYMENTS			PERCENT COMPLETE	BALANCE TO FINISH	5% RETAINAGE
						PREVIOUS	CURRENT	TOTAL	PREVIOUS	CURRENT	TOTAL TO DATE			
100.00	SWPPP COMPLIANCE	1	LS	\$50,000.00	\$50,000.00	1		1	\$50,000.00		\$50,000.00	100.00%	\$0.00	\$0.00
200.00	REMOVE SIGN	1	EA	\$500.00	\$500.00	1		1	\$500.00		\$500.00	100.00%	\$0.00	\$0.00
200.01	CLEARING AND GRUBBING	33	AC	\$4,000.00	\$132,000.00	33		33	\$132,000.00		\$132,000.00	100.00%	\$0.00	\$0.00
200.02	EXCAVATION	31655	CY	\$4.50	\$142,447.50	31655		31655	\$142,447.50		\$142,447.50	100.00%	\$0.00	\$0.00
200.03	IMPORT SOIL	42092	CY	\$19.00	\$799,748.00	42092		42092	\$799,748.00		\$799,748.00	100.00%	\$0.00	\$0.00
200.04	2" PVC WL - SCH 40, ALL FITTINGS & VALVES	25	LF	\$31.00	\$775.00	25		25	\$775.00		\$775.00	100.00%	\$0.00	\$0.00
200.05	2.5" PVC WL - SCH 40, ALL FITTINGS & VALVES	344	LF	\$37.50	\$12,900.00	344		344	\$12,900.00		\$12,900.00	100.00%	\$0.00	\$0.00
200.06	4" PVC WL - C-900 DR-18, CL 235, ALL FITTINGS & VALVES	347	LF	\$42.00	\$14,574.00	347		347	\$14,574.00		\$14,574.00	100.00%	\$0.00	\$0.00
200.07	4" IRRIGATION SLEEVE, SCH 40 PVC	35	LF	\$25.00	\$875.00	35		35	\$875.00		\$875.00	100.00%	\$0.00	\$0.00
200.08	6" IRRIGATION SLEEVE, SCH 40 PVC	35	LF	\$31.00	\$1,085.00	35		35	\$1,085.00		\$1,085.00	100.00%	\$0.00	\$0.00
200.09	12" X 4" TS&V	1	EA	\$5,400.00	\$5,400.00	1		1	\$5,400.00		\$5,400.00	100.00%	\$0.00	\$0.00
200.10	2" BF PREVENTOR (DOMESTIC & IRRIGATION)	2	EA	\$4,560.00	\$9,120.00	2.0		2.00	\$9,120.00		\$9,120.00	100.00%	\$0.00	\$0.00
200.11	12" WL OFFSET, INCLUDES ALL FITTINGS	1	LS	\$7,800.00	\$7,800.00	1		1	\$7,800.00		\$7,800.00	100.00%	\$0.00	\$0.00
200.12	6" SCH 40 PVC SS, 5'-10' DEPTH	313	LF	\$66.00	\$20,658.00	313		313	\$20,658.00		\$20,658.00	100.00%	\$0.00	\$0.00
200.13	6" SCH 40 PVC SS, 10'-15' DEPTH	687	LF	\$90.00	\$61,830.00	687		687	\$61,830.00		\$61,830.00	100.00%	\$0.00	\$0.00
200.14	6" SCH 40 PVC SS, 15'-20' DEPTH	532	LF	\$115.00	\$61,180.00	532		532	\$61,180.00		\$61,180.00	100.00%	\$0.00	\$0.00
200.15	12" SS SLEEVE, SDR 35 PVC, 5'-10' DEPTH, INCLUDES ALL FITTINGS	23	LF	\$31.00	\$713.00	23		23	\$713.00		\$713.00	100.00%	\$0.00	\$0.00
200.16	PC REINF SS MH, ALL DEPTHS	5	EA	\$6,360.00	\$31,800.00	5		5	\$31,800.00		\$31,800.00	100.00%	\$0.00	\$0.00
200.17	6" SS CLEANOUT	1	EA	\$815.00	\$815.00	1		1	\$815.00		\$815.00	100.00%	\$0.00	\$0.00
200.18	6" SS PLUG	1	EA	\$565.00	\$565.00	1		1	\$565.00		\$565.00	100.00%	\$0.00	\$0.00
200.19	8" FM OFFSET, INCLUDES ALL FITTINGS	1	LS	\$4,375.00	\$4,375.00	1		1	\$4,375.00		\$4,375.00	100.00%	\$0.00	\$0.00
200.20	18" HDPE, STORM, ASTM F667, ALL DEPTHS	110	LF	\$72.00	\$7,920.00	110		110	\$7,920.00		\$7,920.00	100.00%	\$0.00	\$0.00
200.21	30" HDPE, ALL DEPTHS	82	LF	\$99.00	\$8,118.00	82		82	\$8,118.00		\$8,118.00	100.00%	\$0.00	\$0.00
200.22	21" RCP, C-76, CL 3	48	LF	\$90.00	\$4,320.00	48		48	\$4,320.00		\$4,320.00	100.00%	\$0.00	\$0.00
200.23	24" RCP, C-76, CL 3	335	LF	\$110.00	\$36,850.00	335		335	\$36,850.00		\$36,850.00	100.00%	\$0.00	\$0.00
200.24	30" RCP, C-76, CL 3	788	LF	\$130.00	\$102,440.00	788		788	\$102,440.00		\$102,440.00	100.00%	\$0.00	\$0.00
200.25	PC STORM MH, C-76, CL 3	2	EA	\$4,440.00	\$8,880.00	2		2	\$8,880.00		\$8,880.00	100.00%	\$0.00	\$0.00
200.26	TY A GRATE INLET	8	EA	\$1,680.00	\$13,440.00	8		8	\$13,440.00		\$13,440.00	100.00%	\$0.00	\$0.00
200.27	TY E AREA INLET	1	EA	\$6,480.00	\$6,480.00	1		1	\$6,480.00		\$6,480.00	100.00%	\$0.00	\$0.00
200.28	PARK USA FLOATABLES COLLECTION SCREEN, #DSHD-30-3	1	EA	\$4,190.00	\$4,190.00	1		1	\$4,190.00		\$4,190.00	100.00%	\$0.00	\$0.00
200.29	TRENCH SAFETY SYSTEM, 0'-5' DEPTH	1687	LF	\$2.40	\$4,048.80	1687		1687	\$4,048.80		\$4,048.80	100.00%	\$0.00	\$0.00
200.30	TRENCH SAFETY SYSTEM, 5'-10' DEPTH	384	LF	\$2.40	\$921.60	384		384	\$921.60		\$921.60	100.00%	\$0.00	\$0.00
200.31	TRENCH SAFETY SYSTEM, 10'-15' DEPTH	687	LF	\$2.40	\$1,648.80	687		687	\$1,648.80		\$1,648.80	100.00%	\$0.00	\$0.00
200.32	TRENCH SAFETY SYSTEM, 15'-20' DEPTH	532	LF	\$2.40	\$1,276.80	532		532	\$1,276.80		\$1,276.80	100.00%	\$0.00	\$0.00
200.33	SERVICE PEDESTAL	1	EA	\$2,000.00	\$2,000.00	1		1	\$2,000.00		\$2,000.00	100.00%	\$0.00	\$0.00
200.34	CONDUIT SCH 40 - 1"	2620	LF	\$6.50	\$17,030.00	2620		2620	\$17,030.00		\$17,030.00	100.00%	\$0.00	\$0.00
200.35	CONDUIT SCH 40 - 2"	5685	LF	\$7.45	\$42,353.25	5685		5685	\$42,353.25		\$42,353.25	100.00%	\$0.00	\$0.00
200.36	CONDUIT SCH 40 - 2.5"	575	LF	\$8.10	\$4,657.50	575		575	\$4,657.50		\$4,657.50	100.00%	\$0.00	\$0.00
200.37	CONDUIT SCH 40 - 3"	1200	LF	\$8.75	\$10,500.00	1200		1200	\$10,500.00		\$10,500.00	100.00%	\$0.00	\$0.00
200.38	CONDUCTOR NO. 350 - INSULATED	5600	LF	\$11.15	\$62,440.00	5600		5600	\$62,440.00		\$62,440.00	100.00%	\$0.00	\$0.00
200.39	CONDUCTOR NO. 2/0 - INSULATED	1195	LF	\$3.55	\$4,242.25	1195		1195	\$4,242.25		\$4,242.25	100.00%	\$0.00	\$0.00
200.40	CONDUCTOR NO. 1 - INSULATED	1200	LF	\$2.45	\$2,940.00	1200		1200	\$2,940.00		\$2,940.00	100.00%	\$0.00	\$0.00
200.41	CONDUCTOR NO. 6 - INSULATED	23755	LF	\$0.95	\$22,567.25	23755		23755	\$22,567.25		\$22,567.25	100.00%	\$0.00	\$0.00
200.42	CONDUCTOR NO. 8 - INSULATED	6560	LF	\$0.75	\$4,920.00	6560		6560	\$4,920.00		\$4,920.00	100.00%	\$0.00	\$0.00
200.43	CONDUCTOR NO. 10 - INSULATED	10690	LF	\$0.55	\$5,879.50	10690		10690	\$5,879.50		\$5,879.50	100.00%	\$0.00	\$0.00
200.44	CONDUCTOR NO. 12 - INSULATED	825	LF	\$0.50	\$412.50	825		825	\$412.50		\$412.50	100.00%	\$0.00	\$0.00
200.45	GFCI WEATHERPROOF DUPLEX RECEPTACLE	2	EA	\$65.00	\$130.00	2		2	\$130.00		\$130.00	100.00%	\$0.00	\$0.00
200.46	CABINET	1	EA	\$2,080.00	\$2,080.00	1		1	\$2,080.00		\$2,080.00	100.00%	\$0.00	\$0.00
200.47	MAIN DISC	1	EA	\$4,550.00	\$4,550.00	1		1	\$4,550.00		\$4,550.00	100.00%	\$0.00	\$0.00
200.48	PANEL H, 2 SECTION	1	EA	\$9,360.00	\$9,360.00	1		1	\$9,360.00		\$9,360.00	100.00%	\$0.00	\$0.00
200.49	CONTROL XFMR	1	EA	\$520.00	\$520.00	1		1	\$520.00		\$520.00	100.00%	\$0.00	\$0.00
200.50	112.5KVA	1	EA	\$4,940.00	\$4,940.00	1		1	\$4,940.00		\$4,940.00	100.00%	\$0.00	\$0.00

200.51	TVSS	1	EA	\$780.00	\$780.00	1		1	\$780.00		\$780.00	100.00%	\$0.00	\$0.00
200.52	LIGHTING- RAB: POLE, SINGLE HEAD, 150 WATT LED TY III	4	EA	\$3,605.00	\$14,420.00	4		4	\$14,420.00		\$14,420.00	100.00%	\$0.00	\$0.00
200.53	LIGHTING- RAB: POLE, FOUR HEAD, 150 WATT LED TY IV A	4	EA	\$5,750.00	\$23,000.00	4		4	\$23,000.00		\$23,000.00	100.00%	\$0.00	\$0.00
300.00	4" REINF CONCRETE SIDEWALK	727	SY	\$43.00	\$31,261.00	727		727	\$31,261.00		\$31,261.00	100.00%	\$0.00	\$0.00
300.01	5" REINF CONCRETE PAVEMENT	4153	SY	\$41.00	\$170,273.00	4153		4153	\$170,273.00		\$170,273.00	100.00%	\$0.00	\$0.00
300.02	6" REINF CONCRETE PAVEMENT	5852	SY	\$43.00	\$251,636.00	5852		5852	\$251,636.00		\$251,636.00	100.00%	\$0.00	\$0.00
300.03	7" REINF CONCRETE PAVEMENT	254	SY	\$57.50	\$14,605.00	254		254	\$14,605.00		\$14,605.00	100.00%	\$0.00	\$0.00
300.04	CONCRETE WHEELSTOPS	67	EA	\$65.00	\$4,355.00	67		67	\$4,355.00		\$4,355.00	100.00%	\$0.00	\$0.00
300.05	STRIPING & SIGNAGE	1	LS	\$10,000.00	\$10,000.00	1		1	\$10,000.00		\$10,000.00	100.00%	\$0.00	\$0.00
300.06	TRUEGRID GRASS PAVING SYSTEM	3926	SF	\$6.00	\$23,556.00	3926		3926	\$23,556.00		\$23,556.00	100.00%	\$0.00	\$0.00
300.07	LIME	295	TONS	\$190.00	\$56,050.00	295		295	\$56,050.00		\$56,050.00	100.00%	\$0.00	\$0.00
300.08	8" LIME TRT	12762	SY	\$4.50	\$57,429.00	12762		12762	\$57,429.00		\$57,429.00	100.00%	\$0.00	\$0.00
400.00	SEATWALLS W/ CAP, INCLUDES FOOTINGS	130	LF	\$90.00	\$11,700.00	130		130	\$11,700.00		\$11,700.00	100.00%	\$0.00	\$0.00
400.01	FIXED PIPE BOLLARDS	11	EA	\$600.00	\$6,600.00	11		11	\$6,600.00		\$6,600.00	100.00%	\$0.00	\$0.00
400.02	ENTRY SWING GATE, INCLUDES FOOTINGS & PAINT	1	LS	\$7,000.00	\$7,000.00	1		1	\$7,000.00		\$7,000.00	100.00%	\$0.00	\$0.00
400.03	BARRIER POST & CABLE FENCE W/ CABLE LOCK POST	710	LF	\$25.00	\$17,750.00	710		710	\$17,750.00		\$17,750.00	100.00%	\$0.00	\$0.00
400.04	DETECTABLE WARN SURF MAT- MODEL #ALERTCAST	137	SF	\$35.00	\$4,795.00	137		137	\$4,795.00		\$4,795.00	100.00%	\$0.00	\$0.00
400.05	8' CHAIN LINK FENCE W/ SLATS	120	LF	\$40.00	\$4,800.00	120		120	\$4,800.00		\$4,800.00	100.00%	\$0.00	\$0.00
400.06	8' CHAIN LINK DOUBLE GATE W/ SLATS- 12.5 LEAVES	1	EA	\$2,800.00	\$2,800.00	1		1	\$2,800.00		\$2,800.00	100.00%	\$0.00	\$0.00
400.07	DEDICATED PLAQUE	1	EA	\$5,000.00	\$5,000.00	1		1	\$5,000.00		\$5,000.00	100.00%	\$0.00	\$0.00
500.00	COMPL AUTO IRRIGATION SYSTEM, INCLUDES BOOSTER P	1	LS	\$127,190.00	\$127,190.00	1.00		1.00	\$127,190.00		\$127,190.00	100.00%	\$0.00	\$0.00
500.01	TOPSOIL FOR FIELDS- 4" @ FIELD AREAS ONLY, IMPORT	38400	SY	\$4.50	\$172,800.00	38400		38400	\$172,800.00		\$172,800.00	100.00%	\$0.00	\$0.00
500.02	HYDROMULCH - BERMUDA	14	AC	\$1,800.00	\$25,200.00	14		14	\$25,200.00		\$25,200.00	100.00%	\$0.00	\$0.00
500.03	FIELD GRASS SPRIGGING - TIF 419	48099	SY	\$1.10	\$52,908.90	48099		48099	\$52,908.90		\$52,908.90	100.00%	\$0.00	\$0.00
600.00	CUSTOM CONCESSION/RESTROOM BUILDING, W/ SUBGRAI	1	LS	\$340,530.00	\$340,530.00	1		1	\$340,530.00		\$340,530.00	100.00%	\$0.00	\$0.00
700.00	OWNER CONTINGENCY	1	LS	\$110,677.60	\$110,677.60	1		1	\$110,677.60		\$110,677.60	100.00%	\$0.00	\$0.00
CM 1	INSTALL 21 GROUND BOXES	1	LS	\$13,650.00	\$13,650.00	1		1	\$13,650.00		\$13,650.00	100.00%	\$0.00	\$0.00
CM 2	CHANGE LIGHT POLE'S CONCRETE BASE FROM 3" TO 3'	1	LS	\$1,152.40	\$1,152.40	1		1	\$1,152.40		\$1,152.40	100.00%	\$0.00	\$0.00
CM 3	INSTALL 4 CORNER FIELD MARKERS AND 2 MIDFIELD MAR	1	LS	\$9,000.00	\$9,000.00	1		1	\$9,000.00		\$9,000.00	100.00%	\$0.00	\$0.00
CM 4	TY E AREA INLET REMOVED FROM SCOPE	1	LS	(\$6,480.00)	(\$6,480.00)	1		1	(\$6,480.00)		-\$6,480.00	100.00%	\$0.00	\$0.00
R-1	3% of Retainage to Date	1	LS	\$96,295.38	\$96,295.38	1		1	\$96,295.38		\$96,295.38	100.00%	\$0.00	\$0.00
R-2	2% of Retainage to Date	1	LS	\$72,140.70	\$72,140.70		1	1	\$72,140.70	\$72,140.70	\$72,140.70	100.00%	\$0.00	\$0.00
CO 1	CO 1 Item 1 Sod	1	LS	\$117,845.00	\$117,845.00	1		1	\$117,845.00		\$117,845.00	100.00%	\$0.00	\$0.00
CO 1	CO 1 Item 2 Additional Project Overages*	1	LS	\$149,069.40	\$149,069.40	1		1	\$149,069.40		\$149,069.40	100.00%	\$0.00	\$0.00
CO 1	Additional Owner Contingency (\$22,135.52 approved with CO 1)	1	LS	\$7,670.52	\$7,670.52			0			\$0.00		\$7,670.52	
CM 5	Insulation	1	LS	\$2,530.00	\$2,530.00	1		1	\$2,530.00		\$2,530.00	100.00%	\$0.00	\$0.00
CM 6	Install Sod in Detention Pond	1	LS	\$5,225.00	\$5,225.00	1		1	\$5,225.00		\$5,225.00	100.00%	\$0.00	\$0.00
CM 7	Install Sod to Line Ditches	1	LS	\$6,710.00	\$6,710.00	1		1	\$6,710.00		\$6,710.00	100.00%	\$0.00	\$0.00
	* This unit price includes Overages (\$368,997.50), Deductions (- \$109,250.50), and the application of the remaining original contingency (-\$110,677.60)													
	GRAND TOTALS				\$3,614,705.57				\$3,607,035.05	\$72,140.70	\$3,607,035.05	99.79%	\$7,670.52	\$0.00



## MAINTENANCE BOND

BOND NO. 58S210403

### KNOW ALL MEN BY THESE PRESENTS:

That **Tandem Services, LLC**, as Principal, hereinafter called Contractor, and **Liberty Mutual Insurance Company**, as Surety, hereinafter called Surety, are held and firmly bound unto **City of Deer Park**, as Oblige, hereinafter called Owner, in the penal sum of Three Million, Three Hundred and Twenty-Five Thousand and Six Hundred and Fifty-Five and 65/100 Dollars (\$3,325,655.65), for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, Contractor has by written agreement dated 14<sup>th</sup> of November, 2017 entered into a contract with Owner for **Soccer Field Development – Phase 1** in accordance with the General Conditions, the Drawings and Specifications, which contract is by reference incorporated herein, and made a part hereof, and is referred to as the Contract.

**NOW, THEREFORE**, the condition of this obligation is such that, if Contractor shall remedy any defects due to faulty materials or workmanship which shall appear within a period of **One Year** from the date of substantial completion of the work provided for in the Contract, then this obligation to be void, otherwise to remain in full force and effect.

**Any and all claims must be submitted to Liberty Mutual Insurance Company prior to the expiration date of this bond.**

Signed and sealed this **16th** day of **January, 2020**

  
\_\_\_\_\_  
Witness Ella Crutcher

**Tandem Services, LLC**  
Principal

By:   
Dustin Johnson, Partner

**Liberty Mutual Insurance Company**

By:   
Kelly J. Brooks, Attorney-in-Fact

  
\_\_\_\_\_  
Michele Bondurant, Secretary  
Witness





This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company  
The Ohio Casualty Insurance Company  
West American Insurance Company

Certificate No. 8200515

### POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, \_\_\_\_\_

Michelle Ulery, Kelly J. Brooks, C.A. McClure, Kenneth L. Meyer

all of the city of Cypress state of TX each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 13th day of February, 2019



Liberty Mutual Insurance Company  
The Ohio Casualty Insurance Company  
West American Insurance Company

By: [Signature]  
David M. Carey, Assistant Secretary

State of PENNSYLVANIA  
County of MONTGOMERY ss

On this 13th day of February, 2019 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Upper Merion Twp., Montgomery County  
My Commission Expires March 28, 2024  
Member, Pennsylvania Association of Notaries

By: [Signature]  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

#### ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

#### ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation** - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization** - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.



By: [Signature]  
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:00 pm EST on any business day.





## TEXAS IMPORTANT NOTICE

To obtain information or make a complaint:

You may call toll-free for information or to make a complaint at  
1-877-751-2640

You may also write to:

2200 Renaissance Blvd., Ste. 400  
King of Prussia, PA 19406-2755

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at  
1-800-252-3439

You may write the Texas Department of Insurance  
Consumer Protection (111-1A)  
P. O. Box 149091  
Austin, TX 78714-9091  
FAX: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

### PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should first contact the agent or call 1-800-843-6446. If the dispute is not resolved, you may contact the Texas Department of Insurance.

### ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

## TEXAS AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis para informacion o para someter una queja al  
1-877-751-2640

Usted tambien puede escribir a:

2200 Renaissance Blvd., Ste. 400  
King of Prussia, PA 19406-2755

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al  
1-800-252-3439

Puede escribir al Departamento de Seguros de Texas Consumer Protection (111-1A)  
P. O. Box 149091  
Austin, TX 78714-9091  
FAX # (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

### DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI)

### UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.



## Legislation Details (With Text)

**File #:** RPT 20-005    **Version:** 1    **Name:**  
**Type:** Report    **Status:** Agenda Ready  
**File created:** 1/20/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Acceptance of Quarterly Investment Report for the quarter ended December 31, 2019.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [2020 1Q Investment Report](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Acceptance of Quarterly Investment Report for the quarter ended December 31, 2019.

Summary: Chapter 2, Administration, Article VII (Finance), All of Division 2 (Investment Policy), Section 2-274 Reporting, of the Code of Ordinances of the City of Deer Park, requires the Investment Officers to prepare and submit to City Council an investment report no less than on a quarterly basis. This requirement is in compliance with the Texas Public Funds Investment Act, V.T.C.A., Government Code Ch. 2256 as amended (the "Act"). The City's Investment Officers have worked with the Investment Advisor to prepare this report for the quarter ended December 31, 2019 and each has signed the report.

At December 31, 2019, all City funds were held in various depository accounts or in accounts at TexPool, TexSTAR, or Texas CLASS, which are local government investment pools authorized by the Investment Policy. All three pools continue to maintain their AAAM rating by Standard & Poor's, which is the highest rating a local government investment pool can achieve.

Cash and investment activity included on the attached report is summarized below:

Cash in Wells Fargo (Depository Bank)	\$ 24,587,081
Money Market Accounts	2,114,217
Certificates of Deposit	42,630,135
TexPool	19,268,812
TexSTAR	13,691,991
Texas CLASS	9,663,884

Total Book Value                      \$111,956,120

Working with the City's investment advisor, the City has diversified the portfolio during the last few years with current investments of \$44,744,352 in various depository banks through money market accounts and certificates of deposit. At the end of the quarter, these investments represent about 40.0 percent of the portfolio.

These depository investments are earning between 1.75% and 3.05%. Comparatively, rates in the investment pools averaged 1.7372%, 1.6777%, and 1.7556% for the quarter in TexPool, TexSTAR, and Texas CLASS, respectively. While the new depository investments have increased investment earnings, as these rates indicate, market rates are again declining. The City will continue to review and evaluate investment opportunities for safety, liquidity, and yield.

At the end of the first quarter of Fiscal Year 2019-2020, investments in TexPool totaled \$19,171,437, which is a net increase of \$97,375 from the previous quarter. This net increase primarily represents interest earnings for the quarter but also includes a \$13,268 deposit to the Debt Service Fund related to the issuance of the Series 2019, Certificates of Obligation and the Series 2019, Limited Tax Refunding Bonds. The TexPool funds earned an average 2.2409% for the quarter (July - September 2019) or 50 basis points lower than the average for the previous quarter (note: a basis point is equal to 1/100 of a percentage point so 0.01 equals 1 basis point). On December 31, 2019, TexPool was earning 1.6104%.

Investments in TexSTAR at the end of the first quarter of the fiscal year totaled \$13,691,991, which is a net increase of \$57,757 from the previous quarter. This net increase represents the interest earnings for the quarter. The TexSTAR funds earned an average 1.6777% for the quarter or 53 basis points lower than the average for the previous quarter. On December 31, 2019, TexSTAR was earning 1.5661%.

Investments in Texas CLASS at the end of the first quarter of the fiscal year totaled \$9,663,884, which is an increase of \$4,628,409 from the previous quarter. This net increase is primarily the result of the \$4,603,200 deposit of proceeds from the Series 2019, Certificates of Obligation but also includes \$25,209 of interest earnings for the quarter. The Texas CLASS funds earned an average 1.7556% for the quarter or 48 basis points lower than the average for the previous quarter. On December 31, 2019, Texas CLASS was earning 1.6251%.

The federal funds rate, still shown as a range, was reduced 25 basis points by the Federal Open Market Committee (FOMC) on October 30, 2019 to a new range of 1.50% - 1.75%. At the December 11, 2019, the FOMC did not change the rate, and the rate is expected to be unchanged at the January 30, 2020 meeting. The rate has dropped 75 basis points in the last year from the range of 2.25% - 2.50% on December 31, 2018. As a result of these rate reductions, market rates have been declining as seen in the investment pool rates and the certificate of deposit reinvestment rates. While the 1.70% weighted average yield for the first quarter ended December 31, 2019 is higher than the 1.60% rolling average yield of the three-month U.S. Treasury Bill for the quarter, it is lower than the 2.18% for the last quarter reflecting the interest rate declines in the current market. Currently about 22.0 percent of the portfolio is in the City's depository bank.

Fiscal/Budgetary Impact:

N/A.

Accept the Investment Report for the Quarter Ended December 31, 2019.





## QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 2019

Prepared by  
Valley View Consulting, L.L.C. (1)

To the best of our knowledge, this portfolio and report are in compliance with the investment strategy expressed in Chapter 2, Administration, Article VII, Division 2, Investment Policy of the Code of Ordinances of the City of Deer Park and the Texas Public Funds Investment Act, Government Code Ch. 2256, as amended.

City Manager

Assistant City Manager

Director of Finance

(1) Disclaimer: These reports were compiled using information provided by the City. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields, and do not account for investment advisor fees.

## Strategy Summary

### Quarter End Results by Investment Category:

Asset Type	September 30, 2019		December 31, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
MMA/NOW	\$ 14,843,681.02	\$ 14,843,681.02	\$ 26,701,297.73	\$ 26,701,297.73	0.30%
LGIPs	37,841,146.43	37,841,146.43	42,624,687.58	42,624,687.58	1.61%
CDS/Securities	44,049,393.05	44,049,393.05	42,630,134.95	42,630,134.95	2.67%
<b>Totals</b>	<b>\$ 96,734,220.50</b>	<b>\$ 96,734,220.50</b>	<b>\$ 111,956,120.26</b>	<b>\$ 111,956,120.26</b>	

#### Current Quarter Average Yield (1)

Total Portfolio	1.70%				
Rolling Three Month Treasury	1.60%		Rolling Three Month Treasury	1.60%	
Rolling Six Month Treasury	1.78%		Rolling Six Month Treasury	1.78%	
TexPool	1.62%		Quarter-End TexPool Yield	1.62%	
TexSTAR	1.56%		Quarter-End TexSTAR Yield	1.56%	
TexasCLASS Gov't	1.64%		Quarter-End TexasCLASS Gov't Yield	1.64%	

#### Fiscal Year-to-Date Average Yield (2)

Total Portfolio	1.70%				
Quarterly Interest Income	\$ 473,521.04	Approximate			
Year-to-date Interest Income	\$ 473,521.04	Approximate			

Note: Bank balances represent pooled cash accounts (General Fund, Accounts Payable and Payroll), plus the CCPD, FCPMMSD and DPCDC accounts. Cash balances are unaudited.

(1) Current Quarter Average Yield - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields.

# Investment Holdings

## December 31, 2019

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo #2800 MMA		0.17%	01/01/20	12/31/19	\$ 19,843,211.92	\$ 19,843,211.92	1.00	\$ 19,843,211.92	1	0.17%
Wells Fargo #9865 MMA		0.17%	01/01/20	12/31/19	2,440,711.88	2,440,711.88	1.00	2,440,711.88	1	0.17%
Wells Fargo #9824 MMA		0.17%	01/01/20	12/31/19	280,852.43	280,852.43	1.00	280,852.43	1	0.17%
Wells Fargo #6267 MMA		0.17%	01/01/20	12/31/19	2,022,305.05	2,022,305.05	1.00	2,022,305.05	1	0.17%
Veritex Bank MMA		1.76%	01/01/20	12/31/19	2,114,216.45	2,114,216.45	1.00	2,114,216.45	1	1.76%
TexPool	AAA	1.62%	01/01/20	12/31/19	19,268,812.03	19,268,812.03	1.00	19,268,812.03	1	1.62%
TexSTAR	AAA	1.56%	01/01/20	12/31/19	13,691,991.16	13,691,991.16	1.00	13,691,991.16	1	1.56%
TexasCLASS Gov't	AAA	1.64%	01/01/20	12/31/19	9,663,884.39	9,663,884.39	1.00	9,663,884.39	1	1.64%
East West Bank CD		2.71%	03/04/20	03/04/19	2,045,501.65	2,045,501.65	100.00	2,045,501.65	64	2.75%
East West Bank CD		2.91%	04/01/20	10/01/18	2,592,762.89	2,592,762.89	100.00	2,592,762.89	92	2.95%
Origin Bank CD		2.76%	05/29/20	01/29/19	3,062,356.98	3,062,356.98	100.00	3,062,356.98	150	2.79%
East West Bank CD		2.97%	07/01/20	10/01/18	2,594,711.31	2,594,711.31	100.00	2,594,711.31	183	3.01%
East West Bank CD		2.10%	07/22/20	07/22/19	2,582,019.37	2,582,019.37	100.00	2,582,019.37	204	2.12%
WallisBank CD		3.05%	08/20/20	11/20/18	3,092,490.40	3,092,490.40	100.00	3,092,490.40	233	3.08%
Origin Bank CD		2.76%	09/01/20	02/01/19	3,062,356.93	3,062,356.93	100.00	3,062,356.93	245	2.79%
East West Bank CD		3.03%	10/01/20	10/01/18	2,596,661.08	2,596,661.08	100.00	2,596,661.08	275	3.08%
Southside Bank CD		1.76%	10/05/20	11/04/19	1,500,000.00	1,500,000.00	100.00	1,500,000.00	279	1.77%
Origin Bank CD		2.91%	11/29/20	01/29/19	3,065,770.47	3,065,770.47	100.00	3,065,770.47	334	2.94%
Origin Bank CD		2.91%	02/01/21	02/01/19	2,043,846.95	2,043,846.95	100.00	2,043,846.95	398	2.94%
East West Bank CD		2.56%	02/01/21	05/01/19	2,606,146.97	2,606,146.97	100.00	2,606,146.97	398	2.59%
Legacy Texas Bank CD		2.74%	03/01/21	03/01/19	3,652,321.53	3,652,321.53	100.00	3,652,321.53	426	2.77%
East West Bank CD		2.58%	04/02/21	04/02/19	2,608,191.29	2,608,191.29	100.00	2,608,191.29	458	2.62%
Allegiance Bank CD		1.78%	05/01/21	11/01/19	1,500,000.00	1,500,000.00	100.00	1,500,000.00	487	1.79%
Allegiance Bank CD		1.75%	05/03/21	11/29/19	2,000,000.00	2,000,000.00	100.00	2,000,000.00	489	1.76%
Legacy Texas Bank CD		2.48%	06/03/21	06/03/19	2,024,997.13	2,024,997.13	100.00	2,024,997.13	520	2.51%
					<u>\$ 111,956,120.26</u>	<u>\$ 111,956,120.26</u>				
							<u>\$ 111,956,120.26</u>	<u>115</u>	<u>1.70%</u>	
								(1)	(2)	

(1) Weighted average life - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have a one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools and money market funds.

# Book Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2019				December 31, 2019			
			Par Value	Book Value	Purchases/ Adjustments	Sales/Adjust/ Call/Maturity	Par Value	Book Value		
Wells Fargo #2800 MMA	0.17%	01/01/20	\$ 8,255,693.92	\$ 8,255,693.92	\$ 11,587,518.00	\$ -	\$ 19,843,211.92	\$ 19,843,211.92		
Wells Fargo #9865 MMA	0.17%	01/01/20	2,307,741.79	2,307,741.79	132,970.09	-	2,440,711.88	2,440,711.88		
Wells Fargo #9824 MMA	0.17%	01/01/20	155,047.75	155,047.75	125,804.68	-	280,852.43	280,852.43		
Wells Fargo #6267 MMA	0.17%	01/01/20	2,021,438.69	2,021,438.69	866.36	-	2,022,305.05	2,022,305.05		
Vertex Bank MMA	1.76%	01/01/20	2,103,758.87	2,103,758.87	10,457.58	-	2,114,216.45	2,114,216.45		
TexPool	1.62%	01/01/20	19,171,437.48	19,171,437.48	97,374.55	-	19,268,812.03	19,268,812.03		
TexSTAR	1.56%	01/01/20	13,634,234.37	13,634,234.37	57,756.79	-	13,691,991.16	13,691,991.16		
TexasCLASS Gov't	1.64%	01/01/20	5,035,474.58	5,035,474.58	4,628,409.81	-	9,663,884.39	9,663,884.39		
East West Bank CD	2.79%	10/21/19	2,572,695.13	2,572,695.13	-	(2,572,695.13)	-	-		
East West Bank CD	2.71%	11/01/19	2,036,258.78	2,036,258.78	-	(2,036,258.78)	-	-		
LegacyTexas Bank CD	2.75%	12/02/19	2,069,980.54	2,069,980.54	-	(2,069,980.54)	-	-		
East West Bank CD	2.71%	03/04/20	2,031,577.59	2,031,577.59	13,924.06	-	2,045,501.65	2,045,501.65		
East West Bank CD	2.91%	04/01/20	2,573,815.84	2,573,815.84	18,947.05	-	2,592,762.89	2,592,762.89		
Origin Bank CD	2.76%	05/29/20	3,041,200.22	3,041,200.22	21,156.76	-	3,062,356.98	3,062,356.98		
East West Bank CD	2.97%	07/01/20	2,575,360.53	2,575,360.53	19,350.78	-	2,594,711.31	2,594,711.31		
East West Bank CD	2.10%	07/22/20	2,568,388.86	2,568,388.86	13,630.51	-	2,582,019.37	2,582,019.37		
WallsBank CD	3.05%	08/20/20	3,068,913.08	3,068,913.08	23,577.32	-	3,092,490.40	3,092,490.40		
Origin Bank CD	2.76%	09/01/20	3,041,200.18	3,041,200.18	21,156.75	-	3,062,356.93	3,062,356.93		
East West Bank CD	3.03%	10/01/20	2,576,906.05	2,576,906.05	19,755.03	-	2,596,661.08	2,596,661.08		
Southside Bank CD	1.76%	10/05/20	-	-	1,500,000.00	-	1,500,000.00	1,500,000.00		
Origin Bank CD	2.91%	11/29/20	3,043,447.41	3,043,447.41	22,323.06	-	3,065,770.47	3,065,770.47		
Origin Bank CD	2.91%	02/01/21	2,028,964.91	2,028,964.91	14,882.04	-	2,043,846.95	2,043,846.95		
East West Bank CD	2.56%	02/01/21	2,589,385.26	2,589,385.26	16,761.71	-	2,606,146.97	2,606,146.97		
LegacyTexas Bank CD	2.74%	03/01/21	3,627,484.87	3,627,484.87	24,836.66	-	3,652,321.53	3,652,321.53		
East West Bank CD	2.58%	04/02/21	2,591,285.82	2,591,285.82	16,905.47	-	2,608,191.29	2,608,191.29		
Allegiance Bank CD	1.78%	05/01/21	-	-	1,500,000.00	-	1,500,000.00	1,500,000.00		
Allegiance Bank CD	1.75%	05/03/21	-	-	2,000,000.00	-	2,000,000.00	2,000,000.00		
LegacyTexas Bank CD	2.48%	06/03/21	2,012,527.98	2,012,527.98	12,469.15	-	2,024,997.13	2,024,997.13		
TOTAL			\$ 96,734,220.50	\$ 96,734,220.50	\$ 21,900,834.21	\$ (6,678,934.45)	\$ 111,956,120.26	\$ 111,956,120.26		

# Market Value Comparison

September 30, 2019

December 31, 2019

Description	Coupon/ Discount	Maturity Date	September 30, 2019		Qtr to Qtr Change	December 31, 2019	
			Par Value	Market Value		Par Value	Market Value
Wells Fargo #2800 MMA	0.17%	01/01/20	\$ 8,255,693.92	\$ 8,255,693.92	\$ 11,587,518.00	\$ 19,843,211.92	\$ 19,843,211.92
Wells Fargo #9865 MMA	0.17%	01/01/20	2,307,741.79	2,307,741.79	132,970.09	2,440,711.88	2,440,711.88
Wells Fargo #9824 MMA	0.17%	01/01/20	155,047.75	155,047.75	125,804.68	280,852.43	280,852.43
Wells Fargo #6267 MMA	0.17%	01/01/20	2,021,438.69	2,021,438.69	866.36	2,022,305.05	2,022,305.05
Vertex Bank MMA	1.76%	01/01/20	2,103,758.87	2,103,758.87	10,457.58	2,114,216.45	2,114,216.45
TexPool	1.62%	01/01/20	19,171,437.48	19,171,437.48	97,374.55	19,268,812.03	19,268,812.03
TexSTAR	1.62%	01/01/20	13,634,234.37	13,634,234.37	57,756.79	13,691,991.16	13,691,991.16
TexasCLASS Gov't	1.56%	01/01/20	5,035,474.58	5,035,474.58	4,628,409.81	9,663,884.39	9,663,884.39
East West Bank CD	2.79%	10/21/19	2,572,695.13	2,572,695.13	(2,572,695.13)	-	-
East West Bank CD	2.71%	11/01/19	2,036,258.78	2,036,258.78	(2,036,258.78)	-	-
LegacyTexas Bank CD	2.75%	12/02/19	2,069,980.54	2,069,980.54	(2,069,980.54)	-	-
East West Bank CD	2.71%	03/04/20	2,031,577.59	2,031,577.59	13,924.06	2,045,501.65	2,045,501.65
East West Bank CD	2.91%	04/01/20	2,573,815.84	2,573,815.84	18,947.05	2,592,762.89	2,592,762.89
Origin Bank CD	2.76%	05/29/20	3,041,200.22	3,041,200.22	21,156.76	3,062,356.98	3,062,356.98
East West Bank CD	2.97%	07/01/20	2,575,360.53	2,575,360.53	19,350.78	2,594,711.31	2,594,711.31
East West Bank CD	2.10%	07/22/20	2,568,388.86	2,568,388.86	13,630.51	2,582,019.37	2,582,019.37
WallisBank CD	3.05%	08/20/20	3,068,913.08	3,068,913.08	23,577.32	3,092,490.40	3,092,490.40
Origin Bank CD	2.76%	09/01/20	3,041,200.18	3,041,200.18	21,156.75	3,062,356.93	3,062,356.93
East West Bank CD	3.03%	10/01/20	2,576,906.05	2,576,906.05	19,755.03	2,596,661.08	2,596,661.08
Southside Bank CD	1.76%	10/05/20	-	-	1,500,000.00	1,500,000.00	1,500,000.00
Origin Bank CD	2.91%	11/29/20	3,043,447.41	3,043,447.41	22,323.06	3,065,770.47	3,065,770.47
East West Bank CD	2.91%	02/01/21	2,028,964.91	2,028,964.91	14,882.04	2,043,846.95	2,043,846.95
LegacyTexas Bank CD	2.56%	02/01/21	2,589,385.26	2,589,385.26	16,761.71	2,606,146.97	2,606,146.97
East West Bank CD	2.74%	03/01/21	3,627,484.87	3,627,484.87	24,836.66	3,652,321.53	3,652,321.53
Allegiance Bank CD	2.58%	04/02/21	2,591,285.82	2,591,285.82	16,905.47	2,608,191.29	2,608,191.29
Allegiance Bank CD	1.78%	05/01/21	-	-	1,500,000.00	1,500,000.00	1,500,000.00
Allegiance Bank CD	1.75%	05/03/21	-	-	2,000,000.00	2,000,000.00	2,000,000.00
LegacyTexas Bank CD	2.48%	06/03/21	2,012,527.98	2,012,527.98	12,469.15	2,024,997.13	2,024,997.13
<b>TOTAL</b>			<b>\$ 96,734,220.50</b>	<b>\$ 96,734,220.50</b>	<b>\$ 15,221,899.76</b>	<b>\$ 111,956,120.26</b>	<b>\$ 111,956,120.26</b>

Allocation  
December 31, 2019

Book & Market Value

	Total	Pooled Cash	General	Capital Projects & Improvements	Crime Control District	Debt Service Fund
Wells Fargo NIMA	\$ 24,587,081.28	\$ 19,843,211.92	\$ -	\$ -	\$ 2,440,711.88	\$ -
Vertex Community Bank NIMA	2,114,216.45	-	2,114,216.45	-	-	-
TexPool	19,268,812.03	-	13,472,168.39	1,616,784.43	-	2,003,780.30
TexSTAR	13,691,991.16	-	2,638,196.59	11,053,794.57	-	-
TexasCLASS Gov't	9,663,884.39	-	-	9,663,884.39	-	-
03/04/20-East West Bank CD	2,045,501.65	-	2,045,501.65	-	-	-
04/01/20-East West Bank CD	2,592,762.89	-	2,592,762.89	-	-	-
05/29/20-Origin Bank CD	3,062,356.98	-	3,062,356.98	-	-	-
07/01/20-East West Bank CD	2,594,711.31	-	2,594,711.31	-	-	-
07/22/20-East West Bank CD	2,582,019.37	-	2,582,019.37	-	-	-
08/20/20-WallisBank CD	3,092,490.40	-	3,092,490.40	-	-	-
09/01/20-Origin Bank CD	3,062,356.93	-	3,062,356.93	-	-	-
10/01/20-East West Bank CD	2,596,661.08	-	2,596,661.08	-	-	-
10/05/20-Southside Bank CD	1,500,000.00	-	1,500,000.00	-	-	-
11/29/20-Origin Bank CD	3,065,770.47	-	3,065,770.47	-	-	-
02/01/21-Origin Bank CD	2,043,846.95	-	2,043,846.95	-	-	-
02/01/21-East West Bank CD	2,606,146.97	-	2,606,146.97	-	-	-
03/01/21-LegacyTexas Bank CD	3,652,321.53	-	3,652,321.53	-	-	-
04/02/21-East West Bank CD	2,608,191.29	-	2,608,191.29	-	-	-
05/01/21-Allegiance Bank CD	1,500,000.00	-	1,500,000.00	-	-	-
05/03/21-Allegiance Bank CD	2,000,000.00	-	2,000,000.00	-	-	-
06/03/21-LegacyTexas Bank CD	2,024,997.13	-	2,024,997.13	-	-	-
Total	\$ 111,956,120.26	\$ 19,843,211.92	\$ 60,854,716.38	\$ 22,334,463.39	\$ 2,440,711.88	\$ 2,003,780.30

Allocation  
December 31, 2019

(Continued)

Book & Market Value

	Fire Control District	Street Assessments	Water & Sewer	Community Development Corporation	Senior Citizens Fund	Special Revenue (Police)
Wells Fargo MMA	\$ 280,852.43	\$ -	\$ -	\$ 2,022,305.05	\$ -	\$ -
Vertex Community Bank MMA	-	-	-	-	-	-
TexPool	-	78,629.55	1,941,648.73	-	117,271.08	38,529.55
TexSTAR	-	-	-	-	-	-
TexasCLASS Gov't	-	-	-	-	-	-
03/04/20-East West Bank CD	-	-	-	-	-	-
04/01/20-East West Bank CD	-	-	-	-	-	-
05/29/20-Origin Bank CD	-	-	-	-	-	-
07/01/20-East West Bank CD	-	-	-	-	-	-
07/22/20-East West Bank CD	-	-	-	-	-	-
08/20/20-WallisBank CD	-	-	-	-	-	-
09/01/20-Origin Bank CD	-	-	-	-	-	-
10/01/20-East West Bank CD	-	-	-	-	-	-
10/05/20-Southside Bank CD	-	-	-	-	-	-
11/29/20-Origin Bank CD	-	-	-	-	-	-
02/01/21-Origin Bank CD	-	-	-	-	-	-
02/01/21-East West Bank CD	-	-	-	-	-	-
03/01/21-LegacyTexas Bank CD	-	-	-	-	-	-
04/02/21-East West Bank CD	-	-	-	-	-	-
05/01/21-Allegiance Bank CD	-	-	-	-	-	-
05/03/21-Allegiance Bank CD	-	-	-	-	-	-
06/03/21-LegacyTexas Bank CD	-	-	-	-	-	-
Total	\$ 280,852.43	\$ 78,629.55	\$ 1,941,648.73	\$ 2,022,305.05	\$ 117,271.08	\$ 38,529.55

Allocation  
September 30, 2019

Book & Market Value

	Total	Pooled Cash	General	Capital Projects & Improvements	Crime Control District	Debt Service Fund
Wells Fargo MMA	\$ 12,739,922.15	\$ 8,255,693.92	\$ -	\$ -	\$ 2,307,741.79	\$ -
Vertex Community Bank MMA	2,103,758.87	-	2,103,758.87	-	-	-
TexPool	19,171,437.48	-	13,413,328.98	1,609,723.11	-	1,981,810.48
TexSTAR	13,634,234.37	-	2,627,067.94	11,007,166.43	-	-
TexasCLASS Gov't	5,035,474.58	-	-	5,035,474.58	-	-
10/21/19-East West Bank CD	2,572,695.13	-	2,572,695.13	-	-	-
11/01/19-East West Bank CD	2,036,258.78	-	2,036,258.78	-	-	-
12/02/19-LegacyTexas Bank CD	2,069,980.54	-	2,069,980.54	-	-	-
03/04/20-East West Bank CD	2,031,577.59	-	2,031,577.59	-	-	-
04/01/20-East West Bank CD	2,573,815.84	-	2,573,815.84	-	-	-
05/29/20-Origin Bank CD	3,041,200.22	-	3,041,200.22	-	-	-
07/01/20-East West Bank CD	2,575,360.53	-	2,575,360.53	-	-	-
07/22/20-East West Bank CD	2,568,388.86	-	2,568,388.86	-	-	-
08/20/20-WallisBank CD	3,068,913.08	-	3,068,913.08	-	-	-
09/01/20-Origin Bank CD	3,041,200.18	-	3,041,200.18	-	-	-
10/01/20-East West Bank CD	2,576,906.05	-	2,576,906.05	-	-	-
11/29/20-Origin Bank CD	3,043,447.41	-	3,043,447.41	-	-	-
02/01/21-Origin Bank CD	2,028,964.91	-	2,028,964.91	-	-	-
02/01/21-East West Bank CD	2,589,385.26	-	2,589,385.26	-	-	-
03/01/21-LegacyTexas Bank CD	3,627,484.87	-	3,627,484.87	-	-	-
04/02/21-East West Bank CD	2,591,285.82	-	2,591,285.82	-	-	-
06/03/21-LegacyTexas Bank CD	2,012,527.98	-	2,012,527.98	-	-	-
Total	\$ 96,734,220.50	\$ 8,255,693.92	\$ 62,193,548.84	\$ 17,652,364.12	\$ 2,307,741.79	\$ 1,981,810.48



Allocation  
September 30, 2019

(Continued)

Book & Market Value

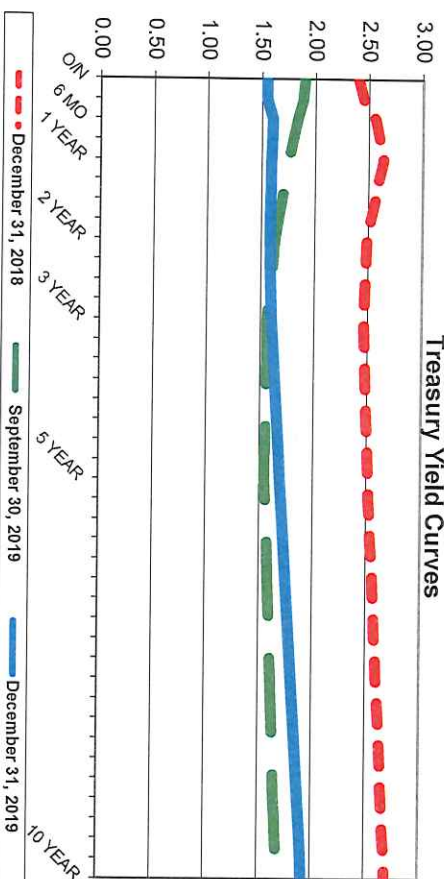
	Fire Control District	Street Assessments	Water & Sewer	Community Development Corporation	Senior Citizens Fund	Special Revenue (Police)
Wells Fargo MMA	\$ 155,047.75	\$ -	\$ -	\$ 2,021,438.69	\$ -	\$ -
Vertex Community Bank MMA	-	-	-	-	-	-
TexPool	-	78,286.14	1,933,168.62	-	116,758.85	38,361.30
TexSTAR	-	-	-	-	-	-
TexasCLASS Gov't	-	-	-	-	-	-
10/21/19-East West Bank CD	-	-	-	-	-	-
11/01/19-East West Bank CD	-	-	-	-	-	-
12/02/19-LegacyTexas Bank CD	-	-	-	-	-	-
03/04/20-East West Bank CD	-	-	-	-	-	-
04/01/20-East West Bank CD	-	-	-	-	-	-
05/29/20-Origin Bank CD	-	-	-	-	-	-
07/01/20-East West Bank CD	-	-	-	-	-	-
07/22/20-East West Bank CD	-	-	-	-	-	-
08/20/20-WallisBank CD	-	-	-	-	-	-
09/01/20-Origin Bank CD	-	-	-	-	-	-
10/01/20-East West Bank CD	-	-	-	-	-	-
11/29/20-Origin Bank CD	-	-	-	-	-	-
02/01/21-Origin Bank CD	-	-	-	-	-	-
02/01/21-East West Bank CD	-	-	-	-	-	-
03/01/21-LegacyTexas Bank CD	-	-	-	-	-	-
04/02/21-East West Bank CD	-	-	-	-	-	-
06/03/21-LegacyTexas Bank CD	-	-	-	-	-	-
Total	\$ 155,047.75	\$ 78,286.14	\$ 1,933,168.62	\$ 2,021,438.69	\$ 116,758.85	\$ 38,361.30

## Economic Overview

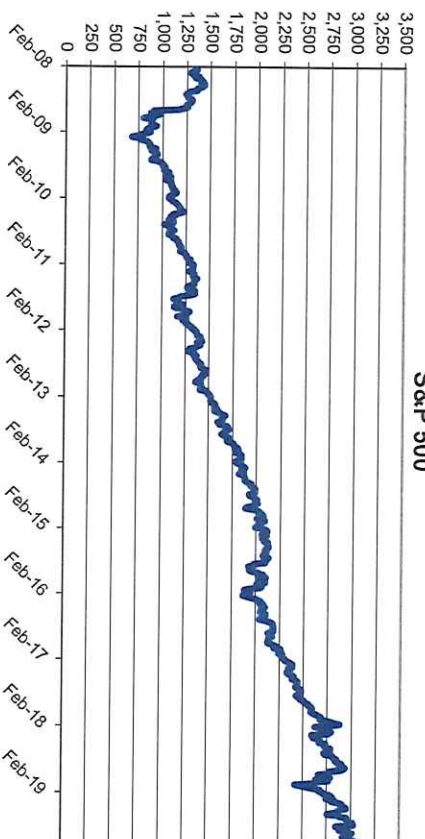
12/31/2019

The Federal Open Market Committee (FOMC) held the Fed Funds target range at 1.50% - 1.75% (Effective Fed Funds are trading +/-1.55%). The Futures Market has reduced the probability of additional decreases until late summer/early fall 2020. Middle East turmoil had bumped crude oil over \$60, but it has retreated back below. December Non Farm Payroll rose 145,000 resulting in a three month moving average of 185,000. The Unemployed level remained at 3.5%. The Stock Markets remain at or near historic highs. Consumer spending has improved. Housing shows signs of growth. Overall economic activity remains positive. 3rd Quarter GDP was confirmed at 2.1%. The British are moving forward with Brexit. Several trade agreements are also progressing (China, North America, Japan). The Yield Curve shifted to slightly positive.

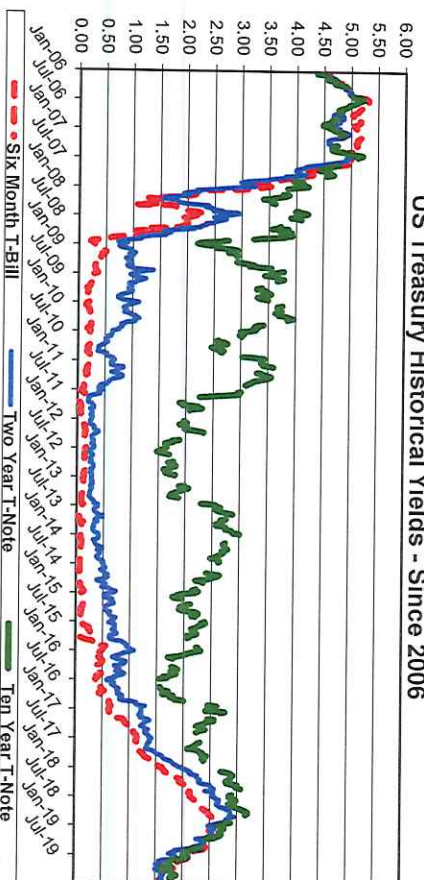
### Treasury Yield Curves



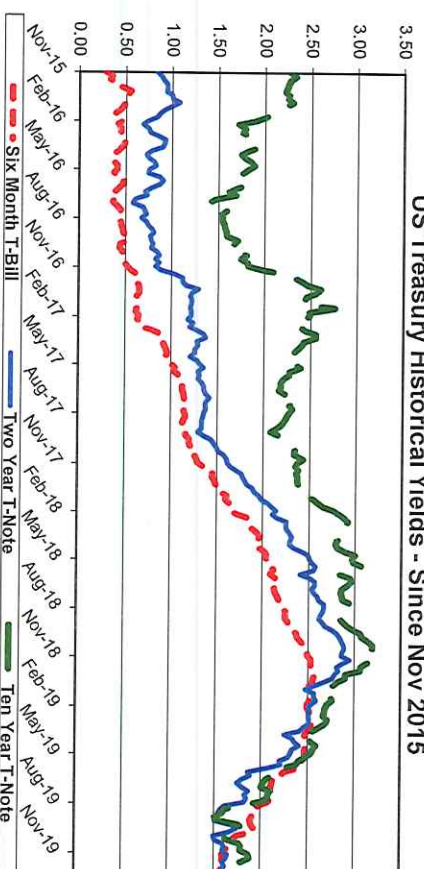
### S&P 500



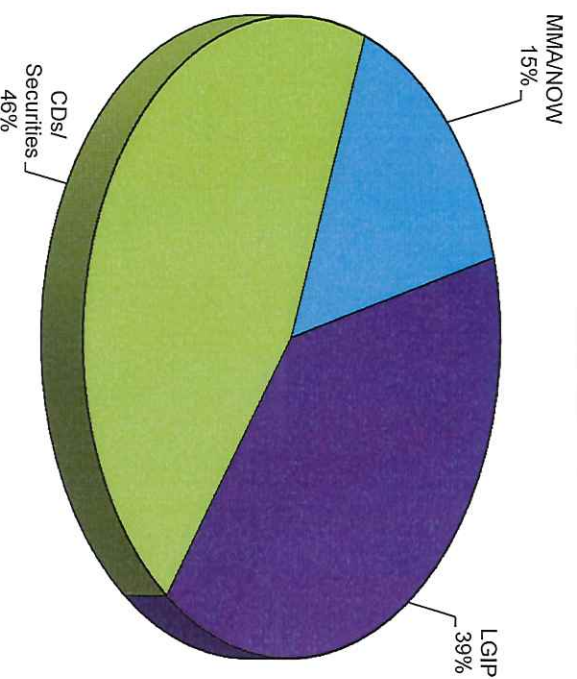
### US Treasury Historical Yields - Since 2006



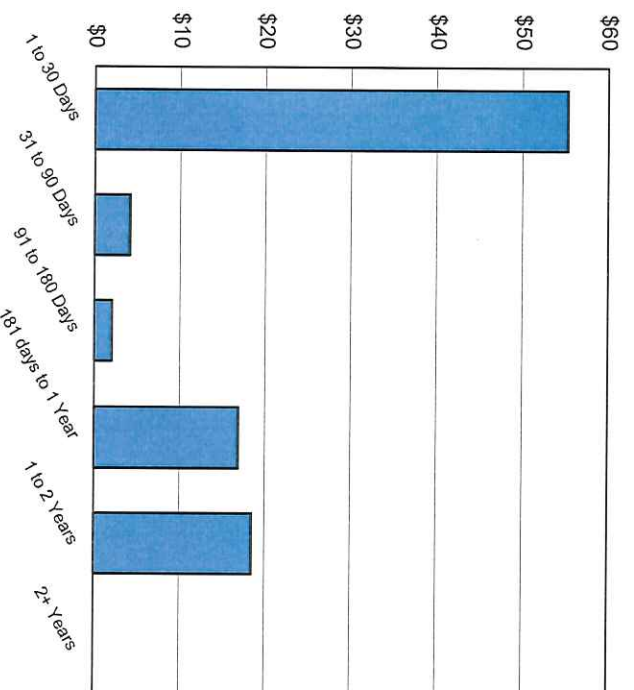
### US Treasury Historical Yields - Since Nov 2015



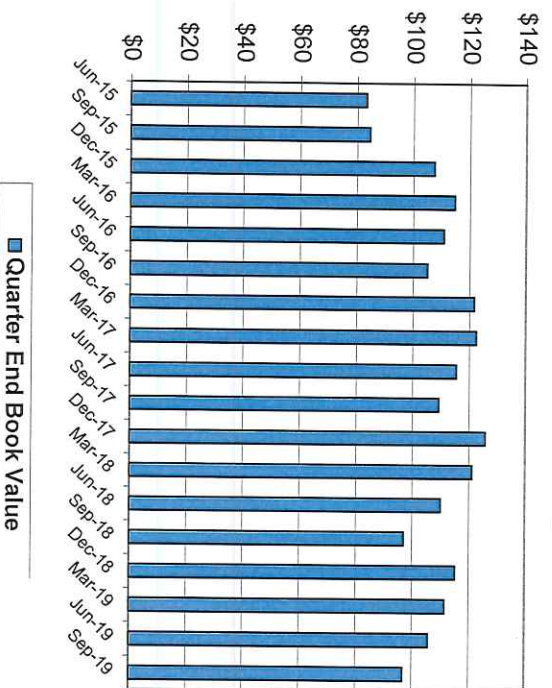
### Portfolio Composition



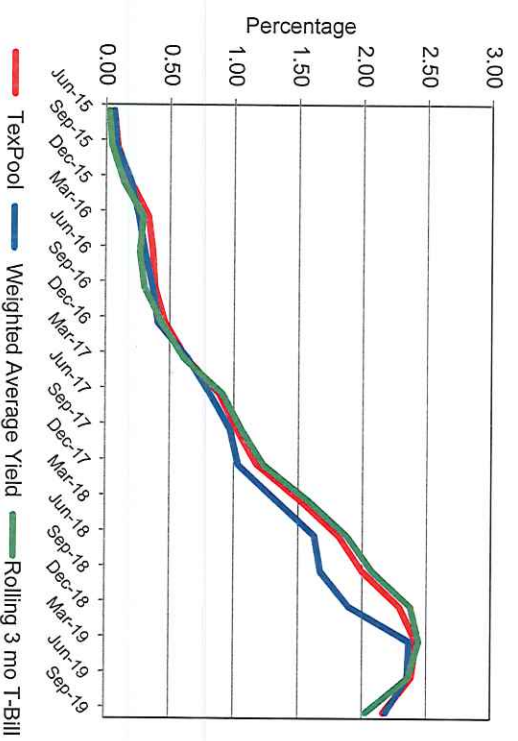
### Distribution by Maturity (Millions)



### Total Portfolio (Millions)



### Total Portfolio Performance





## Legislation Details (With Text)

**File #:** RPT 20-009    **Version:** 1    **Name:**  
**Type:** Report    **Status:** Agenda Ready  
**File created:** 1/23/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Acceptance of the Deer Park Community Development Corporation's quarterly report for the period of October 1, 2019 - December 31, 2019.  
**Sponsors:** City Manager's Office, Finance, Parks & Recreation  
**Indexes:**  
**Code sections:**  
**Attachments:** [1stQ Report Oct-Dec 2019](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Acceptance of the Deer Park Community Development Corporation's quarterly report for the period of October 1, 2019 - December 31, 2019.

### Summary:

At its quarterly meetings, the Deer Park Community Development Corporation approves a quarterly activity report, detailing the projects and work accomplished during the previous quarter. This report is reviewed by the Board by the end of the month following the end of each quarter and then submitted to City Council. The attached report is for the period of October 1, 2019 - December 31, 2019, which was approved by the DPCDC at its January 27, 2020 board meeting.

### Fiscal/Budgetary Impact:

N/A.

Accept the Deer Park Community Development Corporation's quarterly reports for the period of October 1, 2019 - December 31, 2019.

**Deer Park Community Development Corporation**  
**Quarterly Report: October 1, 2019 – December 31, 2019**

**Meetings Conducted and Activities**

October 15 – Consideration of an action on appointing four members to the DPCDC on the regular City Council agenda – City Council/City staff

October 16 – Meeting with City Staff to begin looking at options for additional parking at the Deer Park Soccer Complex and Girls Softball Complex – City staff

October 16 – Meeting to discuss items related to the Community Center Project – City staff/BSW

October 23 – Meeting with Halff to discuss current status of hydromulched fields at Deer Park Soccer Complex – City Staff/Halff

October 25 – Meeting with City staff to discuss possible designs and requirements for additional parking at Deer Park Soccer, Girls Softball, and Spencerview Athletic Complexes – City Staff

October 28 – Regular quarterly meeting of the Deer Park Community Development Corporation – City staff/CDC

November 5 – Acceptance of the DPCDC Quarterly Report for July 1 – September 30, 2019 on the regular City Council agenda – City Council/City Staff

November 5 - Consideration of and action on Agreement with Burditt Consultants for Professional Services Development of Construction and Design Services of Phase 1 Hike and Bike Trails on regular City Council agenda – City Council/City Staff

November 6 – Conference call to discuss items related to the Community Center Project – City Staff/BSW

November 11 – Meeting to discuss items related to the Community Center Presentation – City staff/BSW

November 11 – Joint workshop for the City Council, Deer Park Community Development Corp., Parks and Recreation Commission to discuss items related to Community Center project. – CC/DPCDC/PARC/City Staff/BSW

November 12 – Conference Call to discuss items related to the Deer Park Soccer Complex – City Staff/Halff

November 18 – Meeting with City staff to update information on the DPCDC web pages. – City Staff

November 21 – Meeting with Burditt Consultants to discuss construction phase of architectural services for the Hike and Bike Trails – Burditt/City Staff

November 25 – Meeting with construction expert for items related to the Dow Park Pavilion project – City Staff/Construction expert

December 4 – Meeting to discuss parking requirements for the Deer Park Community Center – City Staff

December 4 – Staff meeting concerning Hike and Bike Trail and proposed pipeline easement – City Staff

December 4 – Conference call concerning Community Center Presentation – BSW/City Staff

December 27 – Site visit of bridge in Pasadena as potential design for Spencerview Bridge Project – City Staff

## **Financial**

### **Debt Issued To-Date**

- \$9,450,000 Certificates of Obligation, Series 2016 issued February 16, 2016 through a private placement to Wells Fargo Bank via a competitive bidding process
- \$2,700,000 Certificates of Obligation, Series 2017 issued February 14, 2017 through a private placement to First National Bank Texas via a competitive bidding process
- Note: the \$5,850,000 authorized for the Community Center Expansion/Renovation has not yet been issued pending a decision on how to proceed with the project
- In an agreement between the City of Deer Park and the DPCDC, the City agreed to issue and sell certificates and the DPCDC agreed to make payments to the City in amounts sufficient to pay the principal of and interest on the certificates

### **Deer Park Community Development Corporation (Fund 850)**

*This fund records the sales tax revenues, operating expenditures, including bond issuance costs, and debt service payments.*

### **Revenues:**

- Sales & Use Tax Revenues:

1Q (12/31/19) = \$292,656.97

*Total Fiscal YTD = \$292,656.97*

- Investment Revenue:

1Q (12/31/19) = \$866.36

*Total Fiscal YTD = \$866.36*

- ***Total Fiscal YTD Revenues as of 12/31/19: \$293,523.33 (preliminary and unaudited)***

**Expenditures:**

- ***Total Fiscal YTD Expenditures as of 12/31/19: \$0.00 (preliminary and unaudited)***

**Bond Fund – Certificates of Obligation (Fund 307)**

*This fund records the bond proceeds of the \$9,450,000 Certificates of Obligation, Series 2016 and the \$2,700,000 Certificates of Obligation, Series 2017 and all related capital project expenditures, including pay-as-you-go funding.*

**Revenues:**

- Investment Revenue:

1Q (12/31/19) = \$1,196.14

*Total Fiscal YTD = \$1,196.14*

- ***Total Fiscal YTD Revenues as of 12/31/19: \$1,196.14 (preliminary and unaudited)***

**Expenditures:**

- Consulting Architect Fee

1Q (12/31/19) = \$5,000.00

- Community Center = \$5,000.00

*Total Fiscal YTD = \$5,000.00*

- ***Total Fiscal YTD Expenditures as of 12/31/19: \$5,000.00 (preliminary and unaudited)***

**Additional Funding**

*Certain project costs have or are expected to exceed the total amount appropriated by the authorized Type B funding. In response, the City Council has approved several budget amendments to provide the additional resources to fund these projects. The following reports the total amounts approved for the respective projects:*

- Dow Park = \$231,119.00
- Maxwell Center = \$33,800.00
- Girls Softball = \$538,319.00
- Soccer Fields = \$396,247.00

*Total Budget Amendments = \$1,199,485.00*





## Legislation Details (With Text)

**File #:** BUD 20-001    **Version:** 1    **Name:**  
**Type:** Budget    **Status:** Agenda Ready  
**File created:** 1/27/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Acceptance of the Fiscal Year 2020-2021 budget calendar.  
**Sponsors:** City Manager's Office  
**Indexes:**  
**Code sections:**  
**Attachments:** [BudgetCalendarFY2020-2021\(proposed\)-Council](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Acceptance of the Fiscal Year 2020-2021 budget calendar.

### Summary:

The current fiscal year began on October 1, 2019 and ends on September 30, 2020. The 2020-2021 fiscal year will begin on October 1, 2020. The process for developing a proposed FY 2020-2021 Budget will begin on March 23, 2020 with a Staff Budget Kick-off meeting.

Attached is the proposed FY 2020-2021 Budget calendar. This calendar includes budget related workshops, meetings and hearings for the City staff, City Council, the CCPD Board, the FCPEMSD Board and the Deer Park Community Development Corporation Board. The schedule was designed to meet the requirements of applicable State statutes as well as the City Charter. The meeting dates involving the City Council are highlighted in yellow.

The proposed FY 2020-2021 budget calendar and the potential impact of SB 2 on the FY 2020-2021 Budget was previously discussed at the January 21, 2020 Council Workshop. It is recommended that Council accept this calendar so the dates can be set.

### Fiscal/Budgetary Impact:

N/A

Accept the FY 2020-2021 budget calendar.



**CITY OF DEER PARK**  
**BUDGET SCHEDULE FOR FY 2020-2021**  
(INCLUDES COUNCIL, **CCPD**, **FCPEMSD** & **DPCDC**)

<b>Date</b>	<b>Time</b>	<b>Meeting Description</b>
March 23	TBD	“Budget Kickoff” meeting to discuss FY 2020-2021 budget process and distribute budget materials.
April 27	5:30 PM	DPCDC Board of Directors reviews preliminary FY 2020-2021 DPCDC Budget
April 27 – May 22	TBD	City Manager/Assistant City Manager/Finance Director Meetings with Department Heads to discuss FY 2019-2020 budget estimates and FY 2020-2021 budget requests.
May 18	5:15 PM	CCPD Meeting – PD presents proposed FY 2020-2021 CCPD budget to board. Board schedules public hearing on proposed budget ( <i>Note: a P&amp;Z Meeting is scheduled this evening.</i> )
May 18	5:45 PM	FCPEMSD Meeting – FD presents proposed FY 2020-2021 FCPEMSD budget to board. Board schedules a public hearing on budget ( <i>Note: a P&amp;Z Meeting is scheduled this evening.</i> )
May 27		Notice for FCPEMSD public hearing on proposed FCPEMSD budget runs in newspaper.
May 27		Notice for CCPD public hearing on proposed CCPD budget runs in newspaper.
June 15	5:15 PM	CCPD public hearing on CCPD budget.
June 15	5:45 PM	FCPEMSD public hearing on FCPEMSD budget.
June 15	After P.H.	FCPEMSD budget workshop – (follows Public Hearing)
June 25	TBD	Distribute FY 2020-2021 Budget Workbooks to Council.
June 29	5:30 PM	City Council Budget Workshop.
June 30	5:30 PM	City Council Budget Workshop ( <i>if necessary</i> ).
July 6	5:15 PM	CCPD Meeting to adopt FY 2020-2021 CCPD budget. ( <i>Board submits budget to Council</i> )
July 6	5:45 PM	FCPEMSD meeting to adopt FY 2020-2021 FCPEMSD budget. ( <i>Board submits budget to Council</i> )
July 21	7:30 PM	City Council calls for public hearing on proposed CCPD and FCPEMSD budgets.
July 27	5:30 PM	DPCDC adopts FY 2020-2021 Budget and submits to Council.
July 27		Submit Notice for Council public hearing on City budget to newspaper.
July 28	TBD	City Manager presents proposed budget to City Council. Council calls public hearing on proposed City budget – <i>Special Meeting</i> .
July 29		Notice for Council public hearing on CCPD budget runs in newspaper.
July 29		Notice for Council public hearing on FCPEMSD budget runs in newspaper.
August 5		Notice for Council public hearing on City budget runs in newspaper.
August 18	7:30 PM	Public Hearing on proposed City budget.
August 18	TBD	Council workshop on FY 2020-2021 DPCDC Budget
August 18	7:30 PM	City Council public hearing on proposed CCPD budget. City Council approves or rejects the CCPD Budget. If the governing body rejects the budget submitted by the board, the governing body and the board shall meet and together amend and approve the budget before the beginning of the fiscal year.
August 18	7:30 PM	City Council public hearing on proposed FCPEMSD budget. City Council approves or rejects the FCPEMSD Budget. If the governing body rejects the budget submitted by the board, the governing body and the board shall meet and together amend and approve the budget before the beginning of the fiscal year.
August 18	7:30 PM	City Council adopts FY 2020-2021 DPCDC Budget
Sept. 15	7:30 PM	City Council adopts FY 2020-2021 Budget.
Oct. 1		FY 2020-2021 begins.



## Legislation Details (With Text)

**File #:** SUP 20-001    **Version:** 1    **Name:**  
**Type:** Specific Use Permit Request    **Status:** Agenda Ready  
**File created:** 1/24/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Consideration of and action on a referral to the Planning and Zoning Commission for a Specific Use Permit from the request Wheelhouse to operate a Drug and Alcohol Rehabilitation Center at 210 W. Helgra.  
**Sponsors:** City Secretary's Office  
**Indexes:**  
**Code sections:**  
**Attachments:** [210 Helgra Wheelhouse](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on a referral to the Planning and Zoning Commission for a Specific Use Permit from the request Wheelhouse to operate a Drug and Alcohol Rehabilitation Center at 210 W. Helgra.

### Summary:

The Wheelhouse purchased the lot next to the existing facility. The intent is to add onto the existing structure to serve more men suffering from drug and alcohol addiction.

The lot purchase will need to be rezoned from Multi-Family 2 (MF2) zoning district to the Community Service (CS) zoning District. The Specific Use Permit will be granted after the lot is rezoned and approved by Council. The lot is projected to be rezoned on April 21<sup>st</sup>.

### Fiscal/Budgetary Impact:

None

Refer to Planning and Zoning to schedule a Public Hearing.

# The Wheelhouse

Dedicated To Helping Drug/Alcohol Addicted Men Transform Their Lives since 1952

P.O. Box 920

210 W. Helgra

Deer Park, Texas 77536

281-478-4488

Re: Letter of Intent Lot TR 147F-1

To the City of Deer Park Planning and Zoning Commission,

The Wheelhouse has been a not for profit organization providing free treatment services to men suffering from alcoholism and drug addiction in the Deer Park area since 1952.

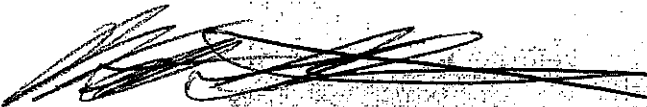
The Wheelhouse intends to add on to its existing structure in order to serve more men suffering from drug and alcohol addiction.

This addition is intended to be built on our recently purchase lot TR 147F-1 and will accommodate 24 more men to our building.

The Wheelhouse intends to keep the similar facia and design of the original building and will be using the same builder.

I have included our application for amendment, survey and certificate of ownership.

Please contact myself for any further correspondence. We truly appreciate your consideration.



Mr. Whitney Strickland  
Chairman, Board of Directors  
Capital Campaign Committee Chairman  
(281) 900-7681



# CITY OF DEER PARK

## Specific Use Permit



LN- 000094 -2020

PERMIT #: LN- 000094 -2020

ISSUED DATE: January 16, 2020

PROJECT ADDRESS: 210 HELGRA ST

OWNER NAME: Wheelhouse Inc

ADDRESS: Po Box 920

CITY: Deer Park

STATE: TX

ZIP: 77536-

PROJECT:

EXPIRATION DATE: January 15, 2021

CONTRACTOR:

ADDRESS:

CITY:

STATE:

ZIP:

PHONE:



### PROJECT DETAILS

PROPOSED USE: SQ FT: 0  
DESCRIPTION: Wheelhouse - Institutional Drug And VALUATION: \$ 0.00  
Alcohol Rehab

### PERMIT FEES

TOTAL FEES: \$ 1,000.00 PAID: \$ 1,000.00 BALANCE: \$ 0.00

### ALL PERMITS MUST BE POSTED ON THE JOBSITE AND VISIBLE FROM THE STREET

#### NOTICE

THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZED IS NOT COMMENCED WITHIN 6 MONTHS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 1 YEAR AT ANY TIME AFTER WORK IS STARTED. ALL PERMITS ARE SUBJECT TO THE FOLLOWING:

- ALL WORK MUST COMPLY WITH THE BUILDING, ELECTRICAL, PLUMBING, AND MECHANICAL CODES ADOPTED BY THE CITY OF DEER PARK AT THE TIME THE PERMIT IS ISSUED.
- IT IS THE RESPONSIBILITY OF THE OWNER/CONTRACTOR TO COMPLY WITH ALL STATE & FEDERAL DISABILITY REQUIREMENTS
- ENCROACHMENTS OF EASEMENTS AND RIGHT-OF-WAYS ARE NOT ALLOWED.

I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS DOCUMENT AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. GRANTING OF PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISION OF ANY OTHER STATE OR LOCAL LAW REGULATING CONSTRUCTION OR THE PERFORMANCE OF CONSTRUCTION.

SIGNATURE OF CONTRACTOR OR AUTHORIZED AGENT

DATE 1/16/20  
1-16-20  
DATE

APPROVED BY

TO SCHEDULE NEXT DAY INSPECTIONS CALL BY 4PM 281-478-7270  
ALL REINSPECTIONS ARE SUBJECT TO A \$45.00 REINSPECTION FEE

You can request a morning or afternoon inspection and we will do our best to accommodate you but there are no guarantees, it will depend on the volume of inspections scheduled that day.

710 E San Augustine Deer Park, TX 77536 Fax 281-478-0394  
www.deerparktx.gov/publicworks



## Legislation Details (With Text)

**File #:** CON 20-004    **Version:** 1    **Name:**  
**Type:** Contract    **Status:** Agenda Ready  
**File created:** 1/23/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Consideration of and action on an addendum to the contract with National Signs Plaza for Phase I of the Wayfinding program.  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [National Signs Plaza Phase I wayfinding phase I amend](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on an addendum to the contract with National Signs Plaza for Phase I of the Wayfinding program.

### Summary:

Phase I of the Deer Park Wayfinding program began in 2016. Phase I of the project included 4 monument signs and 15 wayfinding signs to be constructed at various Parks and City owned right of ways around Deer Park. The signs were originally installed in 2016, however shortly after installation it was discovered that the wayfinding signs were not constructed to specifications listed in the construction documents. The contractor, National Sign Plaza, warrantied the signs and over time completed all necessary repairs for Phase I signs.

The original contract, which was signed in 2016, required amendment due to discrepancies in the completion date, sign amounts, costs, and Exhibit C, Section 3 "Additional purchases/phase" section removed. Attached you will find the amendment for this Phase I contract.

### Fiscal/Budgetary Impact:

None at this time.

Approval of the addendum to the contract for Phase I of the Wayfinding program.



**AGREEMENT FOR SERVICES**  
*(National Sign Plazas, Inc. Wayfinding Sign Program)*

This AGREEMENT made this 3rd day of May 2016, between:

Client: The City of Deer Park, having a principal place of business at: 710 E San Augustine Street Deer Park, TX 77536.

and Consultant: National Sign Plazas, Inc., a California corporation, having a principal place of business at: 2422 S. Trenton Way Unit H Denver, CO 80231.

**ARTICLE 1. TERM OF AGREEMENT**

This Agreement will become effective on May 4th, 2016 ("Effective Date") and will continue in effect through April 30, 2017 unless terminated in accordance with the provisions of Article 7 of this Agreement.

**ARTICLE 2. INDEPENDENT CONTRACTOR STATUS**

It is the express intention of the parties that Consultant is an independent contractor and not an employee, agent, joint venturer or partner of Client. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Client and Consultant or any employee or agent of Consultant. Both parties acknowledge that Consultant is not an employee for state or federal tax purposes. Consultant shall not be entitled to any of the rights or benefits afforded to Client's employees, including, without limitation, disability or unemployment insurance, workers' compensation, medical insurance, sick leave, retirement benefits or any other employment benefits. Consultant shall retain the right to perform services for others during the term of this Agreement.

**ARTICLE 3. SERVICES TO BE PERFORMED BY CONSULTANT**

**A. Specific Services**

Consultant agrees to perform the "Services" as outlined in Exhibit A ("Specific Provisions") and Exhibit B ("Scope of Services"), subject to the payment terms and conditions described Exhibit C ("Milestone Schedule").

**B. Method of Performing Services**

Consultant shall determine the method, details and means of performing the above-described Services. Client shall have no right to, and shall not, control the manner or determine the method of accomplishing Consultant's Services.

**C. Employment of Assistants**

Consultant may, at the Consultant's own expense, employ such assistants as Consultant deems necessary to perform the Services required of Consultant by this Agreement, subject to the prohibition against assignment and subcontracting contained in Article 5 below. Client may not control, direct, or supervise Consultant's assistants in the performance of those Services. Consultant assumes full and sole responsibility for the payment of all compensation and expenses of these assistants and for all state and federal income tax, unemployment insurance, Social Security, disability insurance and other applicable withholding.

**D. Place of Work**

Consultant shall perform the Services required by this Agreement at any place or location and at such times as Consultant shall determine is necessary to properly and timely perform Consultant's Services.

**ARTICLE 4. COMPENSATION**

**A. Invoices**

Consultant shall submit invoices for all Services rendered.

**B. Payment**

Payment of the Fixed Price shall be due according to the payment schedule set forth in Exhibit D. No payment will be made unless Consultant has first provided Client with a written receipt of invoice describing the work performed and any approved direct expenses (as provided for in Exhibit A, Section IV) incurred during the preceding period. If Client objects to all or any portion of any invoice, Client shall notify Consultant of the objection within five (5) days from receipt of the invoice, give reasons for the objection, and pay that portion of the invoice not in dispute.

**C. Expenses**

Consultant shall be responsible for all costs and expenses incident to the performance of Services for Client, including but not limited to, all costs of equipment used or provided by Consultant, all fees, fines, licenses, bonds or taxes required of or imposed against Consultant and all other of Consultant's costs of doing business. Client shall not be responsible for any expenses incurred by Consultant in performing Services for Client, except for those expenses constituting "direct expenses" referenced on Exhibit A.

**ARTICLE 5. OBLIGATIONS OF CONSULTANT**

**A. Tools and Instrumentalities**

Consultant shall supply all tools and instrumentalities required to perform the Services under this Agreement at its sole cost and expense. Consultant is not required to purchase or rent any tools, equipment or Services from Client.



## **B. Workers' Compensation**

Consultant agrees to provide workers' compensation insurance for Consultant's employees and agents and agrees to hold harmless, defend with counsel acceptable to Client and indemnify Client, its officers, representatives, agents and employees from and against any and all claims, suits, damages, costs, fees, demands, causes of action, losses, liabilities and expenses, including without limitation reasonable attorneys' fees, arising out of any injury, disability, or death of any of Consultant's employees.

## **C. Insurance.**

In addition to any other obligations under this Agreement, Consultant shall, at no cost to Client, obtain and maintain throughout the term of this Agreement: (a) Commercial Liability Insurance, including coverage for owned and non-owned automobiles, with a minimum combined single limit coverage of \$1,000,000 per occurrence for all damages due to bodily injury, sickness or disease, or death to any person, and damage to property, including the loss of use thereof; and (b) Professional Liability Insurance (Errors & Omissions) with a minimum coverage of \$1,000,000 per occurrence and aggregate. As a condition precedent to Client's obligations under this Agreement, Consultant shall furnish evidence of such coverage (naming Client, its officers and employees as additional insureds on the Comprehensive Liability insurance policy referred to in (a) immediately above) and requiring thirty (30) days written notice of policy lapse or cancellation, or of a material change in policy terms.

## **D. Assignment**

Notwithstanding any other provision of this Agreement, neither this Agreement nor any duties or obligations of Consultant under this Agreement may be assigned or subcontracted by Consultant without the prior written consent of Client, which Client may withhold in its sole and absolute discretion.

## **E. State and Federal Taxes**

As Consultant is not Client's employee, Consultant shall be responsible for paying all required state and federal taxes. Without limiting the foregoing, Consultant acknowledges and agrees that:

- Client will not withhold FICA (Social Security) from Consultant's payments;
- Client will not make state or federal unemployment insurance contributions on Consultant's behalf;
- Client will not withhold state or federal income tax from payment to Consultant;
- Client will not make disability insurance contributions on behalf of Consultant;
- Client will not obtain workers' compensation insurance on behalf of Consultant.

## **ARTICLE 6. OBLIGATIONS OF CLIENT**

### **A. Cooperation of Client**

Client agrees to respond to all reasonable requests of Consultant and provide access, at reasonable times following receipt by Client of reasonable notice, to all documents reasonably necessary to the performance of Consultant's duties under this Agreement.

### **B. Assignment**

Client may assign this Agreement or any duties or obligations thereunder to a successor governmental entity without the consent of Consultant. Such assignment shall not release Consultant from any of Consultant's duties or obligations under this Agreement.

## **ARTICLE 7. TERMINATION OF AGREEMENT**

### **A. Sale of Consultant's Business/ Death of Consultant.**

Consultant shall notify Client of the proposed sale of Consultant's business no later than thirty (30) days prior to any such sale. Client shall have the option of terminating this Agreement within thirty (30) days after receiving such notice of sale. Any such Client termination pursuant to this Article 7.A shall be in writing and sent to the address for notices to Consultant set forth in Exhibit A, Subsection V.H., no later than thirty (30) days after Client's receipt of such notice of sale.

If Consultant is an individual, this Agreement shall be deemed automatically terminated upon death of Consultant.

### **B. Termination by Client for Default of Consultant**

Should Consultant default in the performance of this Agreement or materially breach any of its provisions, Client, at Client's option, may terminate this Agreement by giving written notification to Consultant. For the purposes of this section, material breach of this Agreement shall mean Consultant's repeated failure to professionally and/or timely perform any of the Services contemplated by this Agreement within a reasonable period of time after receiving a written notice of such breach from Client.

### **C. Termination for Failure to Make Agreed-Upon Payments**

Should Client fail to pay Consultant all or any part of the compensation set forth in Article 4 of this Agreement on the date due, then if and only if such nonpayment constitutes a default under this Agreement, Consultant, at the Consultant's option, may terminate this Agreement if such default is not remedied by Client within thirty (30) days after demand for such payment is given by Consultant to Client.

## **ARTICLE 8. GENERAL PROVISIONS**

### **A. Amendment & Modification**

No amendments, modifications, alterations or changes to the terms of this Agreement shall be effective unless and until made in a writing signed by both parties hereto.

### **B. Americans with Disabilities Act of 1990**

Throughout the term of this Agreement, the Consultant shall comply fully with all applicable provisions of the Americans with Disabilities Act of 1990 ("the Act") in its current form and as it may be amended from time to time. Consultant shall also require such compliance of all subcontractors performing work under this Agreement, subject to the prohibition against assignment and subcontracting contained in Article 5 above.

### **C. Attorneys' Fees**

If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

### **D. Captions**

The captions and headings of the various sections, paragraphs and subparagraphs of the Agreement are for convenience only and shall not be considered nor referred to for resolving questions of interpretation.

### **E. Entire Agreement**

This Agreement supersedes any and all prior agreements, whether oral or written, between the parties hereto with respect to the rendering of Services by Consultant for Client and contains all the covenants and agreements between the parties with respect to the rendering of such Services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

No other agreements or conversation with any officer, agent or employee of Client prior to execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Such other agreements or conversations shall be considered as unofficial information and in no way binding upon Client.

### **F. Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without reference to its conflict of laws principles. Venue for any litigation arising out of conflicts with this Agreement shall be in Harris County, Texas.

**G. Notices**

Any notice to be given hereunder by either party to the other may be effected either by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing in Exhibit A, Section V.H. but each party may change the address by written notice in accordance with this paragraph. Notices delivered personally will be deemed delivered as of actual receipt; mailed notices will be deemed delivered as of three (3) days after mailing.

**H. Partial Invalidity**

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

**I. Time of the Essence**

All dates and times referred to in this Agreement are of the essence.

**J. Waiver**

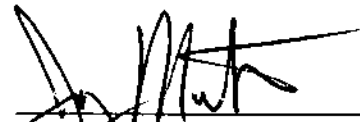
Consultant agrees that waiver by Client of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

**Consultant:**  
National Sign Plazas, Inc.

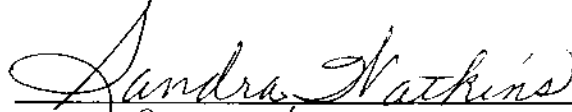
By:   
Name: Grant Hayzlett  
Title: President

Taxpayer  
Identification Number 77-0471997

**Client:**  
City of Deer Park, TX

By:   
Name: JERRY MOULTON  
Title: MAYOR

ATTEST:

  
City Secretary

**EXHIBIT A**  
**SPECIFIC PROVISIONS**

**I. PROJECT MANAGER**

Consultant shall provide the Services indicated on the attached Exhibit B, Scope of Services ("Services"). To accomplish that end, Consultant agrees to assign Grant Hayzlett, who will act in the capacity of Project Manager, and who will personally direct such Services.

Except as may be specified elsewhere in this Agreement, Consultant shall furnish all technical and professional Services including labor, material, equipment, transportation, supervision and expertise to perform all operations necessary and required to complete the Services in accordance with the terms of this Agreement.

**II. NOTICE TO PROCEED/COMPLETION OF SERVICE**

**A. NOTICE TO PROCEED**

Consultant shall commence the Services upon delivery to Consultant of a written "Notice to Proceed", which Notice to Proceed shall be in the form of a written communication from designated Client contact person(s). Notice to Proceed may be in the form of e-mail, fax or letter authorizing commencement of the Services. For purposes of this Agreement, Pat Fuller, National Operations Manager shall additionally be designated as Client contact person(s). Notice to Proceed shall be deemed to have been delivered upon actual receipt by Consultant or if otherwise delivered as provided in the Section V.H. ("Notices") of this Exhibit A.

**B. COMPLETION OF SERVICES**

When Client determines that Consultant has completed all of the Services in accordance with the terms of this Agreement, Client shall give Consultant written Notice of Final Acceptance. Consultant may request this determination of completion when, in its opinion, it has completed all of the Services as required by the terms of this Agreement and, if so requested, Client shall make this determination within two (2) weeks of such request, or if Client determines that Consultant has not completed all of such Services as required by this Agreement, Client shall so inform Consultant within this two (2) week period.

**III. PROGRESS SCHEDULE**

The extent of the work of Consultant included within the Fixed Price will be as set forth in the attached Exhibit C, Exhibit C-1 or created as an Amendment after execution.

**IV. PAYMENT OF FEES AND DIRECT EXPENSES**

Payments shall be made to Consultant as provided for in Article 4 of this Agreement.

Direct expenses are charges and fees not included in Exhibit B. Client shall be obligated to pay only for those direct expenses which have been previously approved in writing by Client. Consultant shall obtain written approval from Client prior to incurring or billing of direct expenses.

Copies of pertinent financial records, including invoices, will be included with the submission of billing(s) for all direct expenses.

V. OTHER PROVISIONS

A. STANDARD OF WORKMANSHIP

Consultant represents and warrants that it has the qualifications, skills and licenses necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and Client expressly relies upon Consultant's representations and warranties regarding its skills, qualifications and licenses. Consultant shall perform such Services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline as Consultant.

Any plans, designs, specifications, estimates, calculations, reports and other documents furnished under this Agreement shall be of a quality reasonably acceptable to Client. The minimum standard of appearance, organization and content of the drawings shall be that used by Client for similar purposes.

B. RESPONSIBILITY OF CONSULTANT

Consultant shall be responsible for the professional quality, technical accuracy, and the coordination of the Services furnished by it under this Agreement. Consultant shall not be responsible for the accuracy of any project or technical information provided by the Client. The Client's review, acceptance or payment for any of the Services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Consultant shall be and remain liable to Client in accordance with applicable law for all damages to Client caused by Consultant's negligent performance of any of the Services furnished under this Agreement.

C. RIGHT OF CLIENT TO INSPECT RECORDS OF CONSULTANT

Client, through its authorized employees, representatives or agents, shall have the right, at any and all reasonable times, to audit the books and records (including, but not limited to, invoices, vouchers, canceled checks, time cards, etc.) of Consultant for the purpose of verifying any and all charges made by Consultant in connection with this Agreement. Consultant shall maintain for a minimum period of one (1) years (from the date of final payment to Consultant), or for any longer period required by law, sufficient books and records in accordance with standard accounting practices to establish the correctness of all charges submitted to Client by Consultant, all of which shall be made available to Client at the Client's offices within five (5) business days after Client's request.

**D. NO PLEDGING OF CLIENT'S CREDIT.**

Under no circumstances shall Consultant have the authority or power to pledge the credit of Client or incur any obligation in the name of Client.

**E. OWNERSHIP OF MATERIAL.**

Work Product. All drawings, specifications and other documents and electronic data furnished by Consultant to Client under the Contract Documents ("Work Product") are deemed to be "Instruments of Service" and Consultant shall retain the ownership and property interests therein, including the copyrights thereto.

Client's Limited License After Completion. Client shall have a license to use the Work Product in connection with Client's ownership, use, and occupancy of the land and the improvements comprising the project contemplated by the Services following the completion of the project, conditioned on Client's express understanding that such use of the Work Product is, except to the extent Consultant is involved in such use, at Client's sole risk and without liability or legal exposure to Consultant or anyone working by or through Consultant, including design consultants of any tier. In its understood and agreed in this respect that the Client may use the Work Product (including without limitation Work Product prepared by Consultant, or Consultant's subcontracted architects and consultants), for construction, reconstruction, or renovations of and additions to said buildings and improvements (including tenant improvements), and the Client may permit qualified professionals to reproduce all or portions of the Work Product (including the design embodied in that Work Product) for incorporating into renovations of or additions to the buildings and property if those professionals assume all responsibility for the resulting instruments of service and all references to the Consultant and the Consultant's consultants are removed from the resulting instruments of service.

**F. NO THIRD PARTY BENEFICIARY.**

This Agreement shall not be construed or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any claim or right of action hereunder for any cause whatsoever.

**G. NOTICES.**

Notices are to be sent as follows:

Client:	The City of Deer Park, TX
	710 E San Augustine Street
	Deer Park, TX 77536
	T: (281) 478-7201
	F: (281) 478-7219



Consultant:

**NSP HOUSTON**

National Sign Plazas, Inc.

Attn: Pat Fuller

20302 Park Row #900

Katy, TX 77449

**T:** (713) 673-2590

**F:** (832) 321-5937

**NSP CORPORATE OFFICES**

National Sign Plazas, Inc.

Attn: Grant Hayzlett

2422 S. Trenton Way Unit H

Denver, CO 80231

**T:** (720) 482-9293

**O:** (303) 790-0924

## EXHIBIT B

### **SCOPE OF SERVICES**

The following categories have been presented as an overview of the actions that will be performed by Consultant and governed by this Agreement. The following are presented as guidelines of the general services to be performed and are not meant to be construed as comprehensive to Consultant's duties under this Agreement.

- Construction and Installation: Fabrication/Installation and Related Services
- Build and/or deliver each program element according to the construction documents and the wayfinding manual.
- Inspect each location for appropriate installation including construction materials, underground utilities, grading, existing elements, retrofitting, and the like.
- Develop and deliver progress reports and/or problem statements that can be used by the Client to evaluate progress and overcome obstacles with the development of the wayfinding system.
- Work with outside vendors (if necessary).
- Regulate the construction and installation and contract with sub-Consultants (if necessary).
- Identify and verify all of the materials that will be used in the construction and installation or application of the Client's wayfinding program.
- Inspect all materials, prior to and after construction and installation, for warranty failures and quality craftsmanship.
- Install each program element with consideration of the surrounding environment, line-of-sight, MUTCD standards and TXDOT regulations.
- Work with TXDOT and develop all necessary forms, obtain necessary permits, and pay necessary fees to allow for the successful use of TXDOT right-of-way.

## EXHIBIT C

### *Developing Your Wayfinding Program - Programmatic Information*

#### **I. PROJECT SCHEDULE**

Consultant hereby agrees that the work outlined in this Agreement and the attached Exhibits B, C & E shall be completed, inspected and accepted (Exhibit F) not later than April 30, 2017. Consultant agrees to submit a request for inspection prior to April 30, 2017 and Client agrees to respond to Consultant regarding said request within fourteen (14) business days.

##### **A. FINAL ACCEPTANCE**

Client and Consultant shall schedule a final inspection of the inventory outlined in Exhibit E in order to determine the completion of the first phase of the wayfinding project. Exhibit E may be drafted as an Amendment after the completion of the *Design* Phase. In the event that the parties agree that the project has been completed and meets the requirements of this Agreement, Client shall process Exhibit F and the final payment outlined in Exhibit D. In the event that Client is not satisfied with the completeness of the wayfinding project or Consultant has failed to meet the requirements of this Agreement at the time of final inspection then Client shall inform Consultant of the items that are not in compliance with this Agreement, subject to terms outlined in Exhibit D.

##### **B. TIME TO CURE**

In the event that Consultant fails to meet the requirements of the Project Schedule Client shall notify Consultant that they are in breach of the Agreement and provide them two (2) weeks to cure said breach. Client and Consultant agree that Consultant will not be held liable for delays due to weather. Consultant shall document in writing with appropriate evidence all days delayed due to weather. Client and Consultant will only be held liable for breach of the duties and obligations hereunder to the extent such duties and obligations are within the control of the party required to perform such work.

#### **II. SERVICE & MAINTENANCE**

Upon the delivery of Final Acceptance and final payment Consultant agrees to provide intermittent inspection(s) and maintenance for the items listed in Exhibit E. Inspections will be done not less than every ninety (90) days during the term of this Agreement and shall be used to determine labor repair(s), warranty repair(s), product failures and the like, and a written report will be generated after each Inspection to be delivered to Client.

##### **A. WARRANTY**

Consultant agrees to warrant their labor relative to product assembly, site delivery and proprietary skill(s) for a period of one (1) year from the date of installation and Consultant agrees to warrant their labor relative to foundation installation for

a period one (1) year from the date of installation. Further, Consultant agrees to execute manufacturer warranty repair/replacement on behalf of the Client.

**B. MAINTENANCE**

Consultant agrees to notify Client in writing of the need for maintenance and repairs based on the quarterly inspections Consultant will perform. If the cost of replacement/repair has not already been determined by this Agreement, Consultant and Client shall agree to said cost prior to Consultant's execution of repair(s).

**III. ADDITIONAL PURCHASE/PHASES**

Through the development of this Agreement Client and Consultant have addressed the possible development of future phases and/or purchases targeted at expanding the scope and influence of the wayfinding program within the Client area. While said phases have not yet been determined Client agrees that Consultant shall retain the rights to future phases and developments within this wayfinding program for so long as this Agreement is in full force and effect. In the event that Consultant decides not to pursue future phases within the wayfinding program the Client shall be under no further obligation to utilize Consultant for sign replacement, repair, maintenance or the like.

**IV. FIXED PRICING**

Consultant and Client agree that in order for Consultant to deliver the products outlined in Exhibit E Consultant may need to provide additional services. Included in the purchase of this wayfinding program Consultant agrees to provide to Client supporting documentation for the appropriate development of the wayfinding program. Items shall include, but not be limited to site plans, maps, construction documents, shop drawings, message schedules and product samples. Client and Consultant further agree that needs may arise for the development of items that are necessary, but not covered within the scope of this Agreement. Items not covered by this Agreement shall include, but not be limited to design of new program elements, engineering of existing or new designs and landscape design. Client and Consultant agree that pricing shall be determined and approved prior to Consultant engaging in activities not covered by this Agreement.

## EXHIBIT C

### CONSULTANT'S WORK

#### I. FABRICATION AND INSTALLATION

The fabrication will begin once Client has approved the design and plan. Depending on the nature of the fabrication and the status of the comprehensive plan, fabrication of certain elements or products may begin prior to the completion of aforementioned actions. Installations, however, are conditional upon successful approval of a finished plan and acquisition of all necessary rights-of-way. If a phasing schedule has been completed then the fabrication and installation process will reflect the conditions of that schedule. The duration for fabrication and installation will be entirely dependent on the nature of the approved design. The more complex each component and the greater the quantity the longer this process will take. Generally, fabrication and installation will take ten to sixteen weeks.

#### II. SUMMARY

The comprehensive development of the wayfinding program will take five to six months. Many factors in this development are conditional upon the successful completion of others and this projection can vary depending on efficiencies.

EXHIBIT D

PAYMENT SCHEDULE – DESIGN PHASE

PAYMENT SCHEDULE – IMPLEMENTATION PHASE

<u>Payment Date</u>	<u>Payment Amount</u>
Invoices will be issued by Consultant to Client throughout the Implementation Phase. All invoices will reflect work completed and are due upon receipt. Consultant has sole discretion to coordinate the frequency of invoicing based on the progress of the Implementation Phase	Based on implementation schedule
Client will be invoiced for the Final Payment after the Implementation Phase has been completed by Consultant. The Final Payment will be not more then ten percent (10%) of the complete Phase billing and shall be paid by Client along with the execution of Exhibit F.	< 10% of Total
<b>Total:</b>	\$163,400.00

## EXHIBIT E

### ITEMIZED SUMMARY/REPLACEMENT COSTS

The following table illustrates the individual units and unit prices for the items that Client intends to purchase for the wayfinding program described herein. For a period of not less than one (1) year from the effective date of this Agreement Consultant agrees to honor the pricing outlined in this Exhibit E for the purpose of additional purchases or replacement of prior purchases.

Item	Sign Type	Unit Price	Units	Total
1	PRIMARY	\$6,600.00	7	\$46,200.00
2	SECONDARY	\$3,600.00	12	\$43,200.00
3	ENTRY	\$14,750.00	5	\$73,750.00
4				
5				
6				
Sub-Total				\$163,150.00
Sign Total				\$163,150.00

EXHIBIT F-1

NOTICE OF FINAL ACCEPTANCE – IMPLEMENTATION PHASE

In consideration of this Agreement and the scope of services provided for under this Agreement Client and Consultant do hereby agree that Consultant has met all of Client's needs pertaining to the requirements necessary for issuance of the final payment of the *Implementation Phase*. For the purpose of calculating the final payment Client shall determine Consultant's adherence to the Project Schedule and additional expenses, if necessary. Further, in executing this Final Acceptance the parties agree that Consultant has provided the services and products outlined herein.

Item	Sign Type	Unit Price	Units	Delivered (Yes/No)
1	PRIMARY	\$6,400.00	8	
2	SECONDARY	\$3,100.00	12	
3	ENTRY	\$15,000.00	5	
4				
5				
6				
Payments to Date				\$
Additional Expenses				\$
Final Payment				\$

**Consultant:**  
National Sign Plazas, Inc.

**Client:**  
City of Deer Park, TX

By: \_\_\_\_\_  
Name: Grant Hayzlett  
Title: President

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_



## **Amendment to Agreement for Services -National Sign Plazas, Inc Wayfinding Sign Program**

As of July 24, 2019, the contract entitled Agreement for Services -National Sign Plazas, Inc  
Wayfinding Sign Program between the following parties:

City of Deer Park  
National Sign Plazas, Inc

"Exhibit C - Section III, Exhibit D, Exhibit E and Exhibit F-1" in the original contract will be  
amended to read as follows:

On Exhibit C, Section III - Additional Purchases / Phases:  
Section removed

On Exhibit D:  
Payment Amount \$122,000

On Exhibit E:  
Three (3) Primary Signs at \$6,600 for a total of \$19,800  
Twelve (12) Secondary Signs at \$3,600 for a total of \$43,200  
Four (4) Monument Entry Signs at \$14,750 for a total of \$59,000  
Grand Total: \$122,000

Exhibit F-1:  
Three (3) Primary Signs at \$6,600  
Twelve (12) Secondary Signs at \$3,600  
Four (4) Monument Entry Signs at \$14,750

These changes are the only changes to the original contract. The entire remainder of the original  
contract remains in full force. This Amendment shall be effective once signed by both parties.

This Amendment shall be signed by the following:

Representative of City of Deer Park

\_\_\_\_\_  
Name: Charlie Sandberg  
Title: Director

Date: \_\_\_\_\_

\_\_\_\_\_  
Name: Jerry Mouton, Jr.  
Title: Mayor

Date: \_\_\_\_\_

Representative of National Sign Plazas, Inc

\_\_\_\_\_  
Name: Patrick Fuller  
Title: Vice President

Date: \_\_\_\_\_



## Legislation Details (With Text)

**File #:** AUT 20-007    **Version:** 1    **Name:**

**Type:** Authorization    **Status:** Agenda Ready

**File created:** 1/23/2020    **In control:** City Council

**On agenda:** 2/4/2020    **Final action:**

**Title:** Consideration of and action on authorization of closing out the contract for Phase I of the Wayfinding program.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [wayfinding phase I amend](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on authorization of closing out the contract for Phase I of the Wayfinding program.

### Summary:

Phase I of the Deer Park Wayfinding program began in 2016. Phase I of the project included 4 monument signs and 15 wayfinding signs to be constructed at various Parks and City owned right of ways around Deer Park. The signs were originally installed in 2016, however shortly after installation it was discovered that the wayfinding signs were not constructed to specifications listed in the construction documents. The contractor, National Sign Plaza, warrantied the signs and over time completed all necessary repairs for Phase I signs. This item is to close out the Phase I contract.

### Fiscal/Budgetary Impact:

\$122,000                      101-601-43080                      Allocated in FY 16-17 Hotel/Motel Tax Fund

Authorize the closing out the contract for Phase I of the Wayfinding program.



## Legislation Details (With Text)

**File #:** AGR 20-002    **Version:** 1    **Name:**  
**Type:** Agreement    **Status:** Agenda Ready  
**File created:** 2/4/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Consideration of and action on entering into an agreement with PSI Water Technologies for improvements to the Avon Elevated Storage Tank and the P Street Ground Storage Tank.  
**Sponsors:** Public Works  
**Indexes:**  
**Code sections:**

**Attachments:** [Deer Park TX - 0.5MG Avon EST RCS](#)  
[Deer Park TX - 1MG P Street GST RCS](#)  
[Sole Source Letter January 2020](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on entering into an agreement with PSI Water Technologies for improvements to the Avon Elevated Storage Tank and the P Street Ground Storage Tank.

Summary: We received a sole source quote from PSI Water Technologies for water quality improvements in the Avon Elevated Storage Tank (EST) and the P Street Ground Storage Tank (GST). This system is designed the same as the system that was installed at Coy Drive and Pasadena Blvd., providing a mixer and a residual control system in the tank of each site. It provides a more efficient and uniform method to boost the chlorine residual at the site and will have a direct impact on the water quality of the neighborhoods served by these tanks.

The proposal, a combined total of \$212,100.00, includes two (2) water quality stations, two (2) PAX Smart Controllers, two (2) chemical feed systems for ammonia, a mixer for the ground storage tank at P Street, a mixer for the elevated storage tank at Avon, SCADA control and feedback, training, and installation.

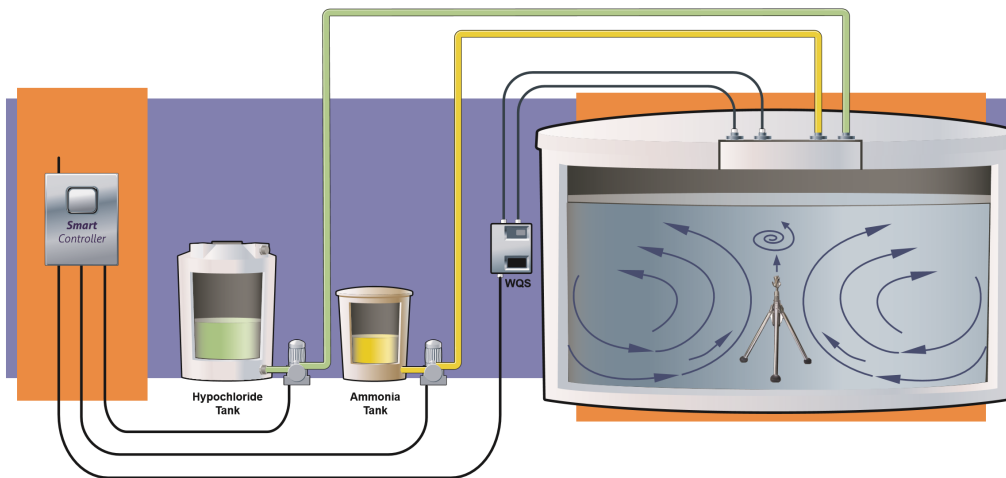
The two systems that were previously installed at Coy Drive and Pasadena Blvd have proven to be an effective treatment process in increasing the chlorine residual in the tank and distribution system, preventing nitrification from occurring.

### Fiscal/Budgetary Impact:

This project was budgeted and is funded out of the account 400-503-4904.

Staff recommends that City Council approve the agreement with PSI Water Technologies.

**FIRM PROPOSAL**  
**MONOCLOR<sup>®</sup>**  
**RESIDUAL CONTROL SYSTEM**  
**FOR**  
**DEER PARK, TX**  
**0.5MG AVON EST**



PSI Water Technologies, Inc. File No.: P19-4371 Firm  
CA Contractor's License: #877235

Prepared on: November 14, 2019

SALES REPRESENTATIVE  
Environmental Improvements (EI<sup>2</sup>)  
Blake Royce  
PO Box 79266  
Houston, TX 77279  
T: (713) 461-1111  
Email: [blake@ei2hou.com](mailto:blake@ei2hou.com)

## **TABLE OF CONTENTS**

Cover Letter

Section 1: Scope of Supply

Section 2: Proposal Acceptance

Section 3: Terms and Conditions

**IMPORTANT NOTICE:** All the information in this Proposal is confidential and has been prepared for Buyer's use solely in considering the purchase of the Equipment described. Transmission of all or any part of this Proposal to others or use by Buyer for other purposes is unauthorized without Seller's advance written consent.



November 14, 2019

Nicholas Cook, Water Plant Supervisor  
2117 E. X-Street  
Deer Park, TX 77536

Re: Monoclor® Residual Control System for Deer Park, TX  
PSI Water Technologies, Inc. File No.: P19-4371 Firm

Dear Nicholas,

Thank you for your interest in PSI Water Technologies, Inc. (PSI), a UGSI Solutions company. We have prepared this firm proposal for providing a Monoclor® Residual Control System (RCS) for Deer Park, TX – 0.5MG Avon EST. Our proposal is based on the following design criteria:

**Design Criteria**

Reservoir Diameter, ft	50
Riser Height, ft	50
Tank Elevation, ft	140
Maximum Capacity, MG	0.5
Maximum Flow, MGD	0.75 (Assumed)
Reservoir Type	Elevated Storage Tank
Disinfectant	Chloramines (with Chlorine Gas)
Desired Chlorine Residual, ppm	2.5

**System Features & Advantages**

The Monoclor® RCS is an intelligent, automated disinfectant boosting system that gives operators the ability to set and control residual levels in water storage tanks and key locations in the distribution system. The Monoclor® RCS utilizes advanced water quality sensors, powerful active mixing, an automated chemical feed system, and an advanced control algorithm to set and maintain residual levels in water storage tanks and distribution systems. The Monoclor® RCS has been tested and validated through extensive laboratory testing and many full-scale installations over the last 5 years.

Our Monoclor® RCS consists of all equipment essential for a complete system, including:

1. Accurate chemical dosing at the correct ratio
2. Proper mixing to ensure a homogenous water body that will not stratify
3. High energy mixing that ensures instantaneous reaction of introduced chemicals
4. Real-time monitoring and control logic to maintain or achieve equilibrium by responding to dynamic reservoir conditions

The Monoclor® RCS enables operators to:

1. Set and maintain consistent disinfectant levels in storage tanks and key locations in the distribution system
2. Continuously blend disinfectant residual and eliminate thermal and chemical stratification

T: (281) 636-6129

M: jkoch@ugsicorp.com

W: 4psi.net



3. Eliminate costly and labor-intensive manual boosting
4. Quickly counteract adverse water quality changes, such as low residual
5. Optimize and balance disinfectant levels across a water distribution system

The PAX PWM250 mixer is a submersible active mixing system for potable water storage tanks and reservoirs. When operated correctly, the PAX PWM250 mixer can rapidly eliminate thermal stratification, decrease ice formation, rapidly blend and distribute doses of residual disinfectant, and maintain uniform chemical and temperature conditions. Under some conditions, the mixing action can also reduce the rate of residual disinfectant loss and lower volatile disinfection byproduct levels inside the tank when used as part of an in-tank aeration system.

A detailed scope of supply and the firm price for the complete system is listed in Section 1 of this proposal. All pricing is based on our standard system, as outlined in our equipment specifications (available upon request).

Our scope of supply follows in Section 1, proposal acceptance in Section 2, and terms and conditions in Section 3.

We look forward to working with you on this project. If we can be of any further assistance, please do not hesitate to contact our sales representative, Blake Roye at Environmental Improvements (EI<sup>2</sup>), or me at (281) 636-6129.

Sincerely,

John Koch  
Regional Sales Manager

Cc: Evan Tanaka, PSI Water Technologies, Inc.  
Blake Roye, Environmental Improvements (EI<sup>2</sup>)



## **SECTION 1**

### **SCOPE OF SUPPLY**

- A. Scope of Supply by PSI
- B. Scope of Work by Others
- C. Clarifications
- D. Terms of Payment
- E. Delivery

## **A. SCOPE OF SUPPLY BY PSI – MONOCLOR® RCS – CHLORINE GAS**

The following equipment and services constitute our scope of work. All equipment will be manufactured in accordance with the descriptions below.

<b><u>No</u></b>	<b><u>Item Description</u></b>	<b><u>Qty.</u></b>
<b>1.</b>	<b>Smart Control Center, SCC1000</b> <ul style="list-style-type: none"> <li>Allen-Bradley MicroLogix 1400 Programmable Logic Controller (PLC)</li> <li>Magelis DT351 7.4" HMI: Color LCD touch screen</li> <li>Communication: Ethernet based access to HMI software from computer or smartphone within same network</li> <li>Remote Monitoring Telemetry</li> <li>Water Quality Station Communication: Two wire twisted cable</li> <li>Chemical Dosing Controller: RS-485 port for chemical feed system communications</li> <li>SCADA: Modbus TCP/IP standard, analog output available if necessary</li> <li>Panel – Mounted Disconnect Switch</li> <li>Enclosure: Equal to or greater than Type 4 rating</li> </ul>	<b>1</b>
<b>2.</b>	<b>Liquid Ammonium Sulfate (LAS) Storage Tank, including:</b> <ul style="list-style-type: none"> <li>Single Wall HDLPE Construction</li> <li>65 Gallon Capacity</li> <li>Submersible Level Transmitter</li> <li>Top Manway</li> <li>Tank Dimensions: 23" D x 35" H</li> <li>62 Gallon Secondary Containment Skid</li> <li>Containment Skid Dimensions: 40"x40"x12"</li> </ul>	<b>1</b>
<b>3.</b>	<b>Chemical Feed System - Ammonia, ASP</b> <ul style="list-style-type: none"> <li>Skid: Black polypropylene</li> <li>Pump: Grundfos DDA 7.5-16 Diaphragm Pump, 1.98 GPH @ 145 PSI</li> <li>Piping: PVC schedule 80</li> <li>Secondary Containment: 9 gallons secondary containment</li> <li>Controller - Input/Output: 4 digital inputs, 2 digital outputs, 2 analog inputs, 1 analog output</li> <li>Communication: Modbus protocol with Smart Control Center</li> <li>Connection: RS-485 cable</li> <li>Enclosure: Equal to or greater than Type 3R rating</li> <li>Pump Control Option: Digital relay, analog (4-20 mA), power switch</li> <li>Accessories: <ul style="list-style-type: none"> <li>Calibration Column</li> <li>Pressure Relief Valve</li> <li>Wye Strainer</li> </ul> </li> </ul>	<b>1</b>

<b><u>No</u></b>	<b><u>Item Description</u></b>	<b><u>Qty.</u></b>
	<ul style="list-style-type: none"> <li>○ Pressure Transmitter</li> <li>○ Back Pressure Regulator</li> </ul>	
<b>4.</b>	<b>Water Quality Station, WQS1000</b> <ul style="list-style-type: none"> <li>▪ Water Connection: 3/8" Push-connect</li> <li>▪ Sampling Flow Rate: 10 GPH</li> <li>▪ Connectivity: Modbus RS485 Connection</li> <li>▪ Data Logging: Real-time DAQ on USB flash drive</li> <li>▪ Measurement - Total Chlorine: Dual Amperometric reagent less online sensor, 0-10 PPM measuring range, 0.01 PPM resolution</li> <li>▪ Measurement – ORP Sensor (Platinum Extended Tip)</li> <li>▪ Measurement - Temperature: 32-212° F measuring range, 0.1° F resolution</li> <li>▪ Measurement - pH: 0-14 measuring range, 0.01 resolution</li> <li>▪ Measurement - Water Level (optional): pressure transducer, resolution of 1% maximum scale</li> <li>▪ Enclosure: Equal to or greater than Type 3R rating</li> </ul>	<b>1</b>
<b>5.</b>	<b>PWM250 Mixer Wet Assembly, including:</b> <ul style="list-style-type: none"> <li>▪ Spiral-shaped nozzle designed to mix up to 3 million gallons of water</li> <li>▪ Integrated power cable and lowering mechanism for simplicity</li> <li>▪ The ability to function continuously regardless of tank cycles</li> <li>▪ 230V three phase 2 horsepower water-cooled motor powered by the control center</li> <li>▪ Injection Stems</li> </ul>	<b>1</b>
<b>6.</b>	<b>Control Center Dry Assembly with SCADA Compatibility, including:</b> <p><b>NEMA 4 Enclosure:</b></p> <ul style="list-style-type: none"> <li>▪ Lockable and weather resistant</li> <li>▪ Overall weight of control center 55 lbs.</li> <li>▪ Operating temperature range 40 °F to 95 °F (4.4 °C to 35 °C)</li> <li>▪ Green and Red LED Indicator lights to display motor status</li> <li>▪ White LED Indicator light to display power</li> <li>▪ Cooling fan</li> </ul> <p><b>Motor Controller/VFD:</b></p> <ul style="list-style-type: none"> <li>▪ Allen Bradley</li> <li>▪ 230VAC single phase, rated to 3.0 HP</li> <li>▪ HOA Switches</li> <li>▪ Manual speed control</li> <li>▪ Thermal shut-off protection built-in</li> <li>▪ Current overload protection built-in</li> <li>▪ 300mA trip level GFCI</li> </ul>	<b>1</b>

<b><u>No</u></b>	<b><u>Item Description</u></b>	<b><u>Qty.</u></b>
	<ul style="list-style-type: none"> <li>▪ Sine filter</li> <li>▪ Branch-circuit protection</li> </ul> <p><b>SCADA outputs included:</b></p> <ul style="list-style-type: none"> <li>▪ Digital Output signal indicating motor running</li> <li>▪ Digital Output signal indicating fault</li> <li>▪ Digital Input/Output signal for remote motor on/off</li> <li>▪ RS-485 or Dry Contact connections</li> <li>▪ 4-20mA signal</li> </ul>	
<b>7.</b>	<b>Cable 70 ft., including:</b> <ul style="list-style-type: none"> <li>▪ Flat-jacketed 4 conductor</li> </ul>	<b>1</b>
<b>8.</b>	<b>Tank Penetration Accessory</b> <ul style="list-style-type: none"> <li>▪ Stainless steel strain relief for 4 wire flat-jacketed cable</li> </ul>	<b>1</b>
<b>9.</b>	<b>Manufacturer's Services for Installation Inspection, System Start-Up, and Operator Training (2 Days at the Jobsite)</b>	<b>Included</b>
<b>10.</b>	<b>Submittal and Operation &amp; Maintenance Manual as Follows</b> <ul style="list-style-type: none"> <li>▪ Submittal: Sent Electronically</li> <li>▪ O&amp;M Manual: Sent Electronically</li> </ul>	<b>Included</b>
<b>11.</b>	<b>FOB Factory, Milpitas, CA with Full Freight Allowed to Jobsite, Deer Park, TX</b>	<b>Included</b>
	<b>FIRM PRICE [ITEMS 1-11]</b>	<b>\$103,900</b>

## **B. SCOPE OF WORK BY OTHERS**

1. **Chlorine gas supply.**
2. **Chlorine gas storage vessel with scale.**
3. **Instrumentation for chlorine gas storage vessel, including a 4-20mA actuator and flow valves for flow control.**
4. **Chlorine gas feed system.**
5. **Instrumentation for chlorine gas feed system.**
6. **Sample tap and its installation.**
7. All trenching and underground conduit runs.
8. Electrical power to Control Panels, WQS, and Chemical Feed Skid. Secondary containment of all equipment and piping.
9. 40% Liquid Ammonium Sulfate supply.
10. Each chemical storage tank must be labeled appropriately according to local regulations. Check with your local regulating agency for requirements.
11. Proper distance between chemical storage tanks must be maintained according to local regulations.
12. All civil works and concrete pad for equipment.
13. Any underground or structural work.
14. Design and supply of anchor bolts and seismic restraints.
15. Electrical power to Water Quality Station (100-240VAC/1Ph/60Hz for 10 A), Smart Control Center (100-120VAC/1PH/60Hz for 10A), and Chemical Feed Skid (110VAC/1Ph/60Hz for 10 A).
16. Any tank recoating services, labor, or parts.
17. All hose, pipe and tubing supports, strut, and clamps.
18. Freeze protection for all tubing and piping external to the reservoir, if required.
19. All electrical conduit, wiring, electrical material (including disconnect switches), etc. between control panel, hypochlorite tank, metering pumps, SCADA, etc.
20. Hatch penetrations or modifications.
21. Room ventilation, air conditioning, or lighting.
22. SCADA integration.
23. Videotaping.
24. All taxes, fees, lien waivers, bonds and licenses.
25. Permitting or regulatory approval.
26. Any items not explicitly listed under Scope of Supply by PSI.

## **C. CLARIFICATIONS**

1. All equipment excluding PAX mixers must be installed in an indoor location. A shed or enclosure is not included in the proposal.
2. Sample water flow is 10 GPH. The sample water is assumed to be gravity fed to the Water Quality Station and then routed to a nearby drain.
3. Reservoir Low Water Level must be above 6' for PAX mixer to function properly.
4. PSI recommends adding secondary containment to Gas Chlorine and Ammonia chemical feed lines. When possible, trenching these lines underground would be optimal.
5. The performance of the Monoclor® RCS design reported in this document is dependent on the tank operations data provided in the design criteria and may vary significantly under different operating conditions and/or scenarios.



6. PSI requires a minimum of two (2) weeks notification prior to performing onsite installation inspection, system start-up and training. PSI will work with you to attempt to accommodate your scheduling needs.
7. Do not mix hypochlorite and ammonia as toxic vapors will be produced.

#### **D. TERMS OF PAYMENT**

- Twenty Percent (20%) Payment Invoiced on Approved Submittals
- Eighty Percent (80%) Payment Invoiced on Shipment of Equipment
- Net 30 Days
- Price Valid for 90 Days

#### **E. DELIVERY**

- Submittal: 4 - 6 Weeks After Receipt of Fully Executed Order
- Equipment Shipment: 8 - 10 Weeks After Approval of Submittals

## **SECTION 2**

### **PROPOSAL ACCEPTANCE**

#### **Monoclor® Residual Control System**

PSI Water Technologies, Inc. File No.: P19-4371 Firm

- 1) PSI Water Technologies, Inc. (Seller) proposes to furnish the equipment described in this proposal. Any items not shown above as detailed under "SCOPE OF SUPPLY BY PSI" are EXCLUDED. In addition:
  - a. Seller's price will be held valid for a period of 90 days from the date of this proposal ("Proposal Date"). Seller shall have the right to reprice this proposal if the Buyer's order is received more than 90 days beyond the Proposal Date or delivery more than 365 days after commercial agreement.
  - b. Prices are in US Dollars.
  - c. Local or state taxes are not included in this proposal.
- 2) This proposal by Seller is contingent upon: (i) Seller's written acceptance of the signed proposal, a purchase order, or other document issued by the Buyer in response to this proposal; and (ii) Buyer's assent to the terms and conditions contained in this proposal, such terms to take precedence in the event of conflict with any other terms or documents incorporated into the contract arising out of this proposal unless otherwise agreed in a writing, signed by Seller; and (iii) satisfactory completion of an anti-corruption due diligence review, if applicable.
- 3) All of the information supplied by Seller in connection with this proposal (including drawings, designs and specifications) (the "Information") is confidential and/or proprietary and has been prepared for Buyer's use solely in evaluating the purchase of the equipment and/or services described herein. Transmission of all or any part of the Information to others, or use by Buyer for any purpose other than such evaluation, is expressly prohibited without Seller's prior written consent.
- 4) Please return a signed copy of this proposal or address and send your purchase order to:

PSI Water Technologies, Inc.  
1077 Dell Ave, Suite A  
Campbell, CA 95008  
Attn: Guy Chadwell  
Phone: 408.819.3043  
Fax: 408.866.4660  
E-mail: gchadwell@ugsicorp.com

Thank you for your interest in PSI Water Technologies, Inc. We are committed to meeting your expectations.

#### **Proposal Acceptance**

An authorized signature indicates Buyer's acceptance of this proposal, including without limitation Seller's Terms and Conditions below.

---

**Company Name**

---

**Buyer's Name (printed)**

---

**Buyer's Authorized Signature**

---

**Date**

## **SECTION 3**

### **TERMS AND CONDITIONS Monoclor® Residual Control System**

**1. Applicable Terms.** PSI Water Technologies, Inc. ("Seller") will sell, and the buyer ("Buyer") will purchase, the products and/or services referred to in Seller's proposal or quotation (collectively, the "Products"), subject to these terms and conditions, including the Warranty Attachments hereto (the "Warranty Attachments", and such Warranty Attachments, together with these Terms and Conditions, being referred to herein as the "Terms"). The front page of Buyer's purchase order (disregarding any reference to terms and conditions and any provisions that conflict with the Terms), if any, together with the description of the Products in Seller's proposal or quotation and the Terms, constitute the complete and exclusive agreement between the parties related to the purchase and sale of the Products (the "Agreement"). All prior communications, documents, negotiations and representations, if any, are merged herein. Whether the Terms are included in an offer or an acceptance by Seller, such offer or acceptance is conditioned on Buyer's assent to the Terms. Any additional, different or conflicting terms contained in Buyer's request for proposal, specifications, purchase order or any other written or oral communication from Buyer shall not be binding in any way on Seller, whether or not they would materially alter this document, and Seller hereby objects thereto. All orders are subject to prior credit approval by Seller.

**2. Pricing.** The prices shall be as stated in Seller's proposal or order acknowledgment.

**3. Payment.** Unless otherwise stated, all payments shall be net 30 days from invoice date payable in United States Dollars. Unless provided otherwise in Seller's proposal, 20% of the purchase price will be invoiced on approved submittals, and 80% will be invoiced on shipment. If Buyer fails to make any payment to Seller when due, Buyer's entire account(s) with Seller will become immediately due and payable without notice or demand. Buyer will pay 1½% interest per month, compounded monthly, on all amounts not received by the due date. Buyer hereby grants Seller a purchase money security interest in the Products until such time as Seller is fully paid. Buyer will assist Seller in taking action to perfect and protect Seller's security interest. Seller may make partial shipments, in which case, Buyer shall pay for each shipment in accordance with the terms hereof.

**4. Taxes, Shipping, Packing** Except to the extent expressly stated otherwise in Seller's proposal, prices do not include any freight, storage, insurance, taxes, excises, fees, duties or other government charges, and Buyer shall pay such amounts or reimburse Seller for any such amounts Seller pays. If Buyer claims a tax or other exemption or direct payment permit, it shall provide Seller with a valid exemption certificate or permit and indemnify, defend and hold Seller harmless from any taxes, costs, and penalties arising out of same. Prices include the costs of Seller's standard domestic packing only. Any deviation from standard packing (domestic or export) shall result in extra charges. Any and all increases, changes, adjustments, or surcharges (including fuel surcharges) which may arise in connection with the freight charges, rates or classification included as part of the Agreement, shall be for the Buyer's account.

**5. Delivery.** Products shall be delivered F.O.B. Seller's point of shipment. All delivery dates are estimated and are dependent in part upon prompt receipt of all necessary information from Buyer, including submittal approvals, if applicable, and all required commercial documentation. Seller will make a good faith effort to complete delivery of the Products on the date and to the location specified in writing by Buyer, but Seller assumes no liability for loss or damage due to delay or inability to deliver, whether or not such loss or damage was made known to Seller. If Buyer causes or requests a shipment delay, or if Seller ships or delivers the Products erroneously as a result of inaccurate, incomplete or misleading information supplied by Buyer or its agents or representatives, storage and all other additional costs and risks will be borne solely by Buyer. Any claims for Products damaged or lost in transit ("Transit Losses") must be made by Buyer to the carrier and reported to Seller within one business day following delivery to Buyer.

**6. Inspection and Acceptance.** Buyer will have seven days from the date Buyer receives any Products to inspect such Products for defects and nonconformance which are not due to Transit Losses, and to notify Seller, in writing, of any defects, nonconformance or rejection of such Products. After such seven-day period, Buyer will be deemed to have





irrevocably accepted the Products, if not previously accepted. After such acceptance, Buyer will have no right to reject or revoke acceptance of the Products for any reason; provided that Buyer retains all rights in respect of the warranties in, or referred to in, Section 9 below.

**7. Returns and Cancellation.** Buyer may not return custom engineered Products. Buyer may return other Products only with Seller's prior written approval, which may be withheld in Seller's sole discretion. Any authorized return will be subject to payment of a restocking charge and will be allowed only if the subject Product: (i) is in new condition, suitable for resale, and (ii) has not been used, installed, modified, altered or damaged. The restocking charge for authorized returns will be no less than (x) 25% of the purchase price, net of any freight charges included in the purchase price, plus (y) 100% of freight costs incurred by Seller. Buyer is responsible for the payment or reimbursement of return freight charges. Returns will be shipped F.O.B. Seller's location. Seller may, but will not be obligated to, treat any cancellation of an accepted order as an authorized return.

**8. Force Majeure.** Seller will have no liability for any breach caused by extreme weather or other act of God, strike or other labor shortage or disturbance, fire, accident, war or civil disturbance, delay of carriers, failure of normal sources of supply, act of government, or any other cause beyond Seller's reasonable control.

**9. Warranty.** If the RCS System being supplied includes a Microclor® system and/or a PAX Mixer, the principal components of the Microclor® system(s) and the PAX Mixer are warranted as set forth in the applicable Warranty Attachment(s). Seller warrants that all other Products will be free from defects in material and workmanship for 12 months from initial operation or 18 months from shipment, whichever is earlier (the "Warranty Period"). Seller's warranties are conditioned on (i) the Product being stored, installed, operated and maintained in accordance with Seller's instructions; (ii) no repairs, modifications or alterations being made to the Product other than by Seller or its authorized representatives; (iii) Buyer providing prompt written notice of any warranty claims within the Warranty Period; (iv) Seller's verification of the claimed breach of warranty; and (v) at Seller's discretion, Buyer either removing and shipping the Product or non-conforming part thereof to Seller, at Buyer's expense, or Buyer granting Seller access to the Product at all reasonable times and locations to assess the warranty claims. Seller's warranties do not apply to software and do not cover ordinary wear and tear.

If the claimed breach of warranty is verified by Seller, then, as the sole and exclusive remedy of Buyer or the initial end-user of the Product, Seller will, at Seller's sole option (a) repair the applicable Product or component free of charge, or (b) replace the applicable Product or component free of charge F.O.B. Buyer's facility. The warranty on repaired or replaced Products or component parts is limited to the remainder of the original Warranty Period. Buyer shall be responsible for (x) any labor required to gain access to the Product or component or so that Seller can assess the available remedies; and (y) all costs of installation of repaired or replacement Products or components.

THE WARRANTIES SET FORTH IN THIS SECTION 9 AND IN THE WARRANTY ATTACHMENT(S) ARE INTENDED TO BE SELLER'S SOLE AND EXCLUSIVE WARRANTIES WITH RESPECT TO THE PRODUCTS AND SELLER'S WARRANTIES ARE SUBJECT TO SECTION 10 BELOW. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE, OR ANY WARRANTIES THAT MIGHT ARISE FROM COURSE OF DEALING OR USAGE OF TRADE. NOTWITHSTANDING THE FOREGOING, IF IT IS ALLEGED OR DETERMINED THAT SELLER HAS MADE ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BY COURSE OF DEALING OR USAGE OF TRADE, SUCH OTHER WARRANTIES SHALL BE SUBJECT TO ALL THE CONDITIONS, LIMITATIONS AND PROCEDURES SET FORTH IN THIS SECTION 9, THE WARRANTY ATTACHMENT(S), AND SECTION 10 BELOW.

**10. LIMITATION OF LIABILITY.** NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, SELLER WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, AND SELLER'S TOTAL LIABILITY ARISING AT ANY TIME FROM THE SALE OR USE OF THE PRODUCTS WILL NOT EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCTS. THESE LIMITATIONS APPLY WHETHER THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR

ANY OTHER THEORY. THE REMEDIES SET FORTH IN THIS AGREEMENT ARE INTENDED TO CONSTITUTE A COMPLETE ALLOCATION OF THE RISKS BETWEEN THE PARTIES, AND BUYER ACKNOWLEDGES THAT IT IS KNOWINGLY LIMITING THE REMEDIES THAT MIGHT OTHERWISE BE AVAILABLE TO BUYER. BECAUSE THIS AGREEMENT AND THE PRICE PAID REFLECT SUCH ALLOCATION, THE REMEDIES PROVIDED TO BUYER HEREUNDER WILL NOT HAVE FAILED OF THEIR ESSENTIAL PURPOSE EVEN IF THEY OPERATE TO BAR RECOVERY FOR CERTAIN DAMAGES THAT BUYER MAY INCUR.

**11. Remedies of Seller.** Any of the following will constitute an event of default which will enable Seller, at its option and without liability to Buyer, to cancel any unexecuted portion of the order that is the subject of this Agreement and to exercise any other right or remedy expressed herein or otherwise available at law or in equity: (i) the failure of Buyer to make any payment required hereunder when due ("Payment Default") or to perform any other term or condition contained herein; (ii) the insolvency of Buyer or its failure to pay its debts as they mature, an assignment by Buyer for the benefit of its creditors, the appointment of a receiver for Buyer or for the materials covered by this Agreement, or the filing of any petition to adjudicate Buyer bankrupt; (iii) a failure by Buyer to provide adequate assurance of performance within ten days after a justified demand by Seller; or (iv) if Seller, in good faith, believes that Buyer's prospect of performance under this Agreement is impaired. Seller's obligations under Section 9 hereof and the Warranty Attachments will be suspended during the pendency of any Payment Default. No such suspension will extend Seller's obligations under Section 9 or the Warranty Attachments beyond the period provided therein. Seller's election of any remedy in the event of a default by Buyer will not preclude Seller from exercising any other remedy available to Seller hereunder or at law or in equity for the same or any other default. In the event it becomes necessary to incur any expense for collection of any overdue account, Seller's collection charges, including attorneys' fees and expenses, will be added to the balance due and Buyer will pay all such charges together with interest thereon from the date incurred in accordance with Section 3.

**12. Equal Employment Opportunity.** Seller is an equal opportunity employer. The parties shall, as applicable, abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a), 41 CFR 60-741.5(a) and Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A) (relating to the notice of employee rights under federal labor laws), and these laws are incorporated herein by reference.

**13. Export Compliance.** Buyer acknowledges that Seller is required to comply with applicable export laws and regulations relating to the sale, exportation, transfer, assignment, disposal, and usage of the Products provided under the Agreement, including any export license requirements. Buyer agrees that such Products shall not at any time directly or indirectly be used, exported, sold, transferred, assigned, or otherwise disposed of in a manner which will result in non-compliance with such export laws and regulations. It shall be a condition of the continuing performance by Seller of its obligations hereunder that compliance with such export laws and regulations be maintained at all times. BUYER WILL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY AND ALL COSTS, LIABILITIES, PENALTIES, SANCTIONS AND FINES RELATED TO NON-COMPLIANCE WITH APPLICABLE EXPORT LAWS AND REGULATIONS.

**14. Miscellaneous.** No part of this Agreement may be changed or cancelled except by a written document signed by Seller and Buyer. As used in this Agreement, "including" and its variants mean "including without limitation" and its variants. No course of dealing or performance, usage of trade, or failure to enforce any term will be used to modify the Agreement. Buyer acknowledges that it has not relied upon any letters of intent, agreements, promises, negotiations, statements or representations other than those expressly set forth in this Agreement and that no such extraneous document or other communication shall be of any force or effect. Buyer agrees and warrants that in entering into this Agreement, Buyer is relying solely upon the information contained in this Agreement and not in reliance upon any other information. If any of the Terms is unenforceable, such Term will be limited only to the extent necessary to make it enforceable, and all other Terms will remain in full force and effect. Buyer may not assign this Agreement without Seller's prior written consent. This Agreement will be governed by the laws of the State of California without regard to its conflict of laws provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods is excluded. Any bond issued by Seller in connection with the sale of the Products shall remain in effect for a maximum of two (2) years after acceptance of the Products, and the only warranty, guaranty or Product performance obligations covered thereby shall be those at Section 9 above and in the Warranty Attachments. All Product performance obligations



of Seller are contingent on the design criteria and the condition of the influent and the raw materials being as specified by Seller and will be considered satisfied and discharged upon successful completion of the initial Product performance testing. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVES ITS RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING IN CONNECTION WITH THE TRANSACTION CONTEMPLATED HEREBY.



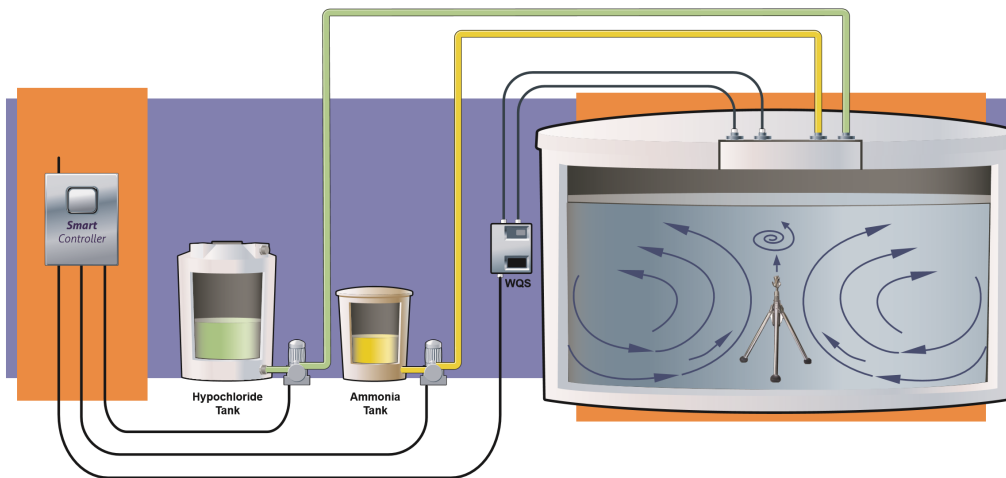
**WARRANTY ATTACHMENT  
FOR  
PAX MIXERS**

**I. Incorporation and Definitions.** This Warranty Attachment is incorporated into, and made a part of, the PSI Water Technologies, Inc. Terms and Conditions (the “Terms and Conditions”). All capitalized terms used in this Warranty Attachment have the meanings assigned to them in the Terms and Conditions. This Warranty Attachment sets forth Seller’s warranty with respect to each PAX Mixer, including its associated controller (collectively, the “PAX Mixer”), included in a Monoclor/RCS system supplied by Seller (the “System”). All other components of or accessories to the System are covered by the warranty set forth or referred to in Section 9 of the Terms and Conditions.

**II. Warranty Statement.** Seller warrants for the PAX Mixer Warranty Period (as defined below) that each PAX Mixer is free from defects in material and workmanship and conforms to Seller’s specifications applicable to the PAX Mixer. Seller’s warranty is transferable during the PAX Mixer Warranty Period to the initial end-user of the Product (“Owner”). Seller’s warranty is conditioned on (i) Seller’s verification of the alleged breach; (ii) the PAX Mixer being stored, handled, installed, operated and maintained in accordance with Seller’s instructions, (iii) no repairs, modifications or alterations being made to the PAX Mixer other than by Seller or its authorized representatives, (iv) Buyer or Owner providing prompt written notice of any warranty claims within the PAX Mixer Warranty Period, and (v) at Seller’s discretion, Buyer or Owner either removing and shipping the PAX Mixer or non-conforming part thereof to Seller, at Buyer’s or Owner’s expense, or Buyer or Owner granting Seller access to the PAX Mixer at all reasonable times and locations to assess the warranty claims. Seller’s warranty does not apply to software and does not cover damage due to (x) lightning, flood or other acts of nature or *force majeure* events, or failure of or inappropriate application of peripheral devices, including lightning or surge protectors, (y) installation by a person or entity other than Seller or Seller’s authorized installation contractor, or (z) ordinary wear and tear. Lightning protection is recommended particularly in areas historically prone to lightning, and it is Buyer’s or Owner’s responsibility to properly select and install lightning protection in accordance with all applicable laws, codes and regulations. The “PAX Mixer Warranty Period” applicable to each PAX Mixer begins on the date of installation or three (3) months after shipment, whichever comes first, and continues for the period of 36 months thereafter.

**III. Warranty Remedy.** Buyer’s or Owner’s sole remedy for any breach of Seller’s warranty above is limited to Seller’s choice of repair or replacement of the PAX Mixer, or non-conforming parts thereof F.O.B. jobsite, or refund of the purchase price for the subject PAX Mixer or part. Seller reserves the right to provide new or reconditioned replacement PAX Mixers or parts. The warranty on repaired or replaced PAX Mixers or component parts is limited to the remainder of the original PAX Mixer Warranty Period. The warranty includes labor to remove and reinstall repaired or replacement PAX Mixers or components for a period of 120 days after shipment of the PAX Mixer; provided that (a) the defective PAX Mixer was originally installed, and the repaired or replacement PAX Mixer or part will be installed, in accordance with Seller’s guidelines in effect at the time of installation; and (b) labor of divers and labor required to drain the storage tank or reservoir is excluded. After such period, Buyer or Owner shall be responsible for (i) any labor required to remove or gain access to the PAX Mixer or part so that Seller can assess the available remedies; and (ii) all costs of installation of repaired or replaced PAX Mixer or component parts. If Seller determines that any alleged damage is not covered by this warranty, Seller will charge, and Buyer will pay, Seller’s normal rates for any inspection or repair performed by Seller, and for any materials provided or used in connection therewith.

**FIRM PROPOSAL**  
**MONOCLOR®**  
**RESIDUAL CONTROL SYSTEM**  
**FOR**  
**DEER PARK, TX**  
**1MG P STREET GST**



PSI Water Technologies, Inc. File No.: P19-4370 Firm  
CA Contractor's License: #877235

Prepared on: November 14, 2019

**SALES REPRESENTATIVE**  
Environmental Improvements (EI<sup>2</sup>)  
Blake Royce  
PO Box 79266  
Houston, TX 77279  
T: (713) 461-1111  
Email: [blake@ei2hou.com](mailto:blake@ei2hou.com)

## **TABLE OF CONTENTS**

Cover Letter

Section 1: Scope of Supply

Section 2: Proposal Acceptance

Section 3: Terms and Conditions

**IMPORTANT NOTICE:** All the information in this Proposal is confidential and has been prepared for Buyer's use solely in considering the purchase of the Equipment described. Transmission of all or any part of this Proposal to others or use by Buyer for other purposes is unauthorized without Seller's advance written consent.



November 14, 2019

Nicholas Cook, Water Plant Supervisor  
2117 E. X-Street  
Deer Park, TX 77536

Re: Monoclor® Residual Control System for Deer Park, TX  
PSI Water Technologies, Inc. File No.: P19-4370 Firm

Dear Nicholas,

Thank you for your interest in PSI Water Technologies, Inc. (PSI), a UGSI Solutions company. We have prepared this firm proposal for providing a Monoclor® Residual Control System (RCS) for Deer Park, TX – 1MG P Street GST. Our proposal is based on the following design criteria:

**Design Criteria**

Reservoir Diameter, ft	74
Reservoir Height, ft	32
Maximum Capacity, MG	1
Average Flow, MGD	1
Maximum Flow, MGD	1.5
Reservoir Type	Above-Ground, Circular GST
Disinfectant	Chloramines (with Chlorine Gas)
Desired Chlorine Residual, ppm	2.0
Chlorine Dose, ppm	2.3
Peak Chlorine Demand, ppd	29

**System Features & Advantages**

The Monoclor® RCS is an intelligent, automated disinfectant boosting system that gives operators the ability to set and control residual levels in water storage tanks and key locations in the distribution system. The Monoclor® RCS utilizes advanced water quality sensors, powerful active mixing, an automated chemical feed system, and an advanced control algorithm to set and maintain residual levels in water storage tanks and distribution systems. The Monoclor® RCS has been tested and validated through extensive laboratory testing and many full-scale installations over the last 5 years.

Our Monoclor® RCS consists of all equipment essential for a complete system, including:

1. Accurate chemical dosing at the correct ratio
2. Proper mixing to ensure a homogenous water body that will not stratify
3. High energy mixing that ensures instantaneous reaction of introduced chemicals
4. Real-time monitoring and control logic to maintain or achieve equilibrium by responding to dynamic reservoir conditions

The Monoclor® RCS enables operators to:

T: (281) 636-6129

M: jkoch@ugsicorp.com

W: 4psi.net



1. Set and maintain consistent disinfectant levels in storage tanks and key locations in the distribution system
2. Continuously blend disinfectant residual and eliminate thermal and chemical stratification
3. Eliminate costly and labor-intensive manual boosting
4. Quickly counteract adverse water quality changes, such as low residual
5. Optimize and balance disinfectant levels across a water distribution system

The PAX PWM400 mixer is a submersible active mixing system for potable water storage tanks and reservoirs. When operated correctly, the PAX PWM400 mixer can rapidly eliminate thermal stratification, decrease ice formation, rapidly blend and distribute doses of residual disinfectant, and maintain uniform chemical and temperature conditions. Under some conditions, the mixing action can also reduce the rate of residual disinfectant loss and lower volatile disinfection byproduct levels inside the tank when used as part of an in-tank aeration system.

A detailed scope of supply and the firm price for the complete system is listed in Section 1 of this proposal. All pricing is based on our standard system, as outlined in our equipment specifications (available upon request).

Our scope of supply follows in Section 1, proposal acceptance in Section 2, and terms and conditions in Section 3.

We look forward to working with you on this project. If we can be of any further assistance, please do not hesitate to contact our sales representative, Blake Royce at Environmental Improvements (EI<sup>2</sup>), or me at (281) 636-6129.

Sincerely,

John Koch  
Regional Sales Manager

Cc: Evan Tanaka, PSI Water Technologies, Inc.  
Blake Royce, Environmental Improvements (EI<sup>2</sup>)



## **SECTION 1**

### **SCOPE OF SUPPLY**

- A. Scope of Supply by PSI
- B. Scope of Work by Others
- C. Clarifications
- D. Terms of Payment
- E. Delivery

## **A. SCOPE OF SUPPLY BY PSI – MONOCLOR® RCS – CHLORINE GAS**

The following equipment and services constitute our scope of work. All equipment will be manufactured in accordance with the descriptions below.

<b><u>No</u></b>	<b><u>Item Description</u></b>	<b><u>Qty.</u></b>
<b>1.</b>	<b>Smart Control Center, SCC1000</b> <ul style="list-style-type: none"> <li>Allen-Bradley MicroLogix 1400 Programmable Logic Controller (PLC)</li> <li>Magelis DT351 7.4" HMI: Color LCD touch screen</li> <li>Communication: Ethernet based access to HMI software from computer or smartphone within same network</li> <li>Remote Monitoring Telemetry</li> <li>Water Quality Station Communication: Two wire twisted cable</li> <li>Chemical Dosing Controller: RS-485 port for chemical feed system communications</li> <li>SCADA: Modbus TCP/IP standard, analog output available if necessary</li> <li>Panel – Mounted Disconnect Switch</li> <li>Enclosure: Equal to or greater than Type 4 rating</li> </ul>	<b>1</b>
<b>2.</b>	<b>Liquid Ammonium Sulfate (LAS) Storage Tank, including:</b> <ul style="list-style-type: none"> <li>Single Wall HDLPE Construction</li> <li>65 Gallon Capacity</li> <li>Submersible Level Transmitter</li> <li>Top Manway</li> <li>Tank Dimensions: 23" D x 35" H</li> <li>62 Gallon Secondary Containment Skid</li> <li>Containment Skid Dimensions: 40"x40"x12"</li> </ul>	<b>1</b>
<b>3.</b>	<b>Chemical Feed System - Ammonia, ASP</b> <ul style="list-style-type: none"> <li>Skid: Black polypropylene</li> <li>Pump: Watson Marlow Q Dos 30 Peristaltic Pump, 7.93 GPH @ 60 PSI</li> <li>Piping: PVC schedule 80</li> <li>Secondary Containment: 9 gallons secondary containment</li> <li>Controller - Input/Output: 4 digital inputs, 2 digital outputs, 2 analog inputs, 1 analog output</li> <li>Communication: Modbus protocol with Smart Control Center</li> <li>Connection: RS-485 cable</li> <li>Enclosure: Equal to or greater than Type 3R rating</li> <li>Pump Control Option: Digital relay, analog (4-20 mA), power switch</li> <li>Accessories: <ul style="list-style-type: none"> <li>Calibration Column</li> <li>Pressure Relief Valve</li> <li>Wye Strainer</li> </ul> </li> </ul>	<b>1</b>

<b><u>No</u></b>	<b><u>Item Description</u></b>	<b><u>Qty.</u></b>
	<ul style="list-style-type: none"> <li>○ Pressure Transmitter</li> <li>○ Back Pressure Regulator</li> </ul>	
<b>4.</b>	<b>Water Quality Station, WQS1000</b> <ul style="list-style-type: none"> <li>▪ Water Connection: 3/8" Push-connect</li> <li>▪ Sampling Flow Rate: 10 GPH</li> <li>▪ Connectivity: Modbus RS485 Connection</li> <li>▪ Data Logging: Real-time DAQ on USB flash drive</li> <li>▪ Measurement - Total Chlorine: Dual Amperometric reagent less online sensor, 0-10 PPM measuring range, 0.01 PPM resolution</li> <li>▪ Measurement – ORP Sensor (Platinum Extended Tip)</li> <li>▪ Measurement - Temperature: 32-212° F measuring range, 0.1° F resolution</li> <li>▪ Measurement - pH: 0-14 measuring range, 0.01 resolution</li> <li>▪ Measurement - Water Level (optional): pressure transducer, resolution of 1% maximum scale</li> <li>▪ Enclosure: Equal to or greater than Type 3R rating</li> </ul>	<b>1</b>
<b>5.</b>	<b>Sample Pump</b>	<b>1</b>
<b>6.</b>	<b>PWM400 Mixer Wet Assembly, including:</b> <ul style="list-style-type: none"> <li>▪ Stainless steel 316 impeller designed to mix up to 9 million gallons of water</li> <li>▪ Passivated to minimize corrosion</li> <li>▪ The ability to function continuously regardless of tank cycles</li> <li>▪ Fittings box, IOB1000</li> <li>▪ 230V three phase ½ horsepower water-cooled motor powered by the PAX Control Center</li> <li>▪ Mixer-mounted Injection Stems, DCI Impeller</li> </ul>	<b>1</b>
<b>7.</b>	<b>Control Center Dry Assembly with SCADA Compatibility, including:</b> <p><b>NEMA 4 Enclosure:</b></p> <ul style="list-style-type: none"> <li>▪ Lockable and weather resistant</li> <li>▪ Overall weight of control center 55 lbs.</li> <li>▪ Operating temperature range 40 °F to 95 °F (4.4 °C to 35 °C)</li> <li>▪ Green and Red LED Indicator lights to display motor status</li> <li>▪ White LED Indicator light to display power</li> <li>▪ Cooling fan</li> </ul> <p><b>Motor Controller/VFD:</b></p> <ul style="list-style-type: none"> <li>▪ Allen Bradley</li> <li>▪ 230VAC single phase, rated to 1.0 HP</li> <li>▪ HOA Switches</li> <li>▪ Manual speed control</li> <li>▪ Thermal shut-off protection built-in</li> </ul>	<b>1</b>

<b><u>No</u></b>	<b><u>Item Description</u></b>	<b><u>Qty.</u></b>
	<ul style="list-style-type: none"> <li>▪ Current overload protection built-in</li> <li>▪ 300mA trip level GFCI</li> <li>▪ Sine filter</li> <li>▪ Branch-circuit protection</li> </ul> <p><b>SCADA outputs included:</b></p> <ul style="list-style-type: none"> <li>▪ Digital Output signal indicating motor running</li> <li>▪ Digital Output signal indicating fault</li> <li>▪ Digital Input/Output signal for remote motor on/off</li> <li>▪ RS-485 or Dry Contact connections</li> <li>▪ 4-20mA signal</li> </ul>	
<b>8.</b>	<b>Cable 70 ft., including:</b> <ul style="list-style-type: none"> <li>▪ Flat-jacketed 4 conductor</li> </ul>	1
<b>9.</b>	<b>Tripod Assembly, PWM400, including:</b> <ul style="list-style-type: none"> <li>▪ Stainless steel 316 legs</li> <li>▪ Chlorine/chloramine resistant rubber foot pad to avoid scratching tank floor</li> <li>▪ Stainless steel knobs for tool-less installation</li> </ul>	1
<b>10.</b>	<b>Long Bail Handle &amp; Chain</b> <ul style="list-style-type: none"> <li>▪ Stainless steel 316 handle to deploy mixer in full tanks</li> </ul>	1
<b>11.</b>	<b>Tank Penetration Accessory</b> <ul style="list-style-type: none"> <li>▪ Stainless steel strain relief for 4 wire flat-jacketed cable</li> </ul>	1
<b>12.</b>	<b>Manufacturer's Services for Installation Inspection, System Start-Up, and Operator Training (2 Days at the Jobsite)</b>	Included
<b>13.</b>	<b>Submittal and Operation &amp; Maintenance Manual as Follows</b> <ul style="list-style-type: none"> <li>▪ Submittal: Sent Electronically</li> <li>▪ O&amp;M Manual: Sent Electronically</li> </ul>	Included
<b>14.</b>	<b>FOB Factory, Milpitas, CA with Full Freight Allowed to Jobsite, Deer Park, TX</b>	Included
	<b>FIRM PRICE [ITEMS 1-14]</b>	<b>\$108,200</b>

## **B. SCOPE OF WORK BY OTHERS**

1. **Chlorine gas supply.**
2. **Chlorine gas storage vessel with scale.**
3. **Instrumentation for chlorine gas storage vessel, including a 4-20mA actuator and flow valves for flow control.**
4. **Chlorine gas feed system.**
5. **Instrumentation for chlorine gas feed system.**
6. **Sample tap and its installation.**
7. All trenching and underground conduit runs.
8. Electrical power to Control Panels, WQS, and Chemical Feed Skid. Secondary containment of all equipment and piping.
9. 40% Liquid Ammonium Sulfate supply.
10. Each chemical storage tank must be labeled appropriately according to local regulations. Check with your local regulating agency for requirements.
11. Proper distance between chemical storage tanks must be maintained according to local regulations.
12. All civil works and concrete pad for equipment.
13. Any underground or structural work.
14. Design and supply of anchor bolts and seismic restraints.
15. Electrical power to Water Quality Station (100-240VAC/1Ph/60Hz for 10 A), Smart Control Center (100-120VAC/1PH/60Hz for 10A), and Chemical Feed Skid (110VAC/1Ph/60Hz for 10 A).
16. Any tank recoating services, labor, or parts.
17. All hose, pipe and tubing supports, strut, and clamps.
18. Freeze protection for all tubing and piping external to the reservoir, if required.
19. All electrical conduit, wiring, electrical material (including disconnect switches), etc. between control panel, hypochlorite tank, metering pumps, SCADA, etc.
20. Hatch penetrations or modifications.
21. Room ventilation, air conditioning, or lighting.
22. SCADA integration.
23. Videotaping.
24. All taxes, fees, lien waivers, bonds and licenses.
25. Permitting or regulatory approval.
26. Any items not explicitly listed under Scope of Supply by PSI.

## **C. CLARIFICATIONS**

1. All equipment excluding PAX mixers must be installed in an indoor location. A shed or enclosure is not included in the proposal.
2. Sample water flow is 10 GPH. The sample water is assumed to be fed to the Water Quality Station via a sample pump and then routed to a nearby drain.
3. Reservoir Low Water Level must be 6' above PAX mixer for it to function properly.
4. PSI recommends adding secondary containment to Gas Chlorine and Ammonia chemical feed lines. When possible, trenching these lines underground would be optimal.
5. The performance of the Monoclor® RCS design reported in this document is dependent on the tank operations data provided in the design criteria and may vary significantly under different operating conditions and/or scenarios.



6. PSI requires a minimum of two (2) weeks notification prior to performing onsite installation inspection, system start-up and training. PSI will work with you to attempt to accommodate your scheduling needs.
7. Do not mix hypochlorite and ammonia as toxic vapors will be produced.

#### **D. TERMS OF PAYMENT**

- Twenty Percent (20%) Payment Invoiced on Approved Submittals
- Eighty Percent (80%) Payment Invoiced on Shipment of Equipment
- Net 30 Days
- Price Valid for 90 Days

#### **E. DELIVERY**

- Submittal: 4 - 6 Weeks After Receipt of Fully Executed Order
- Equipment Shipment: 8 - 10 Weeks After Approval of Submittals

## **SECTION 2**

### **PROPOSAL ACCEPTANCE**

#### **Monoclor® Residual Control System**

PSI Water Technologies, Inc. File No.: P19-4370 Firm

- 1) PSI Water Technologies, Inc. (Seller) proposes to furnish the equipment described in this proposal. Any items not shown above as detailed under "SCOPE OF SUPPLY BY PSI" are EXCLUDED. In addition:
  - a. Seller's price will be held valid for a period of 90 days from the date of this proposal ("Proposal Date"). Seller shall have the right to reprice this proposal if the Buyer's order is received more than 90 days beyond the Proposal Date or delivery more than 365 days after commercial agreement.
  - b. Prices are in US Dollars.
  - c. Local or state taxes are not included in this proposal.
- 2) This proposal by Seller is contingent upon: (i) Seller's written acceptance of the signed proposal, a purchase order, or other document issued by the Buyer in response to this proposal; and (ii) Buyer's assent to the terms and conditions contained in this proposal, such terms to take precedence in the event of conflict with any other terms or documents incorporated into the contract arising out of this proposal unless otherwise agreed in a writing, signed by Seller; and (iii) satisfactory completion of an anti-corruption due diligence review, if applicable.
- 3) All of the information supplied by Seller in connection with this proposal (including drawings, designs and specifications) (the "Information") is confidential and/or proprietary and has been prepared for Buyer's use solely in evaluating the purchase of the equipment and/or services described herein. Transmission of all or any part of the Information to others, or use by Buyer for any purpose other than such evaluation, is expressly prohibited without Seller's prior written consent.
- 4) Please return a signed copy of this proposal or address and send your purchase order to:  
PSI Water Technologies, Inc.  
1077 Dell Ave, Suite A  
Campbell, CA 95008  
Attn: Guy Chadwell  
Phone: 408.819.3043  
Fax: 408.866.4660  
E-mail: gchadwell@ugsicorp.com

Thank you for your interest in PSI Water Technologies, Inc. We are committed to meeting your expectations.

#### **Proposal Acceptance**

An authorized signature indicates Buyer's acceptance of this proposal, including without limitation Seller's Terms and Conditions below.

---

**Company Name**

---

**Buyer's Name (printed)**

---

**Buyer's Authorized Signature**

---

**Date**

### **SECTION 3**

#### **TERMS AND CONDITIONS Monoclor® Residual Control System**

**1. Applicable Terms.** PSI Water Technologies, Inc. ("Seller") will sell, and the buyer ("Buyer") will purchase, the products and/or services referred to in Seller's proposal or quotation (collectively, the "Products"), subject to these terms and conditions, including the Warranty Attachments hereto (the "Warranty Attachments", and such Warranty Attachments, together with these Terms and Conditions, being referred to herein as the "Terms"). The front page of Buyer's purchase order (disregarding any reference to terms and conditions and any provisions that conflict with the Terms), if any, together with the description of the Products in Seller's proposal or quotation and the Terms, constitute the complete and exclusive agreement between the parties related to the purchase and sale of the Products (the "Agreement"). All prior communications, documents, negotiations and representations, if any, are merged herein. Whether the Terms are included in an offer or an acceptance by Seller, such offer or acceptance is conditioned on Buyer's assent to the Terms. Any additional, different or conflicting terms contained in Buyer's request for proposal, specifications, purchase order or any other written or oral communication from Buyer shall not be binding in any way on Seller, whether or not they would materially alter this document, and Seller hereby objects thereto. All orders are subject to prior credit approval by Seller.

**2. Pricing.** The prices shall be as stated in Seller's proposal or order acknowledgment.

**3. Payment.** Unless otherwise stated, all payments shall be net 30 days from invoice date payable in United States Dollars. Unless provided otherwise in Seller's proposal, 20% of the purchase price will be invoiced on approved submittals, and 80% will be invoiced on shipment. If Buyer fails to make any payment to Seller when due, Buyer's entire account(s) with Seller will become immediately due and payable without notice or demand. Buyer will pay 1½% interest per month, compounded monthly, on all amounts not received by the due date. Buyer hereby grants Seller a purchase money security interest in the Products until such time as Seller is fully paid. Buyer will assist Seller in taking action to perfect and protect Seller's security interest. Seller may make partial shipments, in which case, Buyer shall pay for each shipment in accordance with the terms hereof.

**4. Taxes, Shipping, Packing** Except to the extent expressly stated otherwise in Seller's proposal, prices do not include any freight, storage, insurance, taxes, excises, fees, duties or other government charges, and Buyer shall pay such amounts or reimburse Seller for any such amounts Seller pays. If Buyer claims a tax or other exemption or direct payment permit, it shall provide Seller with a valid exemption certificate or permit and indemnify, defend and hold Seller harmless from any taxes, costs, and penalties arising out of same. Prices include the costs of Seller's standard domestic packing only. Any deviation from standard packing (domestic or export) shall result in extra charges. Any and all increases, changes, adjustments, or surcharges (including fuel surcharges) which may arise in connection with the freight charges, rates or classification included as part of the Agreement, shall be for the Buyer's account.

**5. Delivery.** Products shall be delivered F.O.B. Seller's point of shipment. All delivery dates are estimated and are dependent in part upon prompt receipt of all necessary information from Buyer, including submittal approvals, if applicable, and all required commercial documentation. Seller will make a good faith effort to complete delivery of the Products on the date and to the location specified in writing by Buyer, but Seller assumes no liability for loss or damage due to delay or inability to deliver, whether or not such loss or damage was made known to Seller. If Buyer causes or requests a shipment delay, or if Seller ships or delivers the Products erroneously as a result of inaccurate, incomplete or misleading information supplied by Buyer or its agents or representatives, storage and all other additional costs and risks will be borne solely by Buyer. Any claims for Products damaged or lost in transit ("Transit Losses") must be made by Buyer to the carrier and reported to Seller within one business day following delivery to Buyer.

**6. Inspection and Acceptance.** Buyer will have seven days from the date Buyer receives any Products to inspect such Products for defects and nonconformance which are not due to Transit Losses, and to notify Seller, in writing, of any defects, nonconformance or rejection of such Products. After such seven-day period, Buyer will be deemed to have





irrevocably accepted the Products, if not previously accepted. After such acceptance, Buyer will have no right to reject or revoke acceptance of the Products for any reason; provided that Buyer retains all rights in respect of the warranties in, or referred to in, Section 9 below.

**7. Returns and Cancellation.** Buyer may not return custom engineered Products. Buyer may return other Products only with Seller's prior written approval, which may be withheld in Seller's sole discretion. Any authorized return will be subject to payment of a restocking charge and will be allowed only if the subject Product: (i) is in new condition, suitable for resale, and (ii) has not been used, installed, modified, altered or damaged. The restocking charge for authorized returns will be no less than (x) 25% of the purchase price, net of any freight charges included in the purchase price, plus (y) 100% of freight costs incurred by Seller. Buyer is responsible for the payment or reimbursement of return freight charges. Returns will be shipped F.O.B. Seller's location. Seller may, but will not be obligated to, treat any cancellation of an accepted order as an authorized return.

**8. Force Majeure.** Seller will have no liability for any breach caused by extreme weather or other act of God, strike or other labor shortage or disturbance, fire, accident, war or civil disturbance, delay of carriers, failure of normal sources of supply, act of government, or any other cause beyond Seller's reasonable control.

**9. Warranty.** If the RCS System being supplied includes a Microclor® system and/or a PAX Mixer, the principal components of the Microclor® system(s) and the PAX Mixer are warranted as set forth in the applicable Warranty Attachment(s). Seller warrants that all other Products will be free from defects in material and workmanship for 12 months from initial operation or 18 months from shipment, whichever is earlier (the "Warranty Period"). Seller's warranties are conditioned on (i) the Product being stored, installed, operated and maintained in accordance with Seller's instructions; (ii) no repairs, modifications or alterations being made to the Product other than by Seller or its authorized representatives; (iii) Buyer providing prompt written notice of any warranty claims within the Warranty Period; (iv) Seller's verification of the claimed breach of warranty; and (v) at Seller's discretion, Buyer either removing and shipping the Product or non-conforming part thereof to Seller, at Buyer's expense, or Buyer granting Seller access to the Product at all reasonable times and locations to assess the warranty claims. Seller's warranties do not apply to software and do not cover ordinary wear and tear.

If the claimed breach of warranty is verified by Seller, then, as the sole and exclusive remedy of Buyer or the initial end-user of the Product, Seller will, at Seller's sole option (a) repair the applicable Product or component free of charge, or (b) replace the applicable Product or component free of charge F.O.B. Buyer's facility. The warranty on repaired or replaced Products or component parts is limited to the remainder of the original Warranty Period. Buyer shall be responsible for (x) any labor required to gain access to the Product or component or so that Seller can assess the available remedies; and (y) all costs of installation of repaired or replacement Products or components.

THE WARRANTIES SET FORTH IN THIS SECTION 9 AND IN THE WARRANTY ATTACHMENT(S) ARE INTENDED TO BE SELLER'S SOLE AND EXCLUSIVE WARRANTIES WITH RESPECT TO THE PRODUCTS AND SELLER'S WARRANTIES ARE SUBJECT TO SECTION 10 BELOW. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE, OR ANY WARRANTIES THAT MIGHT ARISE FROM COURSE OF DEALING OR USAGE OF TRADE. NOTWITHSTANDING THE FOREGOING, IF IT IS ALLEGED OR DETERMINED THAT SELLER HAS MADE ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BY COURSE OF DEALING OR USAGE OF TRADE, SUCH OTHER WARRANTIES SHALL BE SUBJECT TO ALL THE CONDITIONS, LIMITATIONS AND PROCEDURES SET FORTH IN THIS SECTION 9, THE WARRANTY ATTACHMENT(S), AND SECTION 10 BELOW.

**10. LIMITATION OF LIABILITY.** NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, SELLER WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, AND SELLER'S TOTAL LIABILITY ARISING AT ANY TIME FROM THE SALE OR USE OF THE PRODUCTS WILL NOT EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCTS. THESE LIMITATIONS APPLY WHETHER THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR

ANY OTHER THEORY. THE REMEDIES SET FORTH IN THIS AGREEMENT ARE INTENDED TO CONSTITUTE A COMPLETE ALLOCATION OF THE RISKS BETWEEN THE PARTIES, AND BUYER ACKNOWLEDGES THAT IT IS KNOWINGLY LIMITING THE REMEDIES THAT MIGHT OTHERWISE BE AVAILABLE TO BUYER. BECAUSE THIS AGREEMENT AND THE PRICE PAID REFLECT SUCH ALLOCATION, THE REMEDIES PROVIDED TO BUYER HEREUNDER WILL NOT HAVE FAILED OF THEIR ESSENTIAL PURPOSE EVEN IF THEY OPERATE TO BAR RECOVERY FOR CERTAIN DAMAGES THAT BUYER MAY INCUR.

**11. Remedies of Seller.** Any of the following will constitute an event of default which will enable Seller, at its option and without liability to Buyer, to cancel any unexecuted portion of the order that is the subject of this Agreement and to exercise any other right or remedy expressed herein or otherwise available at law or in equity: (i) the failure of Buyer to make any payment required hereunder when due ("Payment Default") or to perform any other term or condition contained herein; (ii) the insolvency of Buyer or its failure to pay its debts as they mature, an assignment by Buyer for the benefit of its creditors, the appointment of a receiver for Buyer or for the materials covered by this Agreement, or the filing of any petition to adjudicate Buyer bankrupt; (iii) a failure by Buyer to provide adequate assurance of performance within ten days after a justified demand by Seller; or (iv) if Seller, in good faith, believes that Buyer's prospect of performance under this Agreement is impaired. Seller's obligations under Section 9 hereof and the Warranty Attachments will be suspended during the pendency of any Payment Default. No such suspension will extend Seller's obligations under Section 9 or the Warranty Attachments beyond the period provided therein. Seller's election of any remedy in the event of a default by Buyer will not preclude Seller from exercising any other remedy available to Seller hereunder or at law or in equity for the same or any other default. In the event it becomes necessary to incur any expense for collection of any overdue account, Seller's collection charges, including attorneys' fees and expenses, will be added to the balance due and Buyer will pay all such charges together with interest thereon from the date incurred in accordance with Section 3.

**12. Equal Employment Opportunity.** Seller is an equal opportunity employer. The parties shall, as applicable, abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a), 41 CFR 60-741.5(a) and Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A) (relating to the notice of employee rights under federal labor laws), and these laws are incorporated herein by reference.

**13. Export Compliance.** Buyer acknowledges that Seller is required to comply with applicable export laws and regulations relating to the sale, exportation, transfer, assignment, disposal, and usage of the Products provided under the Agreement, including any export license requirements. Buyer agrees that such Products shall not at any time directly or indirectly be used, exported, sold, transferred, assigned, or otherwise disposed of in a manner which will result in non-compliance with such export laws and regulations. It shall be a condition of the continuing performance by Seller of its obligations hereunder that compliance with such export laws and regulations be maintained at all times. BUYER WILL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY AND ALL COSTS, LIABILITIES, PENALTIES, SANCTIONS AND FINES RELATED TO NON-COMPLIANCE WITH APPLICABLE EXPORT LAWS AND REGULATIONS.

**14. Miscellaneous.** No part of this Agreement may be changed or cancelled except by a written document signed by Seller and Buyer. As used in this Agreement, "including" and its variants mean "including without limitation" and its variants. No course of dealing or performance, usage of trade, or failure to enforce any term will be used to modify the Agreement. Buyer acknowledges that it has not relied upon any letters of intent, agreements, promises, negotiations, statements or representations other than those expressly set forth in this Agreement and that no such extraneous document or other communication shall be of any force or effect. Buyer agrees and warrants that in entering into this Agreement, Buyer is relying solely upon the information contained in this Agreement and not in reliance upon any other information. If any of the Terms is unenforceable, such Term will be limited only to the extent necessary to make it enforceable, and all other Terms will remain in full force and effect. Buyer may not assign this Agreement without Seller's prior written consent. This Agreement will be governed by the laws of the State of California without regard to its conflict of laws provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods is excluded. Any bond issued by Seller in connection with the sale of the Products shall remain in effect for a maximum of two (2) years after acceptance of the Products, and the only warranty, guaranty or Product performance obligations covered thereby shall be those at Section 9 above and in the Warranty Attachments. All Product performance obligations



of Seller are contingent on the design criteria and the condition of the influent and the raw materials being as specified by Seller and will be considered satisfied and discharged upon successful completion of the initial Product performance testing. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVES ITS RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING IN CONNECTION WITH THE TRANSACTION CONTEMPLATED HEREBY.



**WARRANTY ATTACHMENT  
FOR  
PAX MIXERS**

**I. Incorporation and Definitions.** This Warranty Attachment is incorporated into, and made a part of, the PSI Water Technologies, Inc. Terms and Conditions (the “Terms and Conditions”). All capitalized terms used in this Warranty Attachment have the meanings assigned to them in the Terms and Conditions. This Warranty Attachment sets forth Seller’s warranty with respect to each PAX Mixer, including its associated controller (collectively, the “PAX Mixer”), included in a Monoclor/RCS system supplied by Seller (the “System”). All other components of or accessories to the System are covered by the warranty set forth or referred to in Section 9 of the Terms and Conditions.

**II. Warranty Statement.** Seller warrants for the PAX Mixer Warranty Period (as defined below) that each PAX Mixer is free from defects in material and workmanship and conforms to Seller’s specifications applicable to the PAX Mixer. Seller’s warranty is transferable during the PAX Mixer Warranty Period to the initial end-user of the Product (“Owner”). Seller’s warranty is conditioned on (i) Seller’s verification of the alleged breach; (ii) the PAX Mixer being stored, handled, installed, operated and maintained in accordance with Seller’s instructions, (iii) no repairs, modifications or alterations being made to the PAX Mixer other than by Seller or its authorized representatives, (iv) Buyer or Owner providing prompt written notice of any warranty claims within the PAX Mixer Warranty Period, and (v) at Seller’s discretion, Buyer or Owner either removing and shipping the PAX Mixer or non-conforming part thereof to Seller, at Buyer’s or Owner’s expense, or Buyer or Owner granting Seller access to the PAX Mixer at all reasonable times and locations to assess the warranty claims. Seller’s warranty does not apply to software and does not cover damage due to (x) lightning, flood or other acts of nature or *force majeure* events, or failure of or inappropriate application of peripheral devices, including lightning or surge protectors, (y) installation by a person or entity other than Seller or Seller’s authorized installation contractor, or (z) ordinary wear and tear. Lightning protection is recommended particularly in areas historically prone to lightning, and it is Buyer’s or Owner’s responsibility to properly select and install lightning protection in accordance with all applicable laws, codes and regulations. The “PAX Mixer Warranty Period” applicable to each PAX Mixer begins on the date of installation or three (3) months after shipment, whichever comes first, and continues for the period of 24 months thereafter.

**III. Warranty Remedy.** Buyer’s or Owner’s sole remedy for any breach of Seller’s warranty above is limited to Seller’s choice of repair or replacement of the PAX Mixer, or non-conforming parts thereof F.O.B. jobsite, or refund of the purchase price for the subject PAX Mixer or part. Seller reserves the right to provide new or reconditioned replacement PAX Mixers or parts. The warranty on repaired or replaced PAX Mixers or component parts is limited to the remainder of the original PAX Mixer Warranty Period. The warranty includes labor to remove and reinstall repaired or replacement PAX Mixers or components for a period of 120 days after shipment of the PAX Mixer; provided that (a) the defective PAX Mixer was originally installed, and the repaired or replacement PAX Mixer or part will be installed, in accordance with Seller’s guidelines in effect at the time of installation; and (b) labor of divers and labor required to drain the storage tank or reservoir is excluded. After such period, Buyer or Owner shall be responsible for (i) any labor required to remove or gain access to the PAX Mixer or part so that Seller can assess the available remedies; and (ii) all costs of installation of repaired or replaced PAX Mixer or component parts. If Seller determines that any alleged damage is not covered by this warranty, Seller will charge, and Buyer will pay, Seller’s normal rates for any inspection or repair performed by Seller, and for any materials provided or used in connection therewith.



January 27, 2020

Mr. Nicholas Cook  
Water Plant Supervisor  
2117 E. X Street  
Deer Park, TX 77536

**RE: City of Deer Park, TX - PSI Water Technologies Residual Control System**

Dear Mr. Cook,

PSI Water Technologies, Inc. (PSI) proposes to provide PSI Residual Control Systems to the City of Deer Park for the 1 million gallon P Street GST and the 0.5 million gallon Avon EST. The PSI Residual Control System is designed, manufactured and supplied by PSI of Milpitas, California. The PSI Residual Control System utilizes proprietary algorithms to monitor and control the flow and quantities of chemicals used for controlling chlorine residuals in potable water storage tanks. These algorithms are covered by one or more patent applications filed by PSI and its sister company, PAX Water Technologies, Inc. (see [www.psipatents.com](http://www.psipatents.com) and [www.paxwaterpatents.com](http://www.paxwaterpatents.com)). PSI holds the exclusive rights to the algorithms covered by the referenced patent applications and is the sole manufacturer of residual control systems covered by one or more of the referenced patent applications.

There is no residual management system on the market that can perform the complex tasks provided by the PSI Residual Control System:

- Providing a completely mixed and chemically homogeneous body of water;
- Determining tank total chlorine levels, ORP and pH;
- Using the above analysis in a chemical dosing algorithm to add the appropriate amount of ammonia and chlorine to reach the tank's desired residual set-point;
- Dosing the chemicals accurately into the tank; and
- Managing the described dosing strategy in the dynamic environment of a tank as it cycles and changes water volume throughout the normal daily operating cycle.

Environmental Improvements, Inc. (EI<sup>2</sup>) is PSI's independent representative for PSI Residual Control Systems in Texas. EI<sup>2</sup> possesses the technical expertise and service capability to provide residual control solutions to address its customers' water quality requirements.

If you have further questions, please contact John Koch at 858/281-6129.

Sincerely,

A handwritten signature in cursive script that reads "Guy R. Chadwell".

**Guy Chadwell**

Vice President and General Manager

**PSI Water Technologies, Inc.**

1077 Dell Ave. Suite A

Campbell, CA 95008



## Legislation Details (With Text)

<b>File #:</b>	AGR 20-006	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Agreement	<b>Status:</b>		Agenda Ready	
<b>File created:</b>	1/30/2020	<b>In control:</b>		City Council	
<b>On agenda:</b>	2/4/2020	<b>Final action:</b>			
<b>Title:</b>	Consideration of and action on an agreement with Harris County for the Hurricane Harvey CDBG-DR Bayou Bend Regional Detention Facility and Drainage Improvements Project.				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">City of Deer Prk Bayou Bend and Drain Impv DR2017-041 Floods Agreement 19GEN2370 (002) Bayou Bend Regional Detention Budget</a>				

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on an agreement with Harris County for the Hurricane Harvey CDBG-DR Bayou Bend Regional Detention Facility and Drainage Improvements Project.

### Summary:

On October 16, 2018, the City Council authorized submission of a grant application to Harris County under the Community Development Block Grant - Disaster Recovery (CDBG-DR) Round 1 funds for Hurricane Harvey.

The City of Deer Park was allocated to receive \$2,920,500 in Community Development Block Grant - Disaster Recovery (CDBG-DR) funds for infrastructure damaged or failed to function by Hurricane Harvey through the Harris County Method of Distribution (MOD). This funding is from the U.S. Department of Housing and Urban Development (HUD) and administered through the Texas General Land Office (GLO). It is separate from funding provided by the Federal Emergency Management Agency (FEMA) administered through the Texas Division of Emergency Management (TDEM).

The Method Distribution (MOD) is the process by which a County develops the formula to allocate funding to other affected cities within the County; usually outside of the City of Houston.

One of the three eligible Activities under CDBG-DR Infrastructure/Non-housing funding includes flood control and drainage repair and improvements, including the construction or rehabilitation of storm water management systems.

As Hurricane Harvey produced a high flood event, HUD and the GLO sees drainage improvements and flood control efforts to reduce flood risk, particularly in low-income areas, as a priority type project. Under HUD rules, 70% of CDBG-DR funding must benefit low-to moderate income (LMI) persons/communities. The Bayou Bend Regional Detention Facility and Drainage Improvements Project, is in a qualifying LMI area in Deer Park.

Harris County is a grantee under the State's CDBG-DR Hurricane Harvey Action Plan - Round One. The cities in Harris County are sub-recipients of Harris County. Attached is the agreement between Harris County and the City of Deer Park. This seventy-two (72) page agreement incorporates a multitude of federal grant requirements mandated by HUD and administered through the State GLO.

**Fiscal/Budgetary Impact:**

The grant budget is a total of \$2,920,500. Harris County will select and contract for the design engineer for the project (budget estimate of \$348,000). The City will be responsible for bidding, awarding and administering the contract with the successful company awarded the construction contract (budget estimate of \$2,572,500). The City will be required to pay the contractor and seek reimbursement from Harris County.

Approve the agreement.



**AGREEMENT BETWEEN HARRIS COUNTY AND CITY OF DEER PARK FOR THE  
BAYOU BEND REGIONAL DETENTION FACILITY AND DRAINAGE  
IMPROVEMENTS PROJECT**

**I.     RECITALS**

THIS AGREEMENT, is made and entered by and between Harris County, a body politic and corporate under the laws of the State of Texas, herein called the “Grantee,” and the NAME OF SUBRECIPIENT, [IF SUBRECIPIENT IS A LOCAL GOV ENTITY THEN USE a body politic and corporate under the laws of Texas, IF SUBRECIPIENT IS A NON-PROFIT THEN USE a Texas non-profit], herein called, the “Subrecipient”;

WHEREAS, on August 25, 2017, Harris County, Texas sustained significant damage when Hurricane Harvey made landfall as a Category 4 hurricane and over the next four days dropped as much as 60 inches of rain along the Gulf Coast, including Harris County, which resulted in a Presidentially Declared Disaster;

WHEREAS, the United States Department of Housing and Urban Development (HUD) has allocated \$5.024 billion in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the State of Texas in response to Hurricane Harvey, DR-4332, through the publication of the Federal Register, Vol. 83, No. 28, on Friday, February 9, 2018; and an additional \$652,175,000 through the publication of the Federal Register, Vol. 83, No. 157, on Tuesday, August 14, 2018;

WHEREAS, in the State of “Texas” “Action Plan” submitted to U.S. HUD on May 8, 2018 by the Texas General Land Office (GLO), the State made a direct allocation of \$1,115,386,830 in Community Development Block Grant Disaster Recovery (CDBG-DR) funding to Harris County;

WHEREAS, the GLO on May 9, 2018 notified Harris County to complete a Supplemental Action Plan, for Hurricane Harvey Round 1 CDBG-DR funding, which will be amended as needed, into the State’s Action Plan; all amendments are incorporated by reference to this Agreement;

WHEREAS, in accordance with GLO requirements, on July 10, 2018 the Harris County Commissioners Court approved the Harris County Supplemental Action Plan and resolved to submit the plan to the GLO;

WHEREAS, on October 23, 2018 the Harris County Commissioners Court approved the Harris County Method of Distribution (MOD) and GLO has approved the MOD;

WHEREAS, all of the Infrastructure Project Applications for the 2017 Hurricane Harvey Texas Community Development Block Grant Disaster Recovery Round Funding was approved on Commissioners Court and submitted to the Texas General Land Office;

WHEREAS, the GLO, and Harris County DUNS No. 072206378 (each a “Party” and collectively “the Parties,”) entered into a “Subrecipient Agreement” (the “Contract”) on January 29, 2019, and possible subsequent Amendments, which are incorporated by Reference, under the HUD 2017 Hurricane Harvey CDBG-DR Round One Harris County Disaster Recovery Program to provide financial assistance with funds appropriated under the Continuing Appropriations Act 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (Public Law No. 115-56), enacted on September 8, 2017, to facilitate disaster recovery, restoration, and economic revitalization and to affirmatively further fair housing, in accordance with Executive Order 12892,

in the areas affected by the Texas Hurricane Harvey (DR-4332), which are Presidentially-declared major disaster areas under Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5121, *et seq.*);

WHEREAS, Harris County, a body politic and corporate under the laws of the State of Texas, herein called the (“Grantee”) and the City of Deer Park (“Subrecipient”) desire to enter into this Subrecipient “Agreement” whereby the Grantee will grant CDBG-DR funds to the Subrecipient for the purpose of Bayou Bend Regional Detention Facility and Drainage Improvements Project, which is an eligible activity under the rules and regulations regarding CDBG-DR Program Grant Funds;

WHEREAS, the Subrecipient has submitted an application to the Grantee for CDBG-Disaster Recovery funding to implement the above-described Project and shall perform the activities in a manner satisfactory to the Grantee;

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing CDBG-DR funds by committing \$2,920,500.00 of the Grantee’s Federal award, pursuant to this Subrecipient “Agreement” to meet community development needs having a particular urgency, as defined in 24 C.F.R. § 570.208, which is for design, construction and related activities to aid in Harris County resiliency as part of the recovery from Hurricane Harvey;

WHEREAS, the Subrecipient shall ensure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient shall include reference to Harris County Community Services Department (HCCSD) for the support provided; and (only if no)

WHEREAS, notwithstanding any provision of this Agreement, the Parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, that such a commitment of funds or approval may only occur upon approval of the Amendments between GLO and Harris County Community Services Department, satisfactory completion of environmental review and receipt by the Grantee Department of the authority to use grant funds from the U. S. Department of Housing and Urban Development under 24 C.F.R. §58. Except for administrative and management activities, which fall under the exempt activities category pursuant to 24 C.F.R. §58.34(3), the provision of any funds to the Project is conditioned on the Grantee’s determination to proceed, modify, or cancel the Project based on the subsequent results of the environmental review.

NOW, THEREFORE, in consideration of the need for Recovery from Hurricane Harvey and the premises and described herein, the Parties mutually agree to the terms described in this Agreement:

## II. SCOPE OF SERVICES

### A. County Responsibilities

- Select a design engineer for drawings and specifications for the project “Plans”;
- Advertise and award the project’s design contract in accordance with the usual and customary procedures of County;

B. Eligible Activities

The Subrecipient shall provide the activities described in **Exhibit A**, attached hereto and incorporated herein for all purposes, in accordance with the provisions of this Agreement and in compliance with the requirements of Title 1 of the Housing and Community Development Act of 1974 and all regulations issued there under.

C. Project Requirements

The Subrecipient shall be responsible for administering the Bayou Bend Regional Detention Facility and Drainage Improvement Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. This Agreement may provide only partial funding for this Project. The Subrecipient qualifies for the receipt and expenditure of such funding because at least 51% of the persons residing in the service area are of low and moderate income that meet one of the criteria for National Objectives set out in 24 C.F.R. § 570.208(a).

The Subrecipient certifies and agrees that the activities carried out with funds provided under this Agreement shall meet one or more of the CDBG program's National Objectives: (1) benefit low and moderate income persons and households, (2) aid in the prevention or elimination of slums or blight, and/or (3) meet community development needs having a particular urgency, as defined in 24 C.F.R. § 570.208. The Subrecipient agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this Agreement meet one or more of the CDBG program's National Objectives for each activity in each reporting period.

The Subrecipient shall ensure that personnel providing services under this Agreement have all licenses required by law and/or are qualified to perform the services required under this Agreement. The Subrecipient shall further ensure that all Program and/or facility licenses necessary to provide the required services are current and that Grantee shall immediately be notified if any such required licenses become invalid or are canceled during the term of this Agreement.

D. Performance Monitoring

The Subrecipient shall be cooperative with Program and financial monitoring visits and/or investigations performed by the Grantee staff, the Harris County Auditor's staff, (HUD), and/or the Office of Inspector General (OIG). Substandard performance as determined by the Grantee and/or HUD will constitute non-compliance and breach of this Agreement. The Subrecipient's failure to correct substandard performance within a reasonable period of time after being notified by the Grantee will result in further corrective action by the Grantee including, but not limited to, termination of this Agreement, pursuant to 2 C.F.R. §200.338. Furthermore, the Subrecipient agrees to be cooperative with monitoring and/or investigations performed by HUD and to comply its findings.

E. General Administration

1. Drawings, Plans, Bid Specifications & Construction Documents

Within six (6) to nine (9) months after the date the Agreement is executed, the Subrecipient, through its representative selected pursuant to Federal procurement regulations set out in 2 C.F.R. §200.318, and to Grantee policy and procurement guidelines, shall prepare and submit all final drawings, plans, cost estimates, and specifications and construction documentation for the Project. The Subrecipient shall be responsible for incorporating into bid specifications any and all HUD and any and all HCCSD requirements, including the “Harris County Community Services Department Subrecipient Construction Policies and Guidelines,” attached as **Exhibit C**.

The Subrecipient shall ensure that the specifications require the contractor to furnish adequate Public Liability Insurance and Worker’s Compensation Insurance pursuant to the laws of the State of Texas, and Payment Bond and Performance Bond pursuant to applicable OMB Circulars.

Once approved, the complete set of drawings, plans, cost estimates and specifications shall be incorporated into this Agreement as part of **Exhibit B**.

2. Temporary Project Sign and Job Shack

The Subrecipient shall ensure that the specifications include the delivery and installation by contractor of one 4’-0” X 8’-0” temporary project sign pursuant to Grantee requirements. The Subrecipient shall ensure that the cost of the sign is included in all bids. The Subrecipient shall ensure that the specifications require the contractor to furnish adequate workspace at the construction site in the job shack for Grantee inspection and monitoring staff, if applicable.

3. Bidding and Selection of Contractor and Subcontractors

The Subrecipient agrees and understands that all contracted and subcontracted construction activity carried out under this Agreement shall be selected and executed pursuant to federal procurement regulations set out in 2 C.F.R. §200.318, and to Grantee policy and procurement guidelines.

Within fifteen (15) days after the Grantee’s written approval of the drawings and specifications as set out above, the Subrecipient shall advertise for and receive bids for the construction of the Project in accordance with approved drawings and specifications which bidding procedure shall be in accordance with this Agreement.

Upon receipt and tabulation of the bids for the Project, the Subrecipient shall determine the lowest and most responsible bidder for the construction of the Project. Within fifteen (15) days after receipt of bids, the Subrecipient shall forward, or cause to forward, to the Grantee, copies of all bids received, copy of all bid bonds, and bid tabulation for the Grantee’s review and approval. The Grantee reserves the right to approve the award of the bid. In the event the lowest and most responsible bid for the construction of the Project is an amount that would result in the total cost of the Project being equal to or less than the sum allocated in the

construction line item of the budget, detailed in **Exhibit B** of this Agreement, the Subrecipient shall notify the Grantee of the amount of the lowest and most responsible bid for the Project.

In the event the lowest and most responsible bid for the construction of the Project is an amount in excess of the sum allocated in the construction line item of the budget, detailed in **Exhibit B** of this Agreement, the Subrecipient shall have the following four (4) options:

- a. The Subrecipient shall notify the Grantee of the bid and request the Grantee to agree in writing to use those funds allocated in the contingency line item of the budget, detailed in **Exhibit B** of this Agreement, to fund the construction costs to meet the lowest and most responsible bid received by the Subrecipient. If the Grantee approves the use of contingency funds to meet the lowest and most responsible bid, then the Subrecipient, upon receipt of such notification, shall proceed to let the contract, incorporating all required provisions, and continue with construction of the Project; or
- b. The Subrecipient shall notify the Grantee of the bid and agree in writing to pay the additional cost of the Project. In the event the Subrecipient agrees in writing to pay the additional costs, then and in that event, the Subrecipient shall proceed to let the contract and continue with the construction of the Project. If the Subrecipient fails to agree in writing to pay said additional costs and the Grantee fails to use contingency funds, then and in that event, the Subrecipient may reject all bids and elect not to proceed with the letting of the contract and terminate the Project without any further obligations to the Grantee; or
- c. The Subrecipient shall notify the Grantee of the bid and undertake to negotiate with the Grantee for the Grantee to agree in writing to reduce or delete specific items in the bid proposal so that bids will be within the amount available for construction. In the event the Grantee agrees in writing to reduce or delete items in the bid proposal, the Subrecipient shall re-bid the Project and proceed as if it were the original bid; or
- d. The Subrecipient shall reject all bids and elect not to proceed with the letting of the contract and terminate the Project, giving the Grantee written notice of its termination.

The Grantee Sponsor will guarantee that the below listed required HUD/GLO bid documents are submitted by each bidder during the bid process:

1. Certificate From Contractor Appointing Officer or Employee to Supervise Payment of Employees
2. Statement of Bidder's Qualifications
3. Contractor Certifications: Certification of Bidder Regarding Civil Rights Laws and Regulations

4. Policy of Non-Discrimination of the Basis of Disability
5. Concerning Labor Standards and Prevailing Wage Requirements
6. Non-Collusion Affidavit of Prime Bidder
7. Contractor's Local Opportunity Plan
8. Section 3 Employment and Minority Business Plan
9. Contractor Certification of Efforts to Fully Comply with Employment and Training Provisions of Section 3

The Grantee may terminate this Agreement without cause, at any time prior to the letting of the contract for construction of the Project, by written notice to the Subrecipient and the Subrecipient shall have no obligation there under except to return to the Grantee the funds paid to the Subrecipient, if any, by the Grantee pursuant to this Agreement.

4. Construction Contract and Subcontractor Written Agreements

Within fifteen (15) days after notification by the Grantee to the Subrecipient that the bid has been approved, the Subrecipient shall provide written notice of award to the lowest and most responsible bidder, in accordance with applicable Federal, State and local procurement procedures and regulations. The Subrecipient shall contract directly with its contractor, incorporating all requirements of this Agreement herein. The contract between the Subrecipient and its contractor and all contracts between contractor and its subcontractors shall be in accordance with the guidelines of this Agreement and with all applicable CDBG regulations, applicable OMB Circulars, and all other Required Federal Grant Contract Provisions, attached as **Exhibit I**.

The Subrecipient shall be responsible for incorporating into the construction contract any and all HUD and HCCSD requirements, including the "Subrecipient Construction Policies and Guidelines," attached as **Exhibit C**. The construction contract must contain the required insurance and bonding; in lieu of one or more of the bonds otherwise required pursuant to Section VII (F) of this Agreement, the Subrecipient may provide or cause to be provided one or more irrevocable letters of credit in favor of the Grantee in a form acceptable to the Grantee.

The Subrecipient shall submit to the Grantee the form of the construction contract for review and approval prior to executing the construction contract with its selected contractor. Within fifteen (15) days after the Grantee's written approval of the construction contract form, the Subrecipient shall execute the construction contract with its selected contractor.

The Subrecipient shall ensure that the contractor enters into written agreements with each subcontractor who does work covered by this Agreement. These

subcontracts must incorporate the requirements of **Exhibit C**, to the extent applicable, and shall be subject to review, upon request, by the Grantee.

5. Construction Start Date, Construction Schedule and Completion of Work

Construction Start Date – Within thirty (30) days of the executed construction contract The Grantee Sponsor shall notify or cause to notify selected contractor with the Notice to Proceed, thereby locking in the Construction Start Date, and shall forward to the Grantee Department copy of the Notice to Proceed. The Grantee Sponsor shall ensure that the construction commences within thirty (30) days of the Notice to Proceed.

Construction Schedule – The Subrecipient shall furnish or cause to furnish the Grantee with a copy of the detailed Construction Schedule within seven (7) days of the Notice to Proceed. The schedule shall be a bar type schedule and shall be of sufficient detail to show construction sequence, proposed start dates and estimated completion dates for major parts of the construction work.

Completion of Work – The Subrecipient shall ensure that, except in cases of force majeure, the construction of the Project shall be completed on or before the expiration of eighteen (18) months following the Construction Start Date.

6. Payments to Contractor and Change Orders

Payments to Contractor – The Subrecipient shall ensure that requests for payment are based on the percentage of work completed, as detailed in the Schedule of Values and certified by the Subrecipient's representative. The Subrecipient, through its representative, shall ensure that the work performed by the selected contractor shall be subject to retainage provisions of Section 2252.032 "RETAINAGE" of the Texas Government Code, as it may be amended from time to time.

Upon completion of the Project, and acceptance as such by the Subrecipient and Grantee, final payment shall be made to the contractor releasing retainage. All pay requests and release of retainage shall be verified and signed by Harris County Engineering Department (HCED).

Change Orders – The Subrecipient shall ensure (1) that the cumulative increase in the construction contract shall not exceed twenty-five (25) percent of the original construction contract for contracts awarded at \$1 million or more, and (2) if a change order for a contract with an original contract amount below \$1 million increases the contract amount to \$1 million or more, subsequent change orders may not increase the revised contract amount by more than twenty-five (25) percent pursuant to Section 271.060 of the Texas Government Code, as subsequently amended. The Subrecipient shall approve in writing and submit to the Grantee for review and approval any change orders to the original construction contract, which shall be appropriately reflected in the Schedule of Values and subsequent pay requests. The Grantee reserves the right to approve any change orders. Any extension of time given shall not release the contractor or the surety from their

Performance and Payment Bonds or from any obligations hereunder, which shall remain in full force and effect until the discharge of the contractor. All change orders shall be verified and signed by HCED.

7. Inspections

During the construction of the Project, the Grantee or its designee, the Subrecipient and HUD shall have the right to review all documents, maps, plats, records, photographs, reports or plans affecting said construction. The Subrecipient shall, at its sole expense, furnish the necessary inspection personnel to assure itself of compliance with the construction contract. The Subrecipient understands and agrees to inspections performed by the Grantee's representative, HCED. HCED shall have full and final authority in all construction disputes. The Subrecipient agrees to promptly make any corrections or modifications to the construction work as reasonably requested by the Grantee to cause the construction to comply with this Agreement and any applicable HUD requirements.

8. Compliance with Public Facilities and Infrastructure Quality Standards

The Subrecipient shall maintain documentation evidencing that the Project complies with all applicable Federal, state and local public facilities and infrastructure quality standards.

9. Building Plaque

For projects involving the construction or renovation of a public building, the Subrecipient shall furnish, deliver, and install one 18" x 24" bronze plaque built according to Grantee specifications. The Subrecipient shall ensure that the bid specifications require the contractor to furnish the building plaque and that the cost of the building plaque is included in all bids, as applicable.

10. Compliance Violation(s) Provisions

The Subrecipient shall ensure that the construction of the Project is conducted pursuant to applicable Federal, state, and local regulations and comply with any and all requirements detailed in the bid specifications, including any and all HUD requirements and any and all Grantee requirements detailed in this Agreement.

The Grantee shall enforce the compliance violations provisions detailed in **Exhibit C**, section 13(D), for any and all violations for which the contractor, through the Subrecipient, has received a Notice of Non-Compliance or a wage restitution notification letter and failed to implement corrective actions within the allotted grace period of fifteen (15) to thirty (30) calendar days from the date of the written notice or letter.

F. Leveraged Funds

The Subrecipient shall maintain and make available, for review by the Grantee, source documentation for any leveraged funds contained in **Exhibit B** of this Agreement. Source



documentation for leveraged funds may be requested at any time by the Grantee and must be provided in a timely manner.

### III. TIME OF PERFORMANCE

Services of the Subrecipient shall start upon Harris County Commissioners Court approval of this Agreement and shall terminate when the Project is completed, but not later than six (6) to nine (9) months following the date of this Agreement. This Agreement may only be extended upon written request to and approval from the Executive Director of HCCSD or their designee. In addition, the requirements of this Agreement shall extend for five (5) years after the funds provided for this Project under this Agreement are fully spent in accordance with 24 C.F.R. § 570.505 and with applicable OMB Circulars, or after the Project is completed as specified above.

Services of the Grantee Sponsor shall start immediately upon Harris County Commissioner's Court approval of this Agreement and shall terminate when the Project is completed, but no later than eighteen (18) months or the grant termination date stated in the HUD 2017 Hurricane Harvey CDBG-DR Round One Harris County Disaster Recovery Program Infrastructure Project Contract with the Texas following the commencement of construction as specified in Section I (D)(5) of this Order. This Order may only be extended upon written request to and approval from the Executive Director of HCCSD or his designee. In addition, the requirements of this Order shall extend for five (5) years after the funds provided for this Project under this Order are fully spent in accordance with 24 C.F.R. §570.505 and with applicable OMB circulars, or after the Project is completed as specified above.

### IV. EXPENSES AND PAYMENT

#### A. Budget

The Subrecipient shall perform the Project activities within the monetary limits contained in **Exhibit B**, Budget. The Subrecipient understands that the budget is based upon detailed information submitted by the Subrecipient to the Grantee during the Request for Proposal (RFP) process, and that any changes to the summary budget, attached at **Exhibit B**, will require the Subrecipient to submit a modified detailed line item budget to Grantee for review and approval.

#### B. Requesting a Budget Revision

Any proposed reallocation of funds among various existing budget line items constitutes a budget revision. The Subrecipient shall provide narrative justification for budget revision on letterhead and signed by the representatives, as stated in **Exhibit B**. A budget revision is not approved for expenditure until the Subrecipient receives written approval from the Executive Director of HCCSD, or his designee. Upon approval, the Subrecipient shall provide a revised budget to the Grantee. At the discretion of HCCSD management, no more than two (2) budget revision requests shall be allowed each year, to be submitted no later than ninety (90) days before the end of the Agreement period, as defined in Section III of this Agreement.

New line items or an increase or decrease in funds is a budget amendment and must be formally approved by the Grantee. The Grantee reserves the right to reallocate funds among approved budget line items in order to facilitate implementation of the approved Project scope.

C. Maximum Amount to be Paid

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed the amount shown in **Exhibit B**, in the section entitled “Maximum Amount to be Paid Under this Agreement.” The Subrecipient shall expend awarded funds in a consistent and timely manner. The Grantee reserves the right to reduce any or all of the awarded funds due to untimely expenditure of said funds or Agreement non-compliance.

D. Payment Contingent on Receipt of Funds from HUD

It is expressly understood that the Grantee has no County funds for the payment of services to be rendered under this Agreement, and the Grantee’s payment obligation under this Agreement is contingent upon receipt of funds from HUD, by virtue of the above mentioned grant(s). Accordingly, notwithstanding anything herein to the contrary, the maximum liability of the Grantee under this Agreement shall not exceed the amount shown in **Exhibit B**, in the section entitled “Maximum Amount to be Paid Under this Agreement,” or the amount actually received by the Grantee from HUD pursuant to the grant, whichever is less, and the Subrecipient, by execution of this Agreement, acknowledges its understanding of this fact.

E. Payment for Eligible Expenses

The Subrecipient understands and agrees that the Grantee shall reimburse the Subrecipient for only those costs that are eligible under applicable federal rules, regulations, cost principles, and other requirements relating to reimbursement with HUD or GLO grant funds. Should any expenditure of grant funds be found ineligible by Grantee, the Subrecipient will cause such funds to be returned to Grantee from other sources.

The Grantee may reimburse the Subrecipient for the total costs, plus a fraction of the overhead costs, of those items that serve only clients from the Grantee service areas, provided that all reimbursements shall be limited to the actual out-of-pocket expenses incurred by the Subrecipient in the performance of this Agreement, with the exception of certain advances. No reimbursement shall be made for goods or services received by the Subrecipient as in-kind contributions from third parties for assistance to the Program. If indirect costs are charged, the Subrecipient shall develop an indirect cost allocation plan determining the appropriate Grantee share of administrative costs and shall submit such plan to the Grantee for approval.

F. Payment Procedures

The Grantee will reimburse the Subrecipient based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payment. Drawdowns for the payment of eligible expenses and general administration shall be made against the line item budget attached hereto as **Exhibit B** and in accordance with performance. Reimbursement requests must include an invoice with required source documentation on a form approved by the Grantee and submitted on or before the tenth (20<sup>th</sup>) working day of the month for costs incurred during the preceding month. Prior to payment, the Grantee and the Harris County Auditor must approve all invoices. Incorrect reimbursement request may be returned to the Subrecipient for correction and resubmission.

Payments will be adjusted in accordance with advance fund and Program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this Agreement for costs incurred by the Grantee on behalf of the Subrecipient.

Subrecipient and Grantee agree that upon Subrecipient's request and approval, Grantee may use the grant funds that have been awarded to Subrecipient by virtue of the Agreement and submit payment directly to the Engineering Consultant for engineering services activities.

Final reimbursement requests for the Subrecipient shall be received by the Grantee no later than sixty (60) days after completion of the Agreement period. Any requests received after sixty (60) days will not be processed for payment and this Agreement will become void and the remaining funds de-obligated. All unexpended CDBG funds by the Subrecipient will be de-obligated and recaptured by the Grantee.

The Subrecipient shall have no obligation to construct the Project until such time as the Grantee has forwarded to the Subrecipient written authorization to proceed with the work. In the event that the Grantee fails to pay the cost for the Project up to \$2,920,500.00 or more if additional funds are allocated for same, including design costs and improvements or modifications requested by Grantee within sixty (60) days after notification by the Subrecipient to the Grantee of the total amount of such costs, the Subrecipient may, but is not obligated to, proceed to construct the Project, at its discretion.

G. Retainage

Disbursement of funds under this Agreement shall be subject to retainage provisions of Section 2252.032 "RETAINAGE" of the Texas Government Code, as it may be amended from time to time.

H. Expenditure Performance

The Subrecipient shall immediately notify the Executive Director of HCCSD, or their designee, of any problems, delays or adverse conditions that will affect the ability of the Subrecipient to perform its obligations under this Agreement. Any such notice shall include a statement of actions taken or contemplated to be taken by the Subrecipient to

resolve such problems, delays or adverse conditions. The Subrecipient shall also promptly notify the Executive Director of HCCSD, or their designee, if it anticipates accomplishing the activities set forth in this Agreement with a lower expenditure of funds than the amount allocated, or within a shorter period of time than the Agreement period.

The Subrecipient further understands and agrees that should the Grantee determine that the Subrecipient will not use all of the funds allocated to the Subrecipient under this Agreement, then Grantee shall reduce the amount allocated to the Subrecipient under this Agreement for the purpose of ensuring that such funds do not remain unspent, and that such monies are promptly reallocated to other service providers in accordance with the Grantee's procurement procedures. The Grantee will notify the Subrecipient in writing of its determination to reduce the amount allocated to the Subrecipient under this Agreement and any such determination by the Grantee shall be final.

I. Supplementing a Request for Payment

A Supplemental Request amending a payment or reimbursement request may be filed with the Grantee after the submission or receipt of the original request. Any Supplemental Request for payment or reimbursement submitted after the date of submission or receipt of the original request will be subject to approval by the Grantee. No more than one Supplemental Request shall be allowed per month.

J. Program Income

The Subrecipient shall report all Program income, as defined in 24 C.F.R. §570.500(a), generated by activities carried out with CDBG funds made available under this Agreement. The use of Program income by the Subrecipient shall comply with the requirements set forth in 24 C.F.R. §570.504. By way of further limitations, the Subrecipient may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such Program income balances on hand. All unused Program income shall be returned to the Grantee at the end of the Agreement period. Any interest earned on cash advances from the U.S. Treasury is not Program income and shall be remitted promptly to Grantee.

K. Withholding Payments

If HUD initiates an investigation into any matter covered under this Agreement, the Grantee may withhold all payments until the results of the investigation have been revealed and resolved. Reimbursement to the Subrecipient will be determined upon resolution of the investigation by HUD.

L. Repayment of Ineligible Payments

IN THE EVENT HUD DETERMINES THROUGH INVESTIGATIONS AND/OR MONITORING THAT ANY GRANTEE PAYMENT OR REIMBURSEMENT TO THE SUBRECIPIENT IS INELIGIBLE OR DISALLOWED, THE SUBRECIPIENT SHALL IMMEDIATELY AND WITHOUT DELAY FULLY REIMBURSE THE GRANTEE, AND THE GRANTEE WILL REIMBURSE HUD FOR DISALLOWED OR INELIGIBLE COSTS. IF HUD INFORMS THE GRANTEE THAT IT IS REQUIRED TO REFUND

MONEYS PREVIOUSLY AWARDED OR DRAWN DOWN FROM THE U.S. TREASURY IN REFERENCE TO THIS AGREEMENT, THE SUBRECIPIENT AGREES TO PAY AN EQUAL AMOUNT TO THE GRANTEE PRIOR TO THE DEMAND DATE OF PAYBACK.

V. NOTICES

Any communication concerning this Agreement shall be directed to the representatives of the Grantee and Subrecipient, as provided in **Exhibit A**, Scope of Services.

VI. SPECIAL CONDITIONS

The Subrecipient agrees to comply with the requirements of 24 C.F.R. Part 570 and all Federal regulations and policies issued concerning the CDBG program. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available. Failure to adhere to these conditions will result in termination of this Agreement.

VII. GENERAL CONDITIONS

A. Compliance

The Subrecipient agrees to comply with all applicable Federal, state and local laws and regulations governing the funds provided under this Agreement, including Executive Order 12372, governing the review and coordination of federally assisted programs and projects. Failure to adhere to these conditions or with any provision of this Agreement may result in the Grantee taking one of the following actions: (1) declaring the Subrecipient ineligible to participate for future awards; (2) withholding funds; and (3) termination of this Agreement.

C. Security

For any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds, the Subrecipient shall execute a "Deed of Trust to Secure Performance, attached in **Exhibit H**, in favor of the Grantee. The executed Deed of Trust to Secure Performance shall extend the terms of this Agreement until five (5) years after the date the Project is completed pursuant to Section III of this Agreement, or for such longer period of time as determined by the Grantee. The Subrecipient's failure or refusal to execute the Deed of Trust to Secure Performance may result in the termination of this Agreement.

C. Independent Contractor

The Subrecipient shall operate as an independent contractor and not as an officer, agent, servant or employee of the Grantee. The Subrecipient shall have exclusive control of, and the exclusive right to control, the details of the work and services performed and shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, sub-subrecipients, program participants, licensees or invitees. The doctrine of *respondeat superior* shall not apply as between the Grantee and the Subrecipient, its officers, members, agents, servants, employees, sub-subrecipients, program participants,

licensees or invitees, and nothing herein shall be construed as creating a partnership or joint enterprise between the Grantee and the Subrecipient. It is expressly understood and agreed that no officer, member, agent, employee, sub-subrecipient, licensee or invitee of the Subrecipient, nor any program participant hereunder, is in the paid service of the Grantee and that the Grantee does not have the legal right to control the details of the tasks performed hereunder by the Subrecipient, its officers, members, agents, employees, sub-subrecipients, program participants, licensees or invitees.

The Grantee shall in no way nor under any circumstances be responsible for any property belonging to the Subrecipient, its officers, members agents, employees, sub-Subrecipients, program participants, licensees or invitees, which may be lost, stolen, destroyed or in any way damaged.

D. Indemnity

**THE SUBRECIPIENT COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND, AT ITS OWN EXPENSE, THE GRANTEE AND ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS OR SUITS FOR PROPERTY LOSS OR DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF WHATSOEVER KIND OF CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH THE EXECUTION, PERFORMANCE, ATTEMPTED PERFORMANCE OR NONPERFORMANCE OF THIS AGREEMENT AND/OR THE OPERATIONS, ACTIVITIES AND SERVICES OF THE PROGRAM DESCRIBED HEREIN, WHETHER OR NOT CAUSED, IN WHOLE OR IN PART, BY ALLEGED NEGLIGENCE OF OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SUBRECIPIENTS OR SUB-SUBRECIPIENTS OF THE GRANTEE; AND THE SUBRECIPIENT HEREBY ASSUMES ALL LIABILITY AND RESPONSIBILITY OF THE GRANTEE AND ITS OFFICERS, AGENTS, SERVANTS, AND EMPLOYEES FOR ANY AND ALL CLAIMS OR SUITS FOR PROPERTY LOSS OR DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF WHATSOEVER KIND OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH THE EXECUTION, PERFORMANCE, ATTEMPTED PERFORMANCE OR NONPERFORMANCE OF THIS AGREEMENT AND/OR THE OPERATIONS, ACTIVITIES AND SERVICES OF THE PROGRAMS DESCRIBED HEREIN, WHETHER OR NOT CAUSED, IN WHOLE OR IN PART, BY ALLEGED NEGLIGENCE OF OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SUBRECIPIENTS OR SUB-SUBRECIPIENTS OF GRANTEE. THE SUBRECIPIENT LIKewise COVENANTS AND AGREES TO AND DOES HEREBY INDEMNIFY AND HOLD HARMLESS GRANTEE FROM AND AGAINST ANY AND ALL INJURY, DAMAGE OR DESTRUCTION OF PROPERTY OF THE GRANTEE, ARISING OUT OF OR IN CONNECTION WITH ALL ACTS OR OMISSIONS OF THE SUBRECIPIENT, ITS OFFICERS, MEMBERS, AGENTS, EMPLOYEES, SUB-SUBRECIPIENTS, INVITEES, LICENSEES, OR PROGRAM PARTICIPANTS, OR CAUSED, IN WHOLE OR IN PART, BY ALLEGED NEGLIGENCE OF OFFICERS, AGENTS, SERVANTS, EMPLOYEES, SUBRECIPIENTS OR SUB-SUBRECIPIENTS OF THE GRANTEE.**

E. Waiver of Immunity

If the Subrecipient, as a charitable or nonprofit organization, has or claims an immunity or exemption (statutory or otherwise) from and against liability for damages or injury, including death, to persons or property, the Subrecipient hereby expressly waives its rights to plead defensively such immunity or exemption as against the Grantee. This section shall not be construed to affect a governmental entity's immunities under constitutional, statutory or common law.

F. Insurance and Bonding

1. Public Liability Insurance

The Subrecipient shall furnish a Certificate of Insurance as proof that it has secured and paid for policies of public liability and automobile insurance covering all risks incident to or in connection with the execution, performance, attempted performance or nonperformance of this Agreement. The amounts of such insurance shall not be less than the maximum liability that can be imposed on the Grantee under the laws of the State of Texas. At present, such amounts are as follows:

Bodily injury or death, per person	\$100,000
Bodily injury or death, per occurrence	\$300,000
Property damage, per occurrence	\$100,000

The Subrecipient understands that such insurance amounts shall be revised upward at the Grantee's option and that the Subrecipient shall revise such amounts within thirty (30) days following notice to the Subrecipient of such requirements.

2. Worker's Compensation Insurance

The Subrecipient also covenants and agrees to furnish the Grantee with a Certificate of Insurance as proof that it has obtained and paid for a policy of Workers' Compensation Insurance in the amounts required by State law, covering any and all employees of the Subrecipient active in the Program funded under this Agreement; and the Subrecipient agrees to require any sub-Subrecipients to carry adequate Workers' Compensation Insurance in the amounts required by State law.

Accordingly, if the Subrecipient has obtained worker's compensation insurance coverage through self-insurance, as provided by Texas Labor Code § 406.003, such documentation of self-insurance shall be provided to Grantee prior to, or with the submission of, the first reimbursement request.

3. Documentation of Insurance Coverage

The Subrecipient will submit to the Grantee documentation that it has obtained insurance coverage as required in this Agreement within thirty (30) days of the execution of this Agreement and prior to payment of any monies hereunder.

#### 4. Payment and Performance Bonding

The Subrecipient will provide or cause to furnish the Grantee with Certificate of Insurance as proof that it has obtained and paid for a certificate of Payment Bond and Performance Bond, as required by 2 C.F.R. 200.304

#### G. Recognition of Grantee

The Subrecipient shall ensure recognition of the role of the Grantee in making services available through this Agreement. All facilities, publications and other items used, made available, or made possible through funds obtained pursuant to this Agreement shall be prominently labeled as having been funded by the Harris County Community Services Department. The Subrecipient shall maintain a "recognition file." Each instance of recognition shall be documented by including a copy or photograph of each such instance of recognition in the file. Original documents are the preferred means of documentation, but photocopies or photographs may be used when and where appropriate.

#### H. Travel

The Subrecipient must comply with Grantee travel guidelines for any travel paid for with funds provided under this Agreement.

#### I. Relocation, Acquisition and Displacement

The Subrecipient agrees to comply with 24 C.F.R. §570.606 relating to the acquisition and disposition of all real property utilizing Grant funds, and to the displacement of persons, businesses, non-profit organizations and farms occurring as a direct result of any acquisition of real property utilizing Grant funds. The Subrecipient agrees to comply with applicable Grantee Procedures and Policies concerning displacement of individuals from their residences, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

#### J. Copyright

If this Agreement results in any copyrightable material, the Grantee and/or HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work for government purposes. The Grantee understands and agrees that Subrecipient is subject to the Texas Public Information Act and may have to release information and documentation to the public under this Agreement.

#### K. Cultural Resources

In accordance with the National Historic Preservation Act and the Antiquities Code of Texas, the Contractor shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural, or other cultural artifacts, relics, vestiges, remains, or objects or antiquity from the project site. In the event that such items are discovered on the project during construction activities, the Contractor shall immediately notify the Engineer. The site and the potentially significant material shall be



protected by the Contractor from further disturbance until a professional examination of them can be made and/or until clearance to proceed with construction has been provided by the Engineer.

L. Hazardous and Petroleum substances

If during the course of construction, the Contractor discovers hazardous or petroleum substances or wastes on the project site, then the Contractor shall immediately cease work in the area and remove all personnel from the area. The contractor shall temporarily close the area to the public, as well; temporary fencing or caution tape shall be installed around the area. The Contractor shall notify the Engineer immediately. Work in the area shall not be permitted until the Engineer has determined that safety and environmental issues have been properly addressed.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

The Subrecipient agrees to (1) comply with requirements set out in OMB Circular 2 C.F.R. 200.300; (2) adhere to the accounting principles and procedures required therein; (3) utilize adequate internal controls; and (4) maintain necessary source documentation for all costs incurred. The Subrecipient shall administer its Program in conformance with OMB Circular 2 C.F.R. 200.400 "Cost Principles" for all costs incurred whether charged on a direct or indirect basis.

Prior to close out of this Agreement, the Subrecipient must transmit to the Grantee Records sufficient for the Grantee to demonstrate that all costs under this "Agreement" met the Requirements of the Federal Award.

B. Record-Keeping, Reports, and Audits

1. Records to be Maintained

The Subrecipient shall maintain all records required by this Agreement, records required by 24 C.F.R. §570.506 and records that are pertinent to the activities to be funded under this Agreement, including but not be limited to:

- a. Records providing a full description of each activity undertaken
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program
- c. Records required to determine the eligibility of activities
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance
- e. Records demonstrating compliance with citizen participation
- f. Records demonstrating compliance regarding acquisition, displacement, relocation, and replacement housing.
- g. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program

- h. Financial records as required by 24 C.F.R. §570.502.
- i. Agreements and other records related to lump sum disbursements to private financial institutions for financing rehabilitation
- j. Other records necessary to document compliance with Subpart K of 24 C.F.R. Part 570.

## 2. Property Records

The Subrecipient shall maintain real property inventory records, which clearly identify property purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the restrictions specified in 24 C.F.R. § 570.505 and §570.606. The Subrecipient shall ensure that any independent audit required hereunder include a report on real property inventory as a supplemental schedule in the audit.

## 3. Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement, or after the resolution of all Federal audit findings, whichever occurs later. Records for non-expendable property acquired with funds under this Agreement shall be retained for five (5) years after final disposition of such property. Records for any displaced person, as defined at 42 U.S.C. 4601, as amended, must be kept for five (5) years after he/she has received final payment.

## 4. Construction Policies, Reports and Davis-Bacon and Related Acts Requirements

The Subrecipient shall ensure that each contract subject to Federal (Davis-Bacon and Related Acts) labor standards requirements must contain the appropriate HUD contract provisions containing the labor standards clauses described in **Exhibit C**, subpart 13. These clauses correspond to the Department of Labor (DOL) regulations prescribing the responsibilities of the contractor and obligating the contractor to comply with the labor requirements. The labor standards clauses also provide for remedies in the event of violations, including withholding from payments due to the contractor to ensure the payment of wages or liquidated damages, which may be found due.

The Subrecipient shall ensure compliance with the Davis-Bacon and Related Acts (DBRA) requirements. The Subrecipient shall furnish or cause to furnish documents evidencing compliance with the DBRA requirements, including but not be limited to the following:

- a. Quarterly Employment Data Report
- b. Certified Weekly Payrolls
- c. Certificate From Contractor Appointing Officer or Employee to Supervise Payment of Employees
- d. Posting of Equal Employment Opportunity Poster, Notice to Employees Poster, and Wage Decision(s)
- e. Section 3 Employment and Women/Minority Business Plan

- f. Certificate for Contracts, Grants, Loans and Cooperative Agreements
- g. General Contractor/ Subcontractor Profile
- h. Section 3 compliance documents

**NOTE: All of the above listed documents pertaining to the DBRA are required to be submitted by the prime contractor, all subcontractors and all without exceptions.**

5. Other Periodic Reports

The Subrecipient shall furnish the following reports to the Grantee, which include, but may not be limited to the following:

- a. Certifications for Contracts, Grants, Loans, and Cooperative Agreements (See **Exhibit D**)
- b. The following reports, as detailed in **Exhibit A**, shall be submitted annually to the Grantee for public facility projects following completion of work as specified in Section III of this Agreement:
  - i. Annual Compliance Report

6. Deadlines

- a. DBRA compliance documents shall be submitted during the course of project construction pursuant to the deadlines set in the bid specifications and **Exhibit C**
- b. Annual compliance reports are due within one month after the end of the reporting period, which commences following completion of work as specified in Section III of this Agreement

7. Audits & Inspections

All records relevant to any matters covered by this Agreement shall be made available to the Grantee, its designees or the Federal government, at any time during normal business hours, as often as the Grantee or other agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. The Subrecipient will respond to the notification of any deficiencies noted in audit reports within thirty (30) days after receipt by the Subrecipient. Any deficiencies must be fully cleared by the Subrecipient. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with 2 CFR 200.500 or if not applicable, financial statements in accordance with AICPA's SSARS No.21 for review and compilations.

8. Failure to Meet Record-Keeping, Reporting, Audit, and/or Inspection Requirements

The Subrecipient's failure to comply with record-keeping, reporting, audits, and/or inspections as required by this Agreement is a breach of this Agreement and funding will be withheld from the Subrecipient until such time as the reports are timely and accurately submitted. The Grantee maintains the right to terminate this Agreement

with the Subrecipient for failure to keep records properly, submit reports for three (3) consecutive months, and/or cooperate with audits/inspections.

C. Procurement

1. Compliance

The Subrecipient shall comply with the (1) public notice and (2) award of contract to the lowest and most responsible bidder procedures of the County Purchasing Act, TEX. GOV'T CODE §262.021 *et seq.*, concerning the purchase of equipment and services and shall maintain an inventory record of all non-expendable personal property, as defined by Grantee policy, that may be procured with funds provided hereunder. The Subrecipient shall procure property and services in accordance with the requirements of 2 C.F.R. 200.326 and shall subsequently follow, "Property Management Standards," covering utilization and disposal of property.

2. Use of Real Property

Pursuant to 24 C.F.R. §570.505, any real or personal property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds must either be:

- (a) Used by the Subrecipient for eligible activities pursuant to 24 C.F.R. §570.200 that meet one of the National Objectives in 24 C.F.R. §570.208 until five (5) years after expiration or termination of this Agreement pursuant to Section III "Time of Performance," or for such longer period of time as determined to be appropriate by the Grantee; or
- (b) Transferred to the Grantee; or
- (c) Changed use, in which event the Subrecipient shall provide affected citizens reasonable notice of, and opportunity to comment on, any proposed change, and either: (1) the new use of such property qualifies as meeting one of the National Objectives in 24 C.F.R. §570.208 or (2) the new use does not meet one of the National Objectives set out in 24 C.F.R. §570.208, in which event the Subrecipient may retain and utilize the property and shall pay to the Grantee an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property. No payment shall be required after the period of time specified in paragraph (a) of this section expired; or
- (d) Disposed of in a manner, consistent with 24 C.F.R. §570.505 and 2 C.F.R. §200.311, which results in the amount of the then current fair market value of the property, less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvements to, the property being reimbursed to the Grantee. Such reimbursement shall not be required if disposed of after the period of time specified in paragraph (a) of this section expired.
- (e) The facility must meet the accessibility requirements detailed at 24 C.F.R. Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covered facilities, as defined at 24 C.F.R. §100.201, must also meet the design and construction requirements at

24 C.F.R. §100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).

Nothing contained herein shall be construed to conflict with the duties of the Subrecipient as set forth in the Texas Non-Profit Corporation Act (TEX. CIV. STAT. ANN. art.1396-1.01, *et seq.*) or any other applicable statute.

## IX. GENERAL LABOR AND PARTICIPANT REQUIREMENTS

### A. Civil Rights

#### 1. Compliance

The Subrecipient shall comply with Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968 as amended; Section 109 of Title 1 of the Housing and Community Development Act of 1974; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Age Discrimination Act of 1975; Executive Order 11063; and Executive Order 11246 as amended by Executive Orders 11375 and 12086; and all other applicable requirements of 24 C.F.R. Part 570, Subpart K.

The Subrecipient shall comply with any federal regulations issued pursuant to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 701 as amended), which prohibits discrimination against the handicapped in any federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

#### 2. Nondiscrimination

The Subrecipient shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance. The Subrecipient shall take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Subrecipient setting forth the provisions of this nondiscrimination clause. The Subrecipient shall also abide by Title IX of the Education Amendments of 1972 (20 U.S.C. §1681 *et seq.*), which prohibits sex discrimination in federally assisted education programs.

#### 3. Limited English Proficiency

Subrecipient shall provide language assistance or ensure program information is available in the appropriate languages for the Grantee's service area and that limited

English proficient persons have meaningful access to CDBG assistance, pursuant to Title VI of the Civil Rights Act of 1964.

B. Affirmative Action

1. Approved Plan

The Subrecipient shall be committed to carry out, pursuant to the Grantee's specifications, an Affirmative Action program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program, upon request. The Subrecipient shall submit a plan for an Affirmative Action program for approval prior to the award of funds, if applicable.

2. Women/Minority Business Enterprise

The Subrecipient shall use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "minority and women business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and women business enterprises in lieu of an independent investigation.

3. Notifications

The Subrecipient shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other agreement or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. EEO/AA Statement

The Subrecipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action Employer, as applicable.

5. Grievance

The Subrecipient shall establish and maintain written procedures to address grievances or complaints of employees or Program participants under this Agreement. The Subrecipient's written procedures should provide for employees

or participants to contact HCCSD only after the complainant has exhausted the Subrecipient's internal procedures. The Subrecipient shall notify all employees and Program participants of its grievance procedure. Such notification must include the telephone number to reach HCCSD. The Subrecipient shall immediately notify HCCSD of all grievances or complaints received by the Subrecipient.

C. Labor Standards

1. Wages

The Subrecipient shall comply with the requirements of the Secretary of Labor issued in accordance with the provisions of Contract Work Hours and Safety Standards Act [40 U.S.C. 3701 *et seq.*], as supplemented by Department of Labor regulations; the Copeland "Anti-Kickback" Act [18 U.S.C. 874]; the Davis-Bacon Act [40 U.S.C. 3141 *et seq.*, as amended]; and all other applicable Federal, state and local laws and regulations pertaining to labor standards, insofar as those acts apply to the performance of this Agreement. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this section. Such documentation shall be made available to the Grantee for review upon request. The Subrecipient shall also abide by Chapter 11 of Title 18 of the U.S. Code [18 U.S.C. 201 *et seq.*], which prohibits a number of criminal activities, including bribery, graft and conflict of interest.

2. OSHA

Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participant's health or safety.

3. Drug Free Workplace

All profit or non-profit agencies or organizations receiving state or Federal grant funds under the official sponsorship of the Grantee must certify on an annual basis their compliance with the requirements of the "Drug Free-Workplace Act of 1988." Employees are specifically prohibited from manufacturing, distributing, possessing, purchasing, and using illegal drugs or controlled substances in the workplace or in any other facility, location or transport in which the employee is required to be present in order to perform his or her job function.

D. Prohibited Activity

The Subrecipient is prohibited from using CDBG funds or personnel employed in the administration of this Program for political activities, sectarian/religious activities, lobbying, political patronage, and/or nepotism activities.

1. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

## 2. Religious Organization

The Subrecipient agrees that funds provided under this Agreement shall not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization, in accordance with the federal regulations specified in 24 C.F.R. §570.200.

### E. Conflict of Interest

The Subrecipient shall abide by the provisions of 24 C.F.R. §570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Subrecipient further covenants that in the performance of this Agreement, no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or subrecipients that are receiving funds under the CDBG Entitlement program.

In applying for CDBG funds, the Subrecipient provided the Grantee with disclosure of the nature of any perceived or actual conflict of interests. If at any time during the course of the term of this Agreement any actual or perceived conflict of interest arises, the Subrecipient agrees to provide a new Conflict of Interest Disclosure form (**Exhibit E**) to the Grantee. Failure to disclose any perceived or actual conflicts of interest may result in termination of this Agreement.

### F. Conflicts Disclosure Statement and Conflict of Interest Questionnaire

The Subrecipient shall comply with the provisions of Chapter 176 of the Local Government Code with respect to conflicts of interest a local government officer or vendor may have when contracting or seeking to contract with the Grantee. Chapter 176 of the Local Government Code requires persons desiring to do business with the Grantee to disclose any gifts, with the aggregate value of \$250, given to any local government officer or the local government officer's family member, or employment or other business relationship that the person may have with a local government officer or the local government officer's family members, during the preceding twelve (12) month period.

In applying for CDBG funds, the Subrecipient provided the Grantee with disclosure of the nature of any perceived or actual conflict of interests. The Subrecipient covenants that the Conflicts Disclosure Statement (**Exhibit F**) and/or the Conflict of Interest Questionnaire (**Exhibit G**) have been filed with the Grantee's records administrator, the Harris County Clerk, within the requirements of Chapter 176 of



the Local Government Code. Failure to disclose any perceived or actual conflict of interests may result in termination of this Agreement.

G. False Claims

The Subrecipient shall abide by 18 U.S.C. 286, which provides for conspiracy to defraud the Federal Government with Respect to Claims. In addition, the Subrecipient will also abide by the False Claims Act (31 U.S.C. 3729 *et seq.*); 18 U.S.C. 287 relating to False, Fictitious and Fraudulent Claims; 18 U.S.C. 245, as amended, relating to Federally Protected Activities; 18 U.S.C. 1001, as amended, regarding General Statements or Entries; the Program Fraud Civil Remedies Act (31 U.S.C. 3801 *et seq.*); the Federal Claims Collection Act of 1966 (31 U.S.C. 3701, 3711, 3716 to 3718), as amended by the Derby Collection Act of 1982; the Meritorious Claims Act (31 U.S.C. 3702); the Tucker Act (28 U.S.C. 1346, 1491 and 2501 *et seq.*); the Wunderlich Act (41 U.S.C. 321-322); the Anti-Deficiency Act (31 U.S.C. 1341 *et seq.*); and Section 208(a) of the Intergovernmental Personnel Act of 1970, as amended.

H. “Section 3” Clause

1. Compliance

The Subrecipient shall comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, the regulations set forth in 24 C.F.R. §135, and all applicable rules and orders. The Subrecipient understands that compliance shall be a condition of the federal assistance provided under this Agreement and binding upon the Grantee, the Subrecipient and any sub-subrecipients. Failure to comply with these requirements shall subject the Grantee, the Subrecipient and any sub-subrecipients, their successors and assigns, to those sanctions specified by the Agreement through which federal assistance is provided, and as set out in 24 C.F.R. §135, Subpart D. The Subrecipient agrees that no contractual or other disability exists which would prevent compliance with these requirements. The Subrecipient shall include the following language in all subcontracts executed under this Agreement:

“The work to be performed under this contract is a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part, by persons residing in the areas of the project.”

2. Notifications

The Subrecipient shall send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or

understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

### 3. Subcontracts

The Subrecipient shall include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the sub-subrecipient is in violation of regulations issued by the Grantee. The Subrecipient will not subcontract with any sub-subrecipient which it has notice or knowledge that the latter has been found in violation of regulations under 24 C.F.R. §135 and will not let any subcontract unless the sub-subrecipient has first provided it with preliminary statement of ability to comply with the requirements of these regulations.

## I. Subcontracts

### 1. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of the Grantee prior to the execution of such agreement.

### 2. Monitoring

The Subrecipient shall monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports submitted to the Grantee and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

### 3. Content

The Subrecipient shall cause all of the provisions of this Agreement, by preference, in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

### 4. Selection Process

The Subrecipient shall insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair, open, and competitive manner. Executed copies of all subcontracts shall be forwarded to the Grantee, along with documentation concerning the selection process. The Subrecipient must adopt and utilize written selection criteria for use in the selection of subcontractors, which selection criteria must conform to the Procurement requirements of 2 C.F.R. §200.318.

## J. Whistleblower Protection Act

The Grantee Sponsor and its employees will be subject to all employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-230) and FAR 3.908. The Grantee Sponsor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation. The Grantee Sponsor shall insert the substance of this clause, including this paragraph (J), in all subcontracts providing services under this Agreement.

X. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient shall comply with the following regulations insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. §7401 *et seq.*
- Clean Water Act, 33 U.S.C. 1368.
- Executive Order 11738.
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, *et seq.*, and 1318 and 1321, relating to inspection, monitoring, entry, reports, and information, and all regulations guidelines issued there under.
- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R. Part 50, as amended.
- National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*; as amended).
- HUD Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities (24 C.F.R. Part 58).

B. Flood Disaster Protection

The Subrecipient shall comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L.-2234) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Agreement, as it may apply to the provisions of this Agreement.

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 C.F.R. §570.608 and 24 C.F.R. Part 35, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning, and of the advisability and availability of blood-level screening for children under 6 years of age.

D. Historic Preservation

The Subrecipient shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 C.F.R. Part 800, "Protection of Historic Properties," insofar as they apply to the performance of this Agreement. In general this requires concurrence from the Texas Historical Commission and Antiquities Committee for all rehabilitation and demolition of historic properties that are fifty (50) years old or older or that are included on a Federal, state, or local historic property list.

E. Wildlife Protection

The Subrecipient shall comply with the requirements of the Endangered Species Act of 1973 as listed in 50 C.F.R. §17.11 and 50 C.F.R. Part 402; the Lacey Act (16 U.S.C. 3371-3378 *et seq.*, as amended); the Migratory Bird Treaty Act (16 U.S.C. 703-12); the Fish and Wildlife Coordination Act (16 U.S.C. 661 *et seq.*); Section 4(f) of the Department of Transportation Act (49 U.S.C. 303); the Federal Water Pollution Control Act (33 U.S.C. 1251 *et seq.*); the Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451); and the Safe Drinking Water Act of 1974 (42 U.S.C. 300f *et seq.*, as amended), insofar as they apply to the performance of this Agreement.

XI. ASSIGNMENTS AND AMENDMENTS

A. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee. Notice of any such permitted assignment or transfer shall be furnished promptly to the Grantee.

B. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

Additionally, the Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendment results in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be affected only by written Amendment signed by both the Grantee and Subrecipient. At the discretion of HCCSD management, no more than two (2) Amendments to the Agreement shall be allowed each year.

XII. TERMINATION OF AGREEMENT

A. Automatic Termination

This Agreement automatically terminates at the end of the time of performance as specified in Section III., “Time of Performance,” of this Agreement.

B. Termination Without Cause

Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least thirty (30) days before the effective date of such termination. In the event of termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the Subrecipient under this Agreement shall become the property of the Grantee, and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination, unless HUD has determined through monitoring and/or investigative practices, that the Subrecipient is not entitled to such compensation.

C. With Cause

The Grantee may terminate this Agreement for cause, in whole or in part, if the Subrecipient fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the Grantee may declare the Subrecipient ineligible for any further participation in the Grantee CDBG Entitlement Agreements, in addition to other remedies as provided by law. If the Grantee has cause to believe the Subrecipient is in noncompliance with this Agreement or any applicable rules and regulations, the Grantee may withhold up to twenty-five (25) percent of said Agreement funds until such time as the Subrecipient is found to be in compliance by the Grantee, or is otherwise adjudicated to be in compliance.

D. Partial Terminations

Partial terminations of the Scope of Services in **Exhibit A** may only be undertaken with the prior approval of the Grantee.

E. Breach of the Agreement

Termination of this Agreement shall not relieve the Subrecipient of liability for any breach of this Agreement that occurs prior to such termination or expiration.

F. Close-outs

The Subrecipient’s obligation to the Grantee shall not end until all closeout requirements described in 2 C.F.R. §200.343 are completed to the satisfaction of the Grantee and the Harris County Auditor. Activities during this close-out period shall include, but are not limited to, making final payments, disposing of Program assets, including the return to the Grantee of all unused materials, equipment,

unspent cash advances, Program income balances, and accounts receivable, and determining the custodianship of records.

G. Reversion of Assets

Upon expiration or termination of the term of this Agreement, the Subrecipient shall transfer to Grantee any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. For any year following the expiration or termination of this Agreement that the Subrecipient holds personal property attributable to funds hereunder, the Subrecipient shall submit an Annual Report of Personal Property identifying the property and its location, with such report being filed with the Grantee and the Harris County Auditor.

XIII. AGREEMENT REQUIREMENTS

Notwithstanding any provision of this Agreement, the Subrecipient is required to comply with only the federal, state, and local regulations applicable to the specific federally assisted program associated with this Agreement.

XIV. INCORPORATION OF EXHIBITS

The following documents are a part of this Agreement:

Exhibit A	Scope of Services
Exhibit B	Budget
Exhibit C	Harris County Community Services Department Subrecipient Construction Policies & Guidelines
Exhibit D	Certification for Contracts, Grants, Loans and Cooperative Agreements
Exhibit E	Conflict of Interest
Exhibit F	Conflicts Disclosure Statement
Exhibit G	Conflict of Interest Questionnaire
Exhibit H	Deed of Trust to Secure Performance (Sample)
Exhibit I	Required Federal Grant Contract Provisions
Exhibit J	CDBG-DR Federal Regulations
Exhibit K	GLO Information Security Appendix

ATTEST:

**CITY OF DEER PARK**

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

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

Name:\_\_\_\_\_

Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date Signed: \_\_\_\_\_

APPROVED AS TO FORM:

**HARRIS COUNTY**

VINCE RYAN  
Harris County Attorney

By:\_\_\_\_\_  
SARAH IBRAHIM  
Assistant County Attorney

By:\_\_\_\_\_  
JOSHUA STUCKEY  
Interim Director, Harris County Community  
Services Department

File Number: \_\_\_\_\_

Date Signed:\_\_\_\_\_

## **Exhibit A, SCOPE OF SERVICES**

### **I. Application**

This Scope of Services is based on the proposal prepared and submitted by the Subrecipient, through the Harris County Community Services Department's Disaster Recovery Request for Proposal (RFP) process. However, in the event of any conflict between the proposal and any provision contained herein, this Agreement shall control. In addition to the activities listed below, the Subrecipient agrees to operate this Project in accordance with Community Development Block Grant Disaster Recovery Program requirements and all other applicable Federal, state, and local regulations.

### **II. Project Description**

The Subrecipient shall be responsible for implementing the Bayou Bend Regional Detention Facility and Drainage Improvements Project during the term of this Agreement. The scope of the Project is to construct a new thirty-five acre-feet (35 AF) detention pond and associated site work, rehabilitate and install storm sewer with concrete pipes, grade ditches, install storm sewer inlets, culverts and complete associated appurtenances. The project area is generally bound on the North by Pickerton Drive, South by Temperance Lane, East by Center Street, and West by Drainage Ditch B114-00-00.

The Subrecipient shall administer all activities in the provision of the aforementioned public infrastructure improvements Project in accordance with all applicable Federal, state, and local rules and regulations governing these funds, and in a manner satisfactory to the Grantee.

The Subrecipient shall ensure that personnel providing services under this Agreement have all licenses required by law and/or are qualified to perform the services required under this Agreement. The Subrecipient shall further ensure that all Program and/or facility licenses necessary to provide the required services are current and that HCCSD shall immediately be notified if any such required licenses become invalid or are canceled during the term of this Agreement.

### **III. Activities**

The Subrecipient shall be responsible for the delivery of the following activities in connection with the provision of the above-noted Project. The activities and the submission of reports and compliance documents shall include, but not be limited to the budget line item categories listed in the budget detail of **Exhibit B** and as detailed further below:



## ACTIVITIES, SCHEDULE, AND REQUIRED DOCUMENTS

No.	Activity Name	Schedule	Reports and Compliance Documents
<b>II. Construction</b>			
1.	Design	Within sixty (60) days from the date of this Agreement, the Subrecipient shall submit the compliance documents to the Grantee for review and approval.	Final set of drawings, plans, cost estimates, bid specifications and construction documents
2.	Bid Out	Within fifteen (15) days after the Grantee's approval of the bid specifications, the Subrecipient shall advertise the project for at least two (2) consecutive weekends.	Copy of bid advertisement with affidavit
3.	Pre-bid Conference	The Subrecipient shall hold a Pre-bid Conference, at least one week before bids are due.	Copy of attendance roster and meeting notes
4.	Bid Opening	The Subrecipient shall hold a Bid Opening, at a minimum of two (2) weeks after the initial advertisement of project.	N/A
5.	Bids, Bid Tabulation and Recommendations	Within fifteen (15) days from the date of the Bid Opening, the Subrecipient shall submit the compliance documents to the Grantee for review and approval.	Copy of all bids, bid bonds, tabulation and recommendations
6.	Notice of Award  DRAFT Construction Contract	Within fifteen (15) days after the Grantee's approval of the lowest and most responsible bid the Subrecipient shall issue the Notice of Award to the contractor. Within forty-five (45) days after the Grantee's written approval of the lowest and most responsible bid, the Subrecipient shall submit the compliance document to the Grantee for review and approval.	Copy of Notice of Award  Copy of the draft construction contract
7.	Executed Construction Contract	Within fifteen (15) days after the Grantee's approval of the draft construction contract, the Subrecipient shall execute the construction contract.	ORIGINAL copy of the executed construction contract
8.	Pre-construction Conference	Within seven (7) days after the date of the executed construction contract, the Subrecipient shall hold the Pre-construction Conference.	Copy of attendance roster and meeting notes
9.	Construction Start Date	Within thirty (30) days of the date of the Executed Construction Contract, the Subrecipient shall issue the Notice to Proceed to the contractor. The Grantee Sponsor shall ensure that the construction commences within thirty (30) days of the Notice to Proceed.	Copy of Notice to Proceed
10.	DBRA Compliance Documents	Within seven (7) days of the Construction Start Date and during the project construction, the Subrecipient shall submit or cause to be submitted original compliance documents on a weekly basis.	ORIGINAL DBRA compliance documents
11.	Survey, Inspection, and Testing	The Subrecipient shall perform survey, inspection and testing during the course of implementing the project, as applicable.	Copy of survey, inspection and testing reports, as applicable
12.	Final Walkthrough and Final Punch List	At the completion of the construction activities, the Subrecipient shall hold a Final Walkthrough and issue the Final Punch List, as applicable	Copy of Final Punch List, if applicable
13.	Certificate of Completion,	Within five (5) days of completion of construction	Copy of Certificate of Completion
<b>III. Five Year Compliance</b>			
1.	Five Year Compliance	Certificate of Completion for non-building projects	Substantial Completion document

Time/Date variances to the schedule may be approved by the Executive Director of the HCCSD, or his designee, if reasonable justification is provided for the delay.

The Subrecipient shall forward compliance documents upon completion of the activity, or as noted in the schedule.

In addition to normal administrative services required as part of this Agreement, the Subrecipient agrees to document progress using reporting requirements specified in Section VIII of this Agreement.

#### IV. Notice

Grantee

Joshua Stuckey, Interim Director  
  
Harris County Community Services  
Department  
8410 Lantern Point  
Houston, Texas 77054

Subrecipient

Jerry Mouton, Jr., Mayor of the  
City of Deer Park  
  
  
710 E. San Augustine Avenue  
Deer Park TX 77536

## Exhibit B, BUDGET

### CITY OF DEER PARK BAYOU BEND REGIONAL DETENTION FACILITY AND DRAINAGE IMPROVEMENTS PROJECT

#### Maximum Amount to be Paid Under this Agreement

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed TWO MILLION NINE HUNDRED TWENTY THOUSAND FIVE HUNDRED and 00/100 Dollars (\$2,920,500.00), as certified available by the Harris County Auditor and as evidenced by the issuance of a Purchase Order from the Harris County Purchasing Agent.

#### PROJECT SUMMARY

DESCRIPTION	CSD (CDBG)	LEVERAGE	TOTAL
<b>Project Costs</b>			
I. Architectural/Engineering Design	\$348,000.00	\$0.00	\$348,000.00
II. Construction	\$2,572,500.00	\$0.00	\$2,572,500.00
<b>Project Budget Total</b>	<b>\$2,920,500.00</b>	<b>\$0.00</b>	<b>\$2,920,500.00</b>

CDBG-DR PY2017 \$2,920,500.00

#### PROJECT DETAIL

Project Costs	CSD (CDBG)	LEVERAGE	TOTAL
<b>I. Architectural/Engineering Design</b>			
Architectural/Engineering Design Plans	\$348,000.00	\$0.00	\$348,000.00
<b>Subtotal</b>	<b>\$348,000.00</b>	<b>\$0.00</b>	<b>\$348,000.00</b>
<b>II. Construction</b>			
Construction (new construction, rehabilitation, renovation)	\$2,572,500.00	\$0.00	\$2,572,500.00
<b>Subtotal</b>	<b>\$2,572,500.00</b>	<b>\$0.00</b>	<b>\$2,572,500.00</b>
<b>Project Detail Total</b>	<b>\$2,920,500.00</b>	<b>\$0.00</b>	<b>\$2,920,500.00</b>

## **Exhibit C, HARRIS COUNTY COMMUNITY SERVICES DEPARTMENT SUBRECIPIENT CONSTRUCTION POLICIES & GUIDELINES**

These policies are intended to assist those Subrecipients receiving Harris County Community Development Block Grant funds. They will facilitate the Subrecipient's understanding and compliance with applicable federal and county regulations, policies and processes where the Subrecipient is responsible for design, bidding and construction contract administration. If clarification is needed, call David Beck, Infrastructure Program Manager at 832-927-8200.

1. If federal funds will be used to retain consultants, the Subrecipient must advertise Request for Qualification Statement (RFQ). The Subrecipient shall submit the draft RFQ for approval prior to advertisement. The responding consultant's SF 330 qualification statements must be submitted for review to Harris County Community Services Department (HCCSD) prior to commissioning the consultants. Upon approval by HCCSD, the Subrecipient may retain consultant(s).
  - A. Subrecipient shall submit all plans, drawings and specifications prepared by the consultant for the project for approval by HCCSD.
  - B. Consultants retained by the Subrecipient shall include in the project specifications project construction time limits with liquidated damages to ensure timely completion of the project.
2. The Subrecipient shall advertise for bids and award contracts in compliance with the State of Texas bidding procedures and the following subsections of 2 C.F.R. 200 :

Section 200.302	"Financial Management", except subparagraph a
Section 200.318	"General Procurement Standards"
Section 200.333	"Retention Requirements for Records"
Section 200.336	"Access to Records"
1. The preliminary drawings must be within the previously approved project scope. All construction projects must comply with Harris County requirements and the policies and procedures of Harris County Engineering Department (HCED), Purchasing Agent, Auditor and HCCSD.
4. Mitigation measures, if any, will be incorporated into project drawings, plans and construction documents. HCED will confirm and document mitigation measures are addressed in 90% plan review comments.
5. The Subrecipient will incorporate into the construction documents any and all Department of Housing and Urban Development requirements and all construction policies and guidelines contained herein. Final documents must be approved by HCCSD prior to the execution of the contract for construction.
6. Prior to award of contract, HCCSD will review the bid documents, the bidder's qualification statements, minority business plan and financial statements to ensure that the contractor has a good contracting record, adequate capitalization, equipment, and personnel to successfully complete the project, meets minority participation goals and that the bidder has not been debarred by HUD from working on federal contracts.
7. The Subrecipient, the consultant, and HCCSD shall conduct a pre-bid meeting and a pre-construction conference with the contractor(s).
8. The Grantee shall furnish the Subrecipient with specific compliance documentation at the pre-construction conference with the contractor. Without exception, the Subrecipient and the contractor shall be responsible for ensuring compliance by all subcontractors working on the project jobsite with employees covered by the Davis-Bacon Act.

9. The Subrecipient shall, at its sole expense, furnish the necessary inspection personnel to assure itself of compliance with the construction contract. The Subrecipient understands and agrees to inspections performed by the Grantee's representative, HCED. The Subrecipient understands and agrees that HCED shall have full and final authority in all construction disputes.
10. HCED in consultation with the project architect/consultant will review and track implementation of mitigation measures for progress and until compliance is documented.
11. The Subrecipient and contractor shall be responsible for preparing monthly pay requests to be reviewed by the consultant prior to submittal for payment. Preparation will consist of a site meeting with the consultant and the contractor's representative to accurately determine the percentage of completion of various components of the work and time used. The Subrecipient, the consultant, the contractor, and HCED, representative on behalf of HCCSD, will be required to sign each monthly estimate prior to being processed for payment.
12. All change orders must be approved in writing by the Subrecipient prior to any alterations or modifications of the work or specifications. The Subrecipient will be responsible for any increase in cost based on any change order required due to errors and/or omissions. Pursuant to Harris County procurement policies and Texas Local Government Code §271.060, as amended, the Subrecipient must ensure that (1) cumulative increases in the construction contract amount shall not exceed twenty-five percent (25%) of the **original contract amount** for contracts awarded at \$1 million or more, and (2) if a change order for a contract awarded below \$1 million increases the contract amount to \$1 million or more, subsequent change orders may not increase the **revised contract amount** by more than twenty-five percent (25%).
13. The Subrecipient must submit the following documentation to HCCSD **prior** to sending Notice of Award to proposed contractor **and** execution of the construction contract.

Prior to sending Notice of Award:

- Copy of the bid advertisement.
- Copy of the bid tabulations.
- Copies of all bids submitted.
- Copies of bidders' bid bonds or cashier's checks or letters or credit in favor of Harris County, in a form acceptable to the Harris County.
- Copy of the minutes and attendance roster of the bid opening.
- Consultant's recommendation of contractor.
- Request authorization from HCCSD to award project to lowest and most responsible bidder.

Prior to execution of contract:

- Copy of DRAFT Construction Contract with contractor for HCCSD review and approval.
- Copy of proposed subcontractor list along with subcontractor profiles.
- Section 3 Employment and Minority Business Plan – completed by the contractor.
- Section 3 compliance documents.
- Certificates for Contracts, Grants, Loans and Cooperative Agreements – signed by the contractor.

14. The Subrecipient must submit the following documentation **after** award of contract, but **prior** to Pre-Construction Meeting:
  - Copy of the performance, payment and maintenance bonds.
  - Copy of "Certificate of Authority" issued by the State Board of Insurance of Texas for the surety company. Only companies listed in the Department of the Treasury circular #570 (most recent issue) will be accepted.

- Certification of bid award by the City Council/Board.
- Original copy of the executed contract between the successful bidder and the Subrecipient.
- Copy of the purchase order.
- Copy of subcontractor list.
- Schedule of Values based on standard Construction Specifications Institute (CSI) format (16 divisions) and given in labor and materials listed separately per line item including overhead and profit for each.
- Construction schedule (Bar Chart or Critical Path Method).

## 15. Davis Bacon and Related Acts Requirements

The Subrecipient shall ensure compliance with the Davis-Bacon and Related Acts requirements and shall furnish or cause to furnish the required reports documenting compliance with the Davis-Bacon and Related Acts requirements.

Basic labor standards compliance parameters involve the payment to construction laborers and mechanics not less than the prevailing wage rate established in the wage determination for the type (classification) of work and the hours of work they actually performed. Contractors and subcontractors and any lower-tier subcontractors (employers) are required to prepare, certify and submit weekly payroll reports reflecting all of the laborers and mechanics (employees) engaged in construction of the site of the work. The certified payrolls must clearly indicate name, address, social security number, job classification, corresponding hourly pay rate, hours worked, and any other pertinent information requested on the form. Employers may also be required to submit related documents in order to demonstrate compliance with these standards. The Grantee will not accept incomplete certified payrolls. All required documentation and forms submitted to Grantee must be originals.

Each contract subject to Federal (Davis-Bacon & Related Acts) labor standards requirements must contain the appropriate HUD contract provisions containing the labor standards clauses. These clauses correspond to the U.S. Department of Labor (DOL) Regulations prescribing the responsibilities of the contractor and obligating the contractor to comply with the labor requirements. The labor standards clauses also provide for remedies in the event of violations, including withholding from payments due to the contractor to ensure the payment of wages or liquidated damages, which may be found due. These contract clauses are described below.

### **A. Responsibility of the Principal Contractor.**

Basic labor standards compliance parameters involve the payment to all construction laborers and mechanics not less than the prevailing wage rate established in the wage determination for the type (classification) of work and the hours of work they actually perform. Contractors and subcontractors and any lower-tier subcontractors (employers) are required to prepare, certify and submit weekly reports reflecting all of the laborers and mechanics (employees) engaged in construction of the site of the work. Employers may also be required to submit related documentation in order to demonstrate compliance with these compliance parameters.

The principal contractor (also referred to as the prime contractor or general contractor) shall be responsible for the full compliance of all employers (contractors, subcontractors, and any lower-tier subcontractors) with the labor standards provisions applicable to the project. For ease of reference, the term “contractor” shall mean the principal, prime contractor, or general contractor, “subcontractor” shall mean any and all subcontractors and lower-tier subcontractors, and the term “employer” shall include the contractor and any subcontractors and lower-tier subcontractors.

## B. Davis-Bacon Definitions & Compliance Parameters

### (ii) Definitions.

- a. **Laborer or mechanic.** "Laborers" and "mechanics" are those individuals whose duties are manual or physical in nature including workers who are performing the work of a trade (e.g., Electrician). These terms include apprentices, trainees and, for contracts subject to CWHSSA, watchmen and guards. "Laborers" and "mechanics" are the two groups of workers that shall be paid not less than the Davis-Bacon wage rates.
- **Working foremen.** Foremen or supervisors that perform regularly construction work and devote **more** than 20% of their time as a laborer or mechanic are treated as "laborers" or "mechanics" for labor standards purposes for the time performing construction work.
  - **Exclusions.** Persons whose duties are primarily administrative, managerial or clerical are not laborers or mechanics.
- b. **Employee.** Every person who performs the work of a laborer or mechanic is "employed" regardless of any contractual relationship, which may be alleged to exist between a contractor or subcontractor and such person. This means that even if there is a contract between a contractor and a worker, the contractor shall ensure the worker is paid at least as much as the wage rate on the wage decision for the classification of work they perform. Note that there are no exceptions to the prevailing wage requirements for relatives or for self-employed laborers and mechanics.

*See also Labor Relations Letter LR-96-01, Labor standards compliance requirements for self-employed laborers and mechanics.*

- c. **Apprentices and Trainees.** The only workers who can be paid less than the wage rate on the wage decision for their work classification are "apprentices" and "trainees" registered in approved apprenticeship or training programs, including *Set-Up* apprenticeship programs designed for Davis-Bacon construction work. Approved programs (bona fide programs) are those which have been registered with DOL or DOL-recognized State Apprenticeship Council (SAC).
- 1) **Probationary apprentice.** A person in the first 90 days of probationary employment as an apprentice in a bona fide apprenticeship program but who has not yet been formally registered in such a program may be considered an "apprentice" provided that the BAT or SAC has certified that such person is eligible for probationary employment as an apprentice.
  - 2) **Pre-apprentice.** A "pre-apprentice" person who has not been DOL or SAC certified for probationary apprenticeship is not considered to be an "apprentice" and shall be paid in full journeyman's rate on the wage decision for the classification of work they perform.
  - 3) **Ratio of apprentices and trainees to journey man.** The maximum number of apprentices or trainees that you can use on the job site cannot exceed the ratio of apprentices or trainees to journeymen allowed in the approved program.
- d. **Prevailing Wages.** The term "wages" means the basic hourly rate of pay plus any contribution irrevocably made by an employer to a bona fide fringe benefit fund, plan or program. All laborers and mechanics employed or working on the site of the work shall be

paid unconditionally and not less often than once a week the full amount of wages and bona fide fringe benefits computed at rates not less than those contained in the wage determination. Employers who do not make contributions or payments to bona fide fringe benefit funds, plans, or programs shall pay an amount equivalent to the fringe benefit rate (if any) required on the wage determination directly to the employee added to the basic hourly rate of pay.

- e. **Piece-work.** Some employees are hired on a piece-work basis, that is, the employee's earnings are determined by a factor of work produced. For example, a Drywall Hanger's earnings may be calculated based upon the square feet of sheetrock actually hung, a Painter's earnings may be based upon the number of units painted. Employers may calculate weekly earnings based upon piece rates **provided** the weekly earnings are sufficient to satisfy the wage requirement based upon actual hours, including any overtime, worked. If the weekly piece rate earnings are not sufficient, the employer shall re-compute weekly earnings based upon actual hours worked and the rate on the wage decision for the work classification(s) involved.
- f. **Fringe benefits** include medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the above; unemployment benefits, life insurance, vacation or holiday pay; defraying costs of apprenticeship or similar programs; or other bona fide fringe benefits. In addition to contributions, fringe benefits may reflect the rate of costs to the employer that may be reasonably anticipated in providing bona fide fringe benefits pursuant to an enforceable commitment to carry out a financially responsible program. Fringe benefits **do not** include benefits required by other Federal, State or local law, such as the employer's contribution to Social Security or some disability insurance payment.
- g. **Overtime** hours are defined as all hours worked on the site of the work in excess of 40 hours in any workweek. Overtime hours shall be compensated at not less than one and one-half times the regular rate of basic pay plus the straight-time rate of any required fringe benefits.
- h. **Deductions.** The employer may make payroll deductions as permitted by DOL Regulations 29 C.F.R. Part 3. These regulations prohibit the employer from requiring employees to "kick-back" (i.e. give up) any of their earnings. Allowable deductions which do not require prior DOL permission may include employee obligations for income taxes, Social Security payments, insurance premium, retirement, savings accounts, and any other legally-permissible deduction authorized by the employee. Deductions may also be made for payments on judgments and other financial obligations legally imposed against the employee.
- i. **Proper Designation of Trade.** Employers shall select a work classification on the wage decision for each worker based on the actual type of work they performed and shall pay each worker no less than the wage rate and fringe benefits required on the wage decision for that classification regardless of their level of skill. In other words, if someone is performing carpentry work on the project, they must be paid no less than the wage rate on the wage decision for Carpenters *even* if they are not considered by their employer to be fully trained as a Carpenter. NOTE that the only workers who can be paid less than the rate on the wage decision for their craft are apprentices and trainees registered in approved programs.
- j. **Split Classifications.** Laborers and mechanics that perform work in more than one classification may be compensated at the rate specified for each classification **provided** that the employer maintains time records that accurately set forth the time spent in each classification in which work was performed. If accurate time records are not maintained, the employee shall be compensated at the highest of all wage rates for the classifications in which work was performed.



- k. **Additional classifications and wage rates.** If the general contractor determines that the wage decision does not include a classification or classifications needed for the construction of the project, than the general contractor shall submit to HCCSD a request for an **additional classification and wage rate**. HCCSD shall review and forward the request for additional work classification and wage rate to DOL for review and preliminary approval. HCCSD shall review and shall forward the request for additional classification and wage rate to DOL for final review and approval. NOTE that the final decision rests with DOL.

The general contractor shall make the request for additional classification and wage rate in writing. All subcontractors shall submit their request for additional classification and wage rate to their general contractor for further processing. All requests shall identify the project, the project's wage decision, the additional work classification(s) that is (are) missing and recommend a wage rate and fringe benefits (usually the rate the employer already is paying to the employees performing the work) for that classification. The primary contractor may need to describe the work that the new classification will perform.

The additional classification and wage rate request may be approved if:

- a. The requested classification is used by construction contractors in the area of the project. The area is usually defined as the *county* where the project is located.
  - b. The work that will be performed by the requested classification is not already performed by another classification that is already on the wage decision. In other words, if there already is an Electrician classification and wage rate on the wage decision, the general contractor cannot request another Electrician classification and wage rate.
  - c. The proposed wage rate for the requested classification "fits" with the other wage rates already on the wage decision. For example, the wage rate proposed for a trade classification such as Electrician shall be at least as much as the lowest wage rate for other trade classifications already contained in the wage decision. And,
  - d. The workers that will be employed in the added classification (if it is already known who the workers are or will be), or the workers' representative, must agree with the proposed wage rate.
1. **HCCSD Review.** Grantee shall review the request for additional classification and wage rate to determine whether the request meets the DOL rules outlined above and forwards the request to HCCSD for further review and preliminary approval. If additional information is required, HCCSD shall contact the general contractor for more information. HCCSD shall inform the general contractor in writing in the event that HCCSD's review finds that the request does not meet the above-described rules. The written response shall also inform the general contractor of their option to revise and resubmit their request for additional classification and wage rate in order to meet the above-described rules.
  2. .
  3. **HUD Review.** The HUD Labor Relations field staff may review the request for additional classification and wage rate to determine whether the request meets the DOL rules outlined above. If additional information is required, HUD shall contact HCCSD for more information. .
  4. **DOL Review and Decision.** The DOL shall respond to HCCSD in writing about the additional classification request and wage rate request. DOL shall forward to HCCSD

the final decision from DOL on the request, while HCCSD, in turn, informs the prime contractor of DOL's final decision to be implemented at the job site.

If DOL does not approve the contractor's request, DOL's written response to HCCSD shall include information about the classification and wage rate that shall be used by the contractor at the job site. Upon receipt from DOL's response and instructions, HCCSD shall inform the general contractor of DOL's denial and of any instructions about the classification and wage rate to be used at the job site.

*Additional classification criteria and procedures are discussed in more detail in DOL Regulations 29 C.F.R. §5.5 and HUD Handbook 1344.1.*

1. **Site of Work.** The "site of work" is where the Davis-Bacon wage rates apply. Usually, this means the boundaries of the project. That is the "site of work" is limited to the physical place or places where the construction called for in the contract will remain when work on it has been completed. "Site of work" includes other adjacent or nearby property used by the contractor/subcontractor in the construction of the project (e.g. fabrication sites) provided they are dedicated exclusively or nearly so to the performance of the contract or project, and are so located in proximity to the actual construction location that it would be reasonable to include them.

## **C. Reporting Requirements**

### **(i) Payrolls and Basic Records.**

Payrolls and basic records relating to such payrolls shall be maintained by each employer with respect to their own workforce employed on the site of the work. The principal contractor shall maintain such records relative to all laborers and mechanics working on the site of the work. Payrolls and related records shall be maintained during the course of the construction work and preserved by the contractor and all employers for at least 3 years following the completion of the work. Such records shall contain:

- The name, address and social security number of each laborer and mechanic;
- His or her correct work classification(s);
- Hourly rates of pay including rates of contributions or costs anticipated for fringe benefits;
- Daily and weekly number of hours worked, including any overtime hours;
- Gross amount paid;
- Deductions made and actual net wages paid;
- Evidence pertaining to any fringe benefit programs;
- Evidence of the approval of any apprenticeship or trainee program, the registration of each apprentice or trainee and the ratios and wage rates contained in the program.

*Grantee may obtain copies of the WH-347 from the HUD Labor Relations Field staff for their jurisdiction.*

### **(ii) Certified Payroll Reports.**

Certified weekly payroll reports (CPRs) shall be submitted with respect to each week any contract work is performed. Each contractor and subcontractor (employer) shall prepare and certify such payroll reports to demonstrate compliance with the labor standards requirements. The principal contractor is responsible for full compliance with regard to its own workforce and with regard to

the compliance of every subcontractor. For this reason, all CPRs and any related records are submitted to the HCCSD through the principal contractor.

- 1) **CPR format.** CPR information may be submitted in any form provided that the Grantee Labor Standards Designee can reasonably interpret the information to monitor employer compliance with the labor standards. Employers are encouraged to utilize DOL Payroll Form WH-347. HCCSD shall make available to each principal contractor a limited number of copies of the WH-347 for the contractor's reproduction and use.
- 2) **Submission requirements.** CPRs shall be submitted for each employer beginning with the first week such employer performs work on the site of the work until the work has been completed for the project. CPRs shall be submitted promptly following the close of each such pay week.
- 3) **CPR preparation.** CPRs for each employer shall be numbered sequentially beginning with "1" for the first week that work was performed at the job site. The CPR for the last week of work to be performed on the project by each employer shall be clearly marked Final.
  - a. **Project and Employer Information.** Each payroll shall identify the employer's name and address, the project name and number, project address, and the week ending date. The payrolls shall include the *week dates* in the spaces provided and the payrolls shall be numbered sequentially.
  - b. **Employee Information.** The first payroll on which each employee appears shall contain the employee's name, address and unique employee number. Thereafter, the address only need to be reported if there is a change in such information or if another employee has the same name.
  - c. **Apprentices or Trainees.** The first payroll on which any apprentice or trainee appears shall be accompanied with a copy of that apprentice's or trainee's registration in an approved program. A copy of the approved program pertaining to the wage rates and ratios shall also accompany the first CPR on which the first apprentice or trainee appears.
  - d. **Split Classifications.** For an employee that worked in a split classification, the employer shall make a separate entry for each classification of work performed distributing the hours of work for each classification, accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon total gross amount earned for all classifications. The division of hours worked in different classifications shall be accurately maintained and clearly reported.
  - e. **Hours worked at other job sites.** The CPRs should reflect ONLY hours worked at the site of work. If an employee performs work at job sites other than the project for which the CPR is prepared, those "other jobs" hours should not be reported on the CPR. In these cases the employer should list the employee's name, classification, hours performed on this project only, and the rate of pay and gross earnings earned on this project. Deductions and net pay may be reflected based upon the employee's total earnings (for all projects) for the week.
  - f. **Rate of Pay.** Employers shall report the basic hourly rate of pay for each employee for this project. If the wage decision includes a fringe benefit and the employer does not participate in approved fringe benefit programs, the employer shall add the fringe benefit rate to the basic hourly rate of pay. Also, the employer shall list the overtime rate if overtime hours are worked.

- i. **Piece-work.** For any piece-work employee, the employer shall compute an *effective hourly rate of pay* for each employee each week based on the employee's piece-work earnings for that week. To compute the effective hourly rate of pay, the employer shall divide the piece-work earnings by the total number of hours worked each week, including consideration for overtime hours.

The effective hourly rate shall be reflected on the certified payroll and the hourly rate of pay may not be less than the wage rate (including fringe benefits, if any) on the wage decision for the classification of work performed. It does not matter that the effective hourly rate of pay changes from week-to-week, only that the rate is no less than the rate on the wage decision for the classification of work performed.

NOTE that the overtime rate for piece-work shall be computed at one and one-half times the basic rate of pay plus any fringe benefits.

- ii. **Gross Wages Earned.** The employer shall show the gross amount of wages earned for work performed on this project. NOTE that the employees with work hours and earnings on other projects, the employer shall show gross wages for this project over gross earnings for all projects (for example, \$425.40/\$764.85) and base deductions and net pay for "all projects" earnings for that week.
  - iii. **Deductions.** The employer shall report the amounts of any deductions from the gross earnings. "Other" deductions shall be identified (for example, Savings Account, Loan Repayment, Child Support, etc.). Any voluntary deductions, that is, not required by law or by an order of proper authority, shall be authorized in writing by the employee or provided for in a collective bargaining (union) agreement. Written authorization shall be signed by the employee and shall accompany the first payroll on which the deduction appears.
  - iv. **Net Pay.** The employer shall report the net pay on each payroll submitted.
- g. **Statement of Compliance (Weekly Payroll Certification).** Each weekly payroll shall be accompanied by a "Statement of Compliance." The Statement of Compliance shall be executed by the original signature of the principal executive of the employer or of a person authorized in writing by the principal. The Statement of Compliance shall contain the language prescribed on DOL Form WH-348 or the reverse side of Form WH-347 which shall certify to the following:
1. That the weekly payroll contains the information required to be maintained and that the information is correct and complete;
  2. That each laborer or mechanic (including each apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations 29 C.F.R. Part 3; and
  3. That each laborer or mechanic has been paid not less than the applicable wage rate and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract. If the employer pays a portion of the required fringe benefits to programs and the balance directly to the employee, the employer shall explain

those differences in the spaces provided on the Statement of Compliance. If the employer pays the fringe benefits directly to the employees, then the employer shall add the cash equivalent of the fringe benefits to the reported basic hourly rate of pay.

- 4) **"No Work" payrolls.** Employers are not required to submit CPRs for weeks during which no work was performed on the site of the work provided that the CPRs are numbered sequentially and that the employer has provided written notice that its work on the project has been suspended.
- 5) **Falsification.** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 3729.

**(iii) Other reports**

- Quarterly Employment Data Report;
- Certificate From Contractor Appointing Officer or Employees to Supervise Payment of Employees;
- Section 3 Employment and Women/Minority Business Plan;
- Certificate for Contracts, Grants, Loans and Cooperative Agreements;
- Contractor and Subcontractor(s) Profile(s); and
- Section 3 Certification requirements

**(iv) Inspection of Records and On-site Interviews.**

Each employer shall make the required records (CPRs and related documents) available for inspection, copying or transcription by authorized representatives of the Grantee, HUD or DOL. In addition, each employer shall permit authorized representatives to interview employees during working hours on the job site. Failure by any employer to submit the required records or to make them available, or to permit on-site employee interviews may, after written notice to the contractor, cause a suspension of any further payment, advance or guarantee of funds. In addition, failure to submit the records on request or to make them available may be grounds for debarment action pursuant to 29 C.F.R. 5.12.

**(v) Requests by Outside Parties for Payrolls.**

In order to protect the personal privacy interests of employees, copies of weekly payrolls shall not be released to outside parties and may be withheld under Exemption 6 of the Freedom of Information Act (FOIA) unless the employee's personal identifiers (e.g., name, address, social security number) are first deleted.

**(vi) Confidentiality.**

The identity of any person providing information concerning the labor standards compliance of any contractor or subcontractor shall not be disclosed in any manner to anyone other than the Grantee or Federal officials unless written consent is provided in advance by such person. Additionally, any portions of a statement or written document provided by such person, which would reveal the identity of the source shall not be disclosed without prior written consent. Disclosure of such statements and documents shall be governed by the provisions of the FOIA and the Privacy Act of 1974.

- a. **Privacy Act Release.** The Grantee's Labor Standards Designee shall make available a Privacy Act Release format to each person making a statement or providing documentation, which alleges

underpayment of wages. The format shall permit such person to indicate whether disclosure of identity is authorized.

*The Grantee may develop a form for its use in its jurisdiction for this purpose.*

- b. DOL investigatory materials.** From time to time, the DOL may furnish investigatory materials to the Grantee or HUD in the course of its administration and enforcement operations. None of the material, other than computations of back wages and liquidated damages and the summary of back wages due, may be disclosed in any manner to anyone other than Grantee or HUD staff responsible for administering the contract without prior approval from the DOL.

Subrecipient shall ensure compliance with the Davis-Bacon and Related Acts requirements and shall furnish or cause to furnish the required reports documenting compliance with the Davis-Bacon and Related Acts requirements. Grantee will review all certified payrolls and conduct worker interviews and will hold the contractor responsible for compliance with labor, EEO, Section 3 employment opportunities and minority business requirements. The County, through Grantee, reserves the right to withhold funds from the general contractor to compensate workers in accordance with the appropriate wage scales as promulgated by the U.S. Department of Labor.

#### **D. Compliance Violation(s) Provisions**

As required by the Davis-Bacon Act and applicable Harris County Guidelines, the Subrecipient and the contractor, through the Subrecipient, shall be assessed fines for compliance violations.

- (i) The Grantee shall issue a written Notice of Non-Compliance or wage restitution letter detailing each violation as it arises with instructions on how to cure the violation. The Notice of Non-Compliance or wage restitution letter shall provide for a fifteen (15) to thirty (30) calendar day grace period from the date of the written notice or letter for corrective actions.
- (ii) Violations shall be punishable against the Subrecipient or the contractor, through the Subrecipient, on a per day/per violation basis and, provided the Grantee has not received reports documenting corrective actions.

- 16. The Subrecipient will not be permitted to perform any “force account work,” wherein the Subrecipient uses its own employees, materials, and/or equipment. All portions of construction work will be subject to the competitive bidding process referenced above.
- 17. The Subrecipient’s contractor shall furnish, deliver, and install one 4’-0” X 8’-0” temporary project sign according to Harris County specifications. The Subrecipient will ensure that the specifications will be made part of the project manual and the cost of the project sign will be included in all bids.
- 18. The Subrecipient’s contractor, on all building projects, shall furnish, deliver, and install one 18” X 24” bronze plaque, built according to Harris County specifications. The Subrecipient will ensure that the specifications be made part of the project manual and the cost of the plaque will be included in all bids.
- 19. The General Contractor and subcontractors are required to submit all Davis-Bacon and Related Acts (DBRA) and Section 3 compliance documents using the LCPTracker Labor Compliance Software system.

## **Exhibit D, CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_  
(Signature)  
\_\_\_\_\_  
(Type or Print Name)  
\_\_\_\_\_  
(Title)

Covered Action:

**CITY OF DEER PARK FOR THE BAYOU BEND REGIONAL  
DETENTION FACILITY AND DRAINAGE IMPROVEMENTS  
PROJECT D2017-041**



## Exhibit E, CONFLICT OF INTEREST

### All Applicants

The standards in OMB Circular A-110, Subpart C, provide that no employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a **financial or other interest** in the firm selection for an award.

### CDBG and HOME Applicants Only

The CDBG regulations at 24 C.F.R. §570.611 and HOME regulations at 24 C.F.R. §92.356 provide that no person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient or subrecipient that is receiving CDBG or HOME funds and (1) who exercises or has exercised any functions or responsibilities with respect to activities assisted with CDBG funds; or (2) who is in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest from a CDBG-assisted or HOME-assisted activity, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter.

IF NO CONFLICTS EXIST, COMPLETE THE FOLLOWING:

<input type="checkbox"/>	I certify that no conflict of interest exists between Harris County and  _____ (Name of Organization)
<input type="checkbox"/>	I certify that no conflict of interest exists between the subcontractors of and  _____ (Name of Organization)
IF THERE IS A CONFLICT, COMPLETE THE FOLLOWING:	
<input type="checkbox"/>	I certify that a conflict of interest does exist between Harris County and  _____ (Name of Organization)
<input type="checkbox"/>	I certify that a conflict of interest does exist between  _____ (Name of subcontractor) and  _____ (Name of Organization)

Describe the nature of the conflict of interest below: (Please identify the individual, employment, and the conflict or potential conflict [their affiliation with your organization]).

Signature of Authorized Agency Official	Date
Typed Name and Title	

# EXHIBIT F, CONFLICT DISCLOSURE STATEMENT

<b>LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT</b>		<b>FORM CIS</b>
<p>(Instructions for completing and filing this form are provided on the next page.)</p>		
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.</p>		<b>OFFICE USE ONLY</b>  <div style="border: 1px solid black; height: 100px; margin-top: 5px;"></div>
1	<b>Name of Local Government Officer</b>  <div style="border: 1px solid black; height: 40px;"></div>	
2	<b>Office Held</b>  <div style="border: 1px solid black; height: 40px;"></div>	
3	<b>Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code</b>  <div style="border: 1px solid black; height: 40px;"></div>	
4	<b>Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.</b>  <div style="border: 1px solid black; height: 40px;"></div>	
5	<b>List gifts accepted by the local government officer and any family member, if aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100 during the 12-month period described by Section 176.003(a)(2)(B).</b>  <div style="border: 1px solid black; padding: 10px;"> <div style="display: flex; justify-content: space-between; margin-bottom: 5px;"> <span>Date Gift Accepted _____</span> <span>Description of Gift _____</span> </div> <div style="display: flex; justify-content: space-between; margin-bottom: 5px;"> <span>Date Gift Accepted _____</span> <span>Description of Gift _____</span> </div> <div style="display: flex; justify-content: space-between;"> <span>Date Gift Accepted _____</span> <span>Description of Gift _____</span> </div> <p style="text-align: center; margin-top: 10px;">(attach additional forms as necessary)</p> </div>	
6	<b>AFFIDAVIT</b>  <div style="border: 1px solid black; padding: 10px;"> <p>I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a)(2)(B), Local Government Code.</p> <div style="text-align: right; margin-top: 20px;"> <div style="border-bottom: 1px solid black; width: 200px; margin: 0 auto;"></div> <p>Signature of Local Government Officer</p> </div> <p style="margin-top: 20px;">AFFIX NOTARY STAMP / SEAL ABOVE</p> <p>Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 30%;"> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> <p>Signature of officer administering oath</p> </div> <div style="width: 30%;"> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> <p>Printed name of officer administering oath</p> </div> <div style="width: 30%;"> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> <p>Title of officer administering oath</p> </div> </div> </div>	

## EXHIBIT F, CONFLICT DISCLOSURE STATEMENT, (p. 2)

### LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a misdemeanor.

Refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

#### INSTRUCTIONS FOR COMPLETING THIS FORM

*The following numbers correspond to the numbered boxes on the other side.*

- 1. Name of Local Government Officer.** Enter the name of the local government officer filing this statement.
- 2. Office Held.** Enter the name of the office held by the local government officer filing this statement.
- 3. Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code.** Enter the name of the vendor described by Section 176.001(7), Local Government Code, if the vendor: a) has an employment or other business relationship with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code; b) has given to the local government officer or a family member of the officer one or more gifts as described by Section 176.003(a)(2)(B), Local Government Code; or c) has a family relationship with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 4. Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.** Describe the nature and extent of the employment or other business relationship the vendor has with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code, and each family relationship the vendor has with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 5. List gifts accepted, if the aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100.** List gifts accepted during the 12-month period (described by Section 176.003(a)(2)(B), Local Government Code) by the local government officer or family member of the officer from the vendor named in item 3 that in the aggregate exceed \$100 in value.
- 6. Affidavit.** Signature of local government officer.

**Local Government Code § 176.001(2-a):** "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

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

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

# EXHIBIT G, CONFLICT OF INTEREST QUESTIONNAIRE

<b>CONFLICT OF INTEREST QUESTIONNAIRE</b> <b>For vendor doing business with local governmental entity</b>		<b>FORM CIQ</b>
<p><b>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</b></p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>		<b>OFFICE USE ONLY</b>  <div style="border: 1px solid black; height: 100px; width: 100%;"></div>
<b>1</b>	<b>Name of vendor who has a business relationship with local governmental entity.</b>	
<b>2</b>	<div style="display: flex; align-items: center;"> <input style="margin-right: 10px;" type="checkbox"/> <b>Check this box if you are filing an update to a previously filed questionnaire.</b> (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.)         </div>	
<b>3</b>	<b>Name of local government officer about whom the information is being disclosed.</b>  <div style="border-bottom: 1px solid black; width: 80%; margin: 0 auto;"></div> <div style="text-align: center; font-size: small;">Name of Officer</div>	
<b>4</b>	<b>Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</b>	
<div style="margin-bottom: 20px;"> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <div style="display: flex; justify-content: center; gap: 50px;"> <div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div> </div> </div> <div> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <div style="display: flex; justify-content: center; gap: 50px;"> <div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div> </div> </div>		
<b>5</b>	<b>Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</b>	
<b>6</b>	<div style="display: flex; align-items: center;"> <input style="margin-right: 10px;" type="checkbox"/> <b>Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</b> </div>	
<b>7</b>	<div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="border-bottom: 1px solid black; width: 45%;"></div> <div style="border-bottom: 1px solid black; width: 45%;"></div> </div> <div style="display: flex; justify-content: space-between; font-size: small; margin-top: 5px;"> <span>Signature of vendor doing business with the governmental entity</span> <span>Date</span> </div>	

## EXHIBIT G, CONFLICT OF INTEREST QUESTIONNAIRE, (p.2)

### CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity

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

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

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

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

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

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

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

## Exhibit H, DEED OF TRUST TO SECURE PERFORMANCE

Date: \_\_\_\_\_, 2020.

Grantor:

Grantor's Mailing Address:

SAMPLE

Trustee:

Lina Hidalgo, County Judge of Harris County Texas  
(or her successor in office)

Trustee's Mailing Address (including county):

1001 Preston, Suite 911, Houston, Harris County, Texas 77002

Beneficiary:

Harris County, a body politic and corporate under the laws of  
the State of Texas

1001 Preston, Suite 911, Houston,

Beneficiary's Mailing Address (including county): Harris County, Texas 77002

Property (including improvements):

See Exhibit A attached hereto and made a part hereof for all purposes.

Prior Lien(s) (including recording information):

Other Exceptions to Conveyance and Warranty:

Easements, rights of way and prescriptive rights, whether of record or not; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances and other instruments that affect the property.

### GRANT

On or about \_\_\_\_\_, 2020, \_\_\_\_\_ and Harris County entered into an agreement for the acquisition of land or the construction/rehabilitation/renovation of a \_\_\_\_\_ utilizing Community Development Block Grant (CDBG) funds from the United States Government as authorized under Title I of the Housing and Community Development Act of 1974. Such Agreement is sometimes called "the Agreement" in this document.

Such Agreement was considered and approved by Commissioners Court on \_\_\_\_\_, 2020; the order approving the agreement is recorded at Vol. \_\_\_\_\_ Page \_\_\_\_\_ in the Harris County Clerk's Commissioners Court Minutes. The Agreement and Order approving the same is incorporated in this document by reference for all purposes.

Funds provided under the Agreement have been utilized to purchase the property by \_\_\_\_\_.

For value received and to secure performance of the obligations of Grantor contained on the Agreement and in this Deed of Trust Grantor conveys the property to Trustee in trust.

If Grantor performs all the covenants of this deed of trust and the Agreement, this deed of trust shall have no further effect, and Beneficiary shall release it at Grantor's expenses five (5) years from the date of funding, or when such funds have been expended for the purposes of the Project, or the Project is completed as described in Section III. TIME OF PERFORMANCE of the Agreement, whichever occurs at a later date.

Grantor warrants and agrees to defend the title to the property.

GRANTOR'S ADDITIONAL OBLIGATIONS

Grantor agrees to:



1. Keep the property in good repair and condition;
2. Pay all taxes and assessments, if any, on the property when due and provide Beneficiary with evidence of such payment within ten days of such payment;
3. Preserve the lien's priority as it is established in this deed of trust;
4. Maintain, in a form acceptable to Beneficiary, an insurance policy that:
  - a. covers all improvements to their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
  - b. contains an 80 percent coinsurance clause;
  - c. provides fire and extended coverage, including windstorm coverage;
  - d. protects Beneficiary with a standard mortgage clause;
  - e. provides flood insurance at any time the property is in a flood hazard area; and
  - f. contains such other coverage as Beneficiary may reasonably require;
5. Comply at all times with the requirements of the 80 percent coinsurance clause;
6. Deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary ten (10) days prior to expiration;
7. If this is not a first lien, pay all prior lien Agreements and abide by all prior lien instruments;
8. Perform all obligations Grantor is required to perform in the Agreement;
9. Comply at all times with the terms of any restrictive covenants applicable to the property
10. Provide such financial reports and other documents as Beneficiary may from time to time request in order to assure that \_\_\_\_\_ is in compliance with this deed of trust and the Agreement.

#### BENEFICIARY'S RIGHTS

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. If Grantor fails to perform any obligations, Beneficiary may perform those obligations and be reimbursed by the Grantor on demand at Beneficiary's address for any sums so paid, including attorney's fees, plus interest at 12 percent per annum. The sum to be reimbursed shall be secured by this deed of trust.
3. If Grantor fails to perform any of Grantor's obligations on this deed of trust or the Agreement or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by written agreement, then Beneficiary may:
  - a. request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and
  - b. purchase the property at any foreclosure sale by offering the highest bid and then have the bid credited on any sums owed Beneficiary.

#### TRUSTEE'S DUTIES

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. Either personally or by agent, give notice of the foreclosure sale as required by the Texas Property Code as then amended.
2. Sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyances and warranty; and
3. From the proceeds of the sale, pay, in this order:
  - a. expenses of foreclosure, including a commission to trustee of 5 percent of the bid;
  - b. to Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
  - c. any amount required by law to be paid before payment to Grantor; and
  - d. to Grantor, any balance.

#### GENERAL PROVISIONS

1. If any of the property is sold under this deed of trust, grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. recitals in any Trustee's deed conveying the property will be presumed to be true.
3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

4. This lien shall remain superior to liens later created.
5. If any portion of any sums owed to Beneficiary cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.
6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property; from private sales in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce any sums owed Beneficiary. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the receipts of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under the agreement or this deed of trust. If Grantor defaults in performance of the Agreement or this deed of trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the property if it is vacant and collect all rent and other income receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses insured in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the Agreement and this deed of trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.
8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted payment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all instruments concerning the debt.
9. Grantor hereby covenants, represents and warrants to Beneficiary that Grantor's intended occupancy, operation, and use of the Property do not and will not violate any applicable environmental law pertaining to health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9601-75 (1986) as amended by the Superfund Amendments and Reauthorization Act, Publ. L. No. 99-499, 100 stat. 1613 (1986) ('CERCLA'), the Resource Conservation and recovery Act of 1976, 42 U.S.C. §§ 6901-91 (1985) as amended from time to time ('RCRA'), the Texas Water Code, as amended from time to time, the Texas Solid Waste Disposal Act, as amended from time to time. Beneficiary makes no representations or warranties whatsoever to Grantor regarding the presence or absence of hazardous or toxic materials in, at or under the Property.
10. When the context requires, singular nouns and pronouns include the plural.
11. This deed of trust shall bind inure to the benefit of, and be exercised by successors in interest of all parties.

## SECURITY AGREEMENT

1. In addition to creating a deed of trust on all the real and other property described above, Grantor also grants to Beneficiary a security interest in all property other than the realty pursuant to the Texas Uniform Commercial Code. Grantor grants to Beneficiary a security interest in all equipment, accounts, general intangibles, fixtures and other personal property used or acquired for use, on or in connection with the use or operation of the Property, or otherwise related to the Property and all products and proceeds thereof; all of which are hereinafter referred to as the Collateral for the purposes of this section of the deed of trust. In this section of the deed of trust the Beneficiary is sometimes called the Secured Party.
2. Debtor covenants and agrees with Secured Party that:
  - (a) In addition to and cumulative of any other remedies granted in this instrument to Secured Party or the Trustee, Secured Party or the Trustee may, upon or at any time after default under the instrument, proceed under the Uniform Commercial Code as to all or any part of the Collateral and shall have and may exercise with respect to the Collateral all the rights, remedies and powers of a Secured party under the Uniform Commercial Code, including without limitation the right and power to sell, at public or private sale or sales, or otherwise dispose of, lease or use the Collateral and any part or parts thereof in any manner authorized



- or permitted under the Uniform Commercial Code after default by a debtor, and to apply the proceeds thereof toward payment of any costs expenses, attorney's fees and legal expenses incurred by Secured Party, and toward payment of the Indebtedness in such order or manner as Secured Party may elect. Among the rights of Secured Party upon and after the occurrence of an event of default, and without limitation, Secured Party shall have the right to take possession of the Collateral and to enter upon any premise where the same may be situated for such purpose without being deemed necessary, appropriate or desirable by Secured Party, at its option and in its discretion, to repair, refurbish or otherwise prepare the Collateral for sale, lease other use or disposition as herein authorized. To the extent permitted by law, Debtor expressly waives any notice of sale or other disposition of the Collateral and any other rights or remedies of a debtor or formalities prescribed by law relative to sale or disposition of the Collateral or exercise of any other right or remedy of Secured Party existing after default hereunder; and to the extent any such notice is required and cannot be waived, Debtor agrees that if such notice is mailed, postage prepaid, to the Debtor at the address designated at the beginning of this instrument (or if no address is designated, at Debtor's most recent address as shown by the records of the Secured Party) at least ten (10) days before the time of any public sale or disposition, or the date after which the Collateral will be sold or disposed of by private sale, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of any such notice.
- (b) Secured Party is expressly granted the right, at its option, to transfer at any time to itself to its nominee the Collateral or any part thereof, and to receive the monies, income, proceeds or benefits attributable or accruing thereto and to hold the same as security for the Indebtedness or to apply it on the principal and interest or other amount owing on any of the Indebtedness, whether or not then due, in such order or manner as Secured Party may elect. All rights to marshaling of assets or sale in inverse order of alienation, including any such rights with respect to the Collateral are hereby waived.
  - (c) All recitals in any instrument of assignment or any other instrument executed by Secured Party incident to sale, transfer, assignment, lease or other disposition or use of the Collateral or any part thereof hereunder shall be full proof of the matters stated therein, and no other proof shall be required to establish the full legal propriety of the sale or other action or of any fact, condition or thing incident thereto and all recitals in any instrument shall be presumed conclusively to have performed or to have occurred.
  - (d) Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designed by Secured Party that is reasonably convenient to both parties. All expenses of retaking, holding preparing for sale, lease, or other use or disposition, selling, leasing or otherwise using or disposing of the Collateral and the like which are incurred or paid by Secured Party as authorized or permitted hereunder, including also all attorney's fees, legal expenses and costs shall be added to the Indebtedness secured by this instrument and Debtor shall be liable therefore,
  - (e) Should Secured Party elect to exercise its rights under said Uniform Code as to part of the personal property or fixtures described herein, this election shall not preclude any other exercise of the rights and remedies granted by the other Articles of this instrument as to the remaining personal property or fixtures.
  - (f) Secured Party may, at its election, at any time after delivery of this instrument, sign one or more copies hereof in order that such copies may be used as a financing statement under said Uniform Commercial Code. Said signature by Secured Party may be placed between the last sentence of this instrument and Debtor's acknowledgement or may follow Debtor's acknowledgement. Secured Party's signature need not be acknowledged and is not necessary to the effectiveness hereof as a deed of trust, mortgage, assignment, pledge, and security agreement or (unless otherwise required by applicable law) as a financing statement.
  - (g) So long as any amount remains unpaid on the Indebtedness, Debtor will not execute and there will not be filed in any public office any financing statement or statements affecting the Collateral other than financing statements in favor of Secured Party hereunder, unless prior written specific consent and approval of Secured Party shall have been first obtained.
  - (h) Secured Party is authorized to file in any jurisdiction where Secured Party deems it necessary, a financing statement or statements and one or more continuation statement, and at the request of Secured Party, Debtor will join Secured Party in executing one or more financing statements, continuation statements or both pursuant to said Uniform Commercial Code in form satisfactory to Secured Party, and will pay the cost of filing or recording in all public offices at any time and from time to time whenever filing or recording of any financing statement, continuation statement or this instrument is deemed by Secured Party to be necessary or desirable.
  - (i) Certain of the Collateral is or will become "fixtures" (as that term is defined in said Uniform Commercial Code) on the real estate described or referred to in this instrument, and this instrument upon being filed for record in the real estate records of the county wherein such fixtures are situated shall operate also as a financing statement upon such of the Collateral which is or may become fixtures.

3. Debtor further warrants and represents to Secured Party that, except for the security interest granted hereby in the Collateral, Debtor is the legal and equitable owner and holder of the Collateral free of any adverse claim and free of any security interest or encumbrance except only those (if any) expressly hereinafter referred to or described, and Debtor agrees to defend the Collateral against all claims and demands of any person at any time claiming the same or any interest therein. Debtor further warrants and represents that Debtor has not heretofore signed any financing statement directly or indirectly affecting the Collateral or any part thereof, and no such financing statement signed by Debtor is now on file in any public office except only those statement (if any) true and correct copies of which have been delivered to Secured Party.
4. In the event of a foreclosure sale under this deed of trust, Grantor agrees that all the property may be sold as a whole at Beneficiary's option and that the property need not be present at the place of sale.

#### VENDORS LIEN

The debt evidenced by the Agreement is in part payment of the purchase of the property; the debt is secured both by this deed of trust and by the vendor's lien on the property, which is expressly retained in a deed to Grantor of even date. This deed of trust does not waive the vendor's lien, and the two liens and rights created by this instrument shall be cumulative. Beneficiary may elect to foreclose under either of the liens without waiving the other or may foreclose under both. The deed is incorporated into this deed of trust by reference.

#### RESTRICTIONS ON TRANSFER

If all or any part of the Property is sold, conveyed, leased for a period longer than three (3) years, leased with an option to purchase, or otherwise sold (including by contract for deed), without the prior written consent of the Beneficiary, then the Beneficiary may at Beneficiary's option declare the outstanding principal balance of the Agreement, plus accrued interest, to be immediately due and payable.

## **EXHIBIT I, REQUIRED FEDERAL GRANT CONTRACT PROVISIONS**

Pursuant to 2 C.F.R. Part 200 Appendix II, the Contractor shall agree to the following, in addition to other provisions required by the federal agency or non-federal entity, all contracts made by the non-federal entity under the federal award must contain provisions covering the following, as applicable:

- I.** Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- II.** All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-federal entity including the manner by which it will be effected and the basis for settlement.
- III.** Equal Employment Opportunity
  - (1) If this contract is a non-construction contract, the Contractor agrees as follows:
    - (a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
    - (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
    - (c) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing,

or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

- (d) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - (e) The Contractor will comply with all provisions of Executive Order 11246 - Equal Employment Opportunity, as Amended (Order 11246) of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - (f) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
  - (g) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - (h) The Contractor will include the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.
- (2) If this contract is a construction contract, the Contractor agrees as follows:
- (a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to

their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (c) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
- (d) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (e) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (f) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (g) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts or federally assisted construction

contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (h) The Contractor will include the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: provided, that if the applicant so participating is a state or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of Contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon Contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until

satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

#### **IV. Davis Bacon Act**

The Contractor hereby agrees to abide by the Davis-Bacon Act and Related Acts, including the Copeland “Anti-Kickback” Act. The Contractor shall require that all subcontractors abide by the Davis-Bacon Acts and Related Acts.

**Applicability** – The Davis-Bacon and Related Acts apply to all construction work financed in whole or in part with federal assistance including rehabilitation of residential property, if such property contains 8 or more units.

**Exceptions** – The provisions relating to wages pursuant to Davis-Bacon and Related Acts requirements in any contract or agreement for assistance, sale, or lease, shall not apply to any individual who performs services for which the individual volunteered, or does not receive compensation for such services, or is paid expenses, reasonable benefits, or a nominal fee for such services for which the individual volunteered and who is not otherwise employed at any time in the construction work.

The Davis-Bacon Act requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor (DOL)) to all laborers and mechanics on federally funded and District of Columbia construction projects in excess of \$2,000.00. Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works.

The Davis-Bacon wage rate applies to The U. S. Department of Housing and Urban Development (HUD) projects because of a labor provision contained in one of HUD’s “Related Acts” such as the U.S. Housing Act of 1937, the National Housing Act, the Housing and Economic Development Act of 1974, the National Affordable Act of 1990, and the Native American Housing Assistance and Self-Determination Act of 1996. The Related Acts are referred to as the Davis-Bacon and Related Act or DBRA. The DOL has published rules and pertinent implementation information concerning Davis-Bacon and other laws in the Code of Federal Regulations (CFR). These regulations are found in Title 29 C.F.R. Parts 1, 3, 5, 6 and 7.

Part 1 of the DOL regulation (29 CFR) explains how the DOL establishes and publishes DBA wage determinations (e.g. wage decisions) and provides instructions on how to use the determinations. Part 3 of the DOL regulation (29 CFR) describes the Copeland Act. The Copeland Act (Anti—Kickback Act) makes it a federal crime for anyone to require any laborer or mechanic (employed on a federal or federally-assisted project) to kickback (i.e. give up or pay back) any part of their wages. The Copeland Act requires every employer (contractors and subcontractors) to submit weekly certified payroll reports (CPRs) and regulates permissible payroll deductions. Part 5 of the DOL regulation (29 CFR) covers the labor standards provisions relating to the Davis-Bacon Act wage rates and the responsibilities of Contractors and contracting agencies to administer and enforce the provisions. Part 6 of the DOL regulation (29 CFR) provides for administrative proceedings enforcing federal labor standards on construction and service contracts. Last, Part 7 of the DOL regulation (29 CFR)

sets parameters for practice before the Administrative Review Board. These regulations are used as the basis for administering and enforcing the laws.

All suspected or reported violations shall be reported to the awarding agency.

#### **V. Contract Work Hours and Safety Act**

The Contractor hereby agrees to abide by the Contract Work Hours and Safety Act (40 U.S.C. 3701–3708). The Contract Work Hours and Safety Act (CWHSSA) require time and one-half pay for overtime (O/T) hours (over 40 in any workweek) worked on the covered project. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. The CWHSSA applies to both direct federal contracts and to indirect federally-assisted contracts except where the assistance is solely in the nature of loan guarantee or insurance. CWHSSA violations carry a liquidated damages penalty (\$10/day per violation). Intentional violations of CWHSSA standards can be considered for federal criminal prosecution. The Contractor shall include a provision requiring adherence to Contract Work Hours and Safety Act in all subcontracts.

#### **VI. Patents and Copyrights**

If this agreement results in any copyrightable material, the Grantee and/or the Grantor reserves the right to royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work for government purposes. Recipients shall have no obligation to the federal government with respect to program income earned from license fees and royalties for copyrighted materials, patents, patent applications, trademarks, and inventions produced under this award. However, Patent and Trademark Amendments (35 U.S.C. 18) apply to inventions made under an experimental, developmental, or research award.

#### **VII. Federal Environmental Regulations**

Contractors shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387) and all other relevant federal environmental regulations.

Contractors securing a contract in excess of \$100,000.00 will not expend such funds by making use of subcontracting with facilities included on the Environmental Protection Agency List of Violating Facilities as per Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency Regulations 40 CFR 15.4.

Violations of this provision or of the aforementioned acts shall be reported to the federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

#### **VIII. Debarment and Suspension**

A contract award shall not be made with any party listed on the government-wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the Office of Management and Budget (OMB) guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Contractors shall not hire subcontractors on any of the aforementioned lists.



## **IX. Byrd Anti-Lobbying Amendment**

In accordance with the Byrd Amendment, U.S. Code Title 31 Chapter 13 §1352 the Contractor shall certify and shall require that all subcontractors certify the following:

- 1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

## **X. Solid Waste Removal**

The Contractor shall comply and shall require subcontractors to comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

## **XI. Failure to comply**

Failure to comply with any part these provisions constitutes a material breach of this Agreement. The event of such a breach may result in compensation being withheld or suspended, termination of the Agreement, or suspension or debarment of the Contractor. The Contractor shall also be liable for all damages available under 2 CFR Part200 and statutes and regulations related to the formation and execution of this Agreement. The Grantor and Grantee are also entitled to all relief available under 2 CFR Part200 and all statutes and regulations related to the formation and execution of this Agreement.

## EXHIBIT J, CDBG-DR FEDERAL REGULATIONS

A grantee and all subgrantees shall abide by all local, state, and federal regulations of the Community Development Based Grant (CDBG). A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section and any applicable amendments.

(i) Contract provisions. A grantee and all subgrantees shall comply with the following:

1. Title I of the Housing and Community Development Act of 1974;
2. 24 CFR Part 570 Community Development Block Grants (CDBG) and Community Development Block Grants Disaster Recovery (CDBG-DR) regulations;
3. Public Law December 27, 2017 (Vol. 82, Federal Register 61320-61323) (Appropriation Act that provides funding specifically for Hurricane Harvey);
4. Uniform Relocation Act (URA) (29 CFR Part 24, et al.) (42 USC 4601-4655);
5. Davis-Bacon Act (40 U.S.C. 276a to 276a-7);
6. Citizen Participation Plan; Local Governments (24 CFR 91.105);
7. Contract Work Hours and Safety Standards Act (40 USC 327);
8. Kickbacks from Public Works Employees (18 USC 874);
9. Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to The Contract Work Hours And Safety Standards Act) (9 CFR Part 5) (Section 110 of the Housing and Community Development Act of 1974), Copeland Anti-Kick Back (18 USC 874);
10. Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u) and implementing regulations at 24 CFR Part 135;
11. Hatch Act (5 USC 1501-1508) (5 USC Chapter 15);
12. Insurance and Bonding (24 CFR 200);
13. Documentation and Record Keeping (24 CFR 570);
14. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) (updated version of 24 CFR Part 85);
15. Procurement and Contractor Oversight (2 CFR 200);
16. Nondiscrimination (24 CFR Part 6), Architectural Barriers Act (42 USC 4151-4157) and the Americans with Disabilities Act (ADA) (42 USC 12131; 47 USC 155, 201, 218, and 225), State and Local Nondiscrimination Provisions, and Title VI of the Civil Rights Act of 1964 (24 CFR Part 1);
17. Affirmative Action (Executive Order 11246 of September 24, 1966, as amended, and implementing regulations at 42 CFR Chapter 60), Women-and Minority-Owned Businesses (W/MBE) (2 CFR Part 200);
18. Limited English Proficiency (LEP) (Title VI of the Civil Rights Act of 1964; Executive Order 13166);
19. Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288) and Duplication of Benefits (42 U.S.C. § 5155);
20. National Environment Policy Act of 1969 (24 CFR Part 50);
21. Cash Management Improvement Act (31 CFR Part 205);
22. Government Debarment and Suspension and Governmentwide Requirements for Drug-Free Workplace (24 CFR Part 24) (Executive Order 12549: Debarment and Suspension);

23. Environmental Review (24 CFR Part 58); The Clean Air Act (42 USC 7401 et. Seq), Determining Conformity of Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency 40 CFR Parts 6, 51, 93), Federal Water Pollution Control Act (33 USC 1251, et seq.), Flood Disaster Protection (Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a, Section 582 of the National Flood Insurance Reform Act of 1994, as amended – 42 USC 5154a), Lead Based Paint (24 CFR Part 35; 42 USC 4851-4856), Historic Preservation (National Historic Preservation Act of 1966);
24. Federal Funding Accountability and Transparency Act (FFATA) of 2006 (2 CFR Part 170);
25. Section 104(d) Relocation and One-for-One Replacement Requirements (24 CFR Part 42); and
26. Whistleblower Protection Act (41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908; 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation); and
27. all applicable Federal Register Notices.

## **EXHIBIT K, GLO INFORMATION SECURITY APPENDIX**

## **1. Definitions**

“Breach of Security” or “Breach” means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of sensitive personal information including data that is encrypted if the person accessing the data has the key required to decrypt the data.

“Personal Identifying Information” or “PII” means information that alone, or in conjunction with other information, identifies an individual, as defined at Tex. Bus. & Com. Code § 521.002(1).

“Sensitive Personal Information” or “SPI” means the information categories listed at Tex. Bus. & Com. Code § 521.002(2).

## **2. Security and Privacy Compliance**

- a. Contractor shall keep all PII and SPI received or generated under the Contract and any documents related thereto strictly confidential.
- b. Contractor shall comply with all applicable federal and state privacy and data protection laws, as well as all other applicable regulations and directives.
- c. Contractor shall implement administrative, physical, and technical safeguards to protect PII and SPI that are no less rigorous than accepted industry practices including, without limitation, the guidelines in the National Institute of Standards and Technology (“NIST”) Cybersecurity Framework Version 1.1. All such safeguards shall comply with applicable data protection and privacy laws.
- d. Harris County shall legally bind any contractors and their subcontractors to the same requirements stated herein and obligations stipulated in the Contract and documents related thereto. Harris County shall ensure that the requirements stated herein are imposed on any subcontractor of Contractor’s subcontractor(s).
- e. Contractor will not share PII or SPI with any third parties, except as necessary for Contractor’s performance under the Contract.
- f. Contractor will ensure that initial privacy and security training, and annual training thereafter, is completed by its employees and contractors, including any subcontractor, that have access to PII or SPI or who create, collect, use, process, store, maintain, disseminate, disclose, dispose, or otherwise personally handle PII or SPI on behalf of Harris County. Contractor agrees to maintain and, upon request, provide documentation of training completion.
- g. Any PII or SPI maintained or stored by Contractor or any contractor, including any subcontractor, must be stored on servers or other hardware located within the physical borders of the United States and shall not be accessed outside of the United States.

## **3. Data Ownership**

- a. The GLO shall retain full ownership of all data, including PII and SPI, provided to Contractor by Harris County or the GLO.
- b. Upon termination of the Contract, Contractor shall promptly return to Harris County and/or the GLO all Harris County-owned or GLO-owned data possessed by Contractor and its employees, agents, or contractors, including any subcontractor. Contractor shall retain no copies or back-up records of Harris County-owned or GLO-owned data. If such return is infeasible, as mutually determined by Harris County and the GLO and Contractor, the obligations set forth in this Appendix, with respect to Harris County-owned or GLO-owned data, shall survive termination of the Contract and Contractor shall limit any further use and disclosure of GLO Data to the purposes that make the return of Harris County-owned or GLO-owned data infeasible. In lieu of the requirements in this Section 3.2, Harris County or the GLO may direct Contractor to destroy any Harris County-owned or GLO-owned data in Contractor’s possession. Any such destruction shall be verified by Contractor and Harris County and/or the GLO.

#### **4. Data Mining**

- a. Contractor agrees not to use PII or SPI for unrelated purposes, advertising or advertising-related services, or for any other purpose not explicitly authorized by Harris County in the Contract or any document related thereto.
- b. Contractor agrees to take all reasonably feasible physical, technical, administrative, and procedural measures to ensure that no unauthorized use of PII or SPI occurs.

#### **5. Breach of Security**

- a. Contractor agrees to provide Harris County and/or the GLO with the name and contact information for a Contractor employee which shall serve as the primary data security contact.
- b. Upon discovery of a Breach of Security or suspected Breach of Security by the Contractor, Contractor agrees to notify Harris County as soon as possible upon discovery of the Breach of Security or suspected Breach of Security, but in no event shall notification occur later than 24 hours after discovery. Within 72 hours, Contractor agrees to provide, at minimum, a written preliminary report regarding the Breach or suspected Breach to Harris County with root cause analysis including a log detailing the data affected.
- c. The initial notification and preliminary report shall be submitted to the GLO Information Security Officer at brandon.rogers@glo.texas.gov.
- d. Contractor agrees to take all reasonable steps to immediately remedy a Breach of Security and prevent any further Breach of Security.
- e. If the Breach of Security includes SPI, including Social Security Numbers, payment card information, or health information, Contractor agrees to provide affected individuals complimentary access for one (1) year of credit monitoring services.

#### **6. Right to Audit**

- a. Upon Harris County's request and to confirm Contractor's compliance with this Appendix, Contractor grants Harris County, or the GLO, permission to perform an assessment, audit, examination, investigation, or review of all controls in the Contractor's, or any of Contractor's contractors, including any subcontractor's, physical and/or technical environment in relation to PII or SPI. Contractor agrees to fully cooperate with such assessment by providing access to knowledgeable personnel, physical premises, documentation, infrastructure, and application software that stores, processes, or transports PII or SPI. In lieu of a Harris County or GLO-conducted assessment, audit, examination, investigation, or review, Contractor may supply, upon Harris County or GLO approval, the following reports: SSAE16, ISO/ICE 27001 Certification, FedRAMP Certification, and PCI Compliance Report. Contractor shall ensure that this clause concerning Harris County and the GLO's authority to assess, audit, examine, investigate, or review is included in any subcontract it awards.
- b. At the GLO's request, Contractor agrees to promptly and accurately complete a written information security questionnaire provided by Harris County or the GLO regarding Contractor's business practices and information technology environment in relation to GLO Data.

**THE STATE OF TEXAS   §**  
**§**  
**COUNTY OF HARRIS   §**

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, with the following members present, to wit:

Lina Hidalgo	County Judge
Rodney Ellis	Commissioner, Precinct No. 1
Adrian Garcia	Commissioner, Precinct No. 2
Steve Radack	Commissioner, Precinct No. 3
R. Jack Cagle	Commissioner, Precinct No. 4

And the following members absent, to-wit \_\_\_\_\_, constituting a quorum, when among other business, the following was transacted:

**ORDER AUTHORIZING EXECUTION OF AGREEMENT BETWEEN HARRIS COUNTY AND CITY OF DEER PARK FOR THE BAYOU BEND REGIONAL DETENTION FACILITY AND DRAINAGE IMPROVEMENTS PROJECT**

Commissioner \_\_\_\_\_ introduced an order and made a motion that the same be adopted. Commissioner \_\_\_\_\_ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

	Yes	No	Abstain
Judge Hidalgo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Ellis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Radack	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Cagle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

**RECITALS:**

THIS AGREEMENT, is made and entered by and between Harris County, a body politic and corporate under the laws of the State of Texas, herein called the “Grantee,” and the City of Deer Park, a body politic and corporate under the laws of Texas, herein called, the “Subrecipient.”

WHEREAS, On August 25, 2017, Harris County sustained significant damage when Hurricane Harvey made landfall as a Category 4 hurricane and over the next four days dropped as much as 60 inches of rain along the Gulf Coast including Harris County that resulted in a Presidentially Declared Disaster;

WHEREAS, The U.S. Department of Housing and Urban Development (HUD) has allocated \$5.024 billion in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the state of Texas in response to Hurricane Harvey, DR-4332, through the publication of the Federal Register, Vol. 83, No. 28, Friday, February 9, 2018; and an additional \$652,175,000 through the publication of the Federal Register, Vol. 83, No. 157, Tuesday, August 14, 2018.

WHEREAS, In the State of Texas Action Plan submitted to U.S. HUD on May 8, 2018 by the Texas General Land Office (GLO), the State made a direct allocation of \$1,115,386,830 in Community Development Block Grant Disaster Recovery (CDBG-DR) funding to Harris County; and

WHEREAS, The GLO on May 9, 2018 notified Harris County to complete a Supplemental Action Plan, for Hurricane Harvey Round 1 CDBG-DR funding, which will be amended into the State's Action Plan; and

WHEREAS, in accordance with GLO requirements, on July 10, 2018 the Harris County Commissioner Court approved the Harris County Supplemental Action Plan and resolved to submit the plan to the GLO; and

WHEREAS, on October 23, 2018 the Harris County Commissioner Court approved the Harris County Method of Distribution (MOD) and GLO has approved the MOD; and

WHEREAS, all of the Infrastructure Project Applications for the 2017 Hurricane Harvey Texas Community Development Block Grant Disaster Recovery Round Funding will be approved on Commissioners Court and submitted to the Texas General Land Office; and

WHEREAS, the GLO, and County DUNS No. 072206378 (each a "Party" and collectively "the Parties,") entered into a "Subrecipient Agreement" (the "Contract") on January 29, 2019 and subsequent Amendments, under the HUD 2017 Hurricane Harvey CDBG-DR Round One Harris County Disaster Recovery Program to provide financial assistance with funds appropriated under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (Public Law No. 115-56), enacted on September 8, 2017, to facilitate disaster recovery, restoration, and economic revitalization and to affirmatively further fair housing, in accordance with Executive Order 12892, in the areas affected by the Texas Hurricane Harvey (DR-4332), which are Presidentially-declared major disaster areas under Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5121, *et seq.*);

WHEREAS, the Grantee and Subrecipient desire to enter into an agreement whereby the Grantee will grant CDBG-DR funds to the Subrecipient for the purpose of BRIEFLY DESCRIBE PROJECT SCOPE, which is an eligible activity under the rules and regulations regarding CDBG-DR Program grant funds;

WHEREAS, the Subrecipient has submitted an application to the Grantee for CDBG-Disaster Recovery funding to implement the above-described Project and shall perform the activities in a manner satisfactory to the Grantee;

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing CDBG-DR funds; and

WHEREAS, the Subrecipient shall ensure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient shall include reference to Harris County Community Services Department (HCCSD) for the support provided herein.

NOW, THEREFORE, BE IT ORDERED BY THE COMMISSIONERS COURT OF HARRIS

COUNTY, TEXAS THAT:

Section 1: The recitals set forth in this Agreement are true and correct.

Section 2: The Executive Director of Harris County Community Services Department or their Designee is hereby authorized to execute an Agreement between Harris County and City of Deer Park for the partial funding of the Bayou Bend Regional Detention Facility and Drainage Improvements Project, in the amount not to exceed \$2,920,500.00. The Agreement is attached hereto and made a part hereof for all purposes.

Section 3: The Harris County Community Services Department and its Executive Director or their Designee are authorized to take such actions and execute such other documents as they deem necessary or convenient to carry out the purpose of this Agreement.



## Exhibit B, BUDGET

### CITY OF DEER PARK BAYOU BEND REGIONAL DETENTION FACILITY AND DRAINAGE IMPROVEMENTS PROJECT

#### Maximum Amount to be Paid Under this Agreement

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed TWO MILLION NINE HUNDRED TWENTY THOUSAND FIVE HUNDRED and 00/100 Dollars (\$2,920,500.00), as certified available by the Harris County Auditor and as evidenced by the issuance of a Purchase Order from the Harris County Purchasing Agent.

#### PROJECT SUMMARY

DESCRIPTION	CSD (CDBG)	LEVERAGE	TOTAL
<b>Project Costs</b>			
I. Architectural/Engineering Design	\$348,000.00	\$0.00	\$348,000.00
II. Construction	\$2,572,500.00	\$0.00	\$2,572,500.00
<b>Project Budget Total</b>	<b>\$2,920,500.00</b>	<b>\$0.00</b>	<b>\$2,920,500.00</b>

CDBG-DR PY2017 \$2,920,500.00

#### PROJECT DETAIL

Project Costs	CSD (CDBG)	LEVERAGE	TOTAL
<b>I. Architectural/Engineering Design</b>			
Architectural/Engineering Design Plans	\$348,000.00	\$0.00	\$348,000.00
<b>Subtotal</b>	<b>\$348,000.00</b>	<b>\$0.00</b>	<b>\$348,000.00</b>
<b>II. Construction</b>			
Construction (new construction, rehabilitation, renovation)	\$2,572,500.00	\$0.00	\$2,572,500.00
<b>Subtotal</b>	<b>\$2,572,500.00</b>	<b>\$0.00</b>	<b>\$2,572,500.00</b>
<b>Project Detail Total</b>	<b>\$2,920,500.00</b>	<b>\$0.00</b>	<b>\$2,920,500.00</b>



## Legislation Details (With Text)

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**File #:** ORD 20-009    **Version:** 1    **Name:**

**Type:** Ordinance    **Status:** Agenda Ready

**File created:** 1/27/2020    **In control:** City Council

**On agenda:** 2/4/2020    **Final action:**

**Title:** Consideration of and action on an ordinance calling a General Election on May 2, 2020 to elect three Councilmembers.

**Sponsors:** City Secretary's Office

**Indexes:**

**Code sections:**

**Attachments:** [Election Ord](#)  
[Order of Election.General.2020 DRAFT](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on an ordinance calling a General Election on May 2, 2020 to elect three Councilmembers.

### Summary:

Council positions four, five, six are elected in even numbered years. In accordance with the City's Charter and State law, an election must be ordered between the 78<sup>th</sup> and 103<sup>rd</sup> day before Election Day (May 2, 2020).

### Fiscal/Budgetary Impact:

Estimated Cost is \$8,000-\$10,000 and budgeted

Adoption of the ordinance.

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

**AN ORDINANCE CALLING A GENERAL ELECTION IN THE CITY OF DEER PARK, TEXAS, ON MAY 2, 2020, FOR THE ELECTION OF THREE COUNCILMEMBERS, POSITIONS FOUR, FIVE AND SIX; ESTABLISHING THE ELECTION PRECINCT FOR SUCH ELECTION; THE POLLING PLACE THEREFORE; NAMING THE ELECTION JUDGES AND PROVIDING FOR THEIR COMPENSATION; AND PROVIDING FOR NOTICE.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEER PARK:**

1. An election shall be held in the City of Deer Park, Texas, on May 2, 2020, between the hours of 7:00 o'clock a.m. and 7:00 p.m. for the purpose of electing the following Officers to said City:

**COUNCILMEMBER, POSITION 4  
COUNCILMEMBER, POSITION 5  
COUNCILMEMBER, POSITION 6**

Said election shall be conducted using the E-Slate Machine.

2. The boundary lines of each Voting Precinct are hereby established for voting in the aforesaid election as per Ordinance No. 3068 of the City of Deer Park, adopted February 7, 2006.

3. The voting and polling place in the precinct for such election for all qualified voters living therein shall be at the following place in said City:

<b><u>Precinct Number</u></b>	<b><u>Polling Place</u></b>	<b><u>Location</u></b>
1	Deer Park Community Center	610 E. San Augustine

4. The following persons are appointed within their respective Voting Precincts to the election offices set forth below:

<b><u>Precinct Number</u></b>	<b><u>Presiding Judge</u></b>	<b><u>Alternate Judge</u></b>
1	Annette Osburn	Arbia Khalil

5. The following persons are hereby appointed for the following positions of the Early Voting Ballot Board:

<b><u>Position</u></b>	<b><u>Name</u></b>
Judge	Sonia Acosta
Clerk	Jessica Rackley

6. The following persons are hereby appointed as Central Counting Station Personnel for the election:

<u>Position</u>	<u>Name</u>
Manager	Shannon Bennett
Judge	Loretta French
Tabulation Manager	Sonia Acosta

7. The City Secretary is hereby directed and instructed to post notice of election as prescribed by the Texas Election Law, Sec. 4.003 and Sec. 4.004. Said notices shall be posted at least twenty-one (21) days before the date of said election, and shall be published in the official city newspaper at least once, such publication to be no earlier than thirty (30) days before such election date and no later than ten (10) days before such election date).

8. Early Voting Locations, Dates and Times.

(a) Early voting by personal appearance for all election precincts shall be held at the locations, at the times and on the days set forth in [Exhibit A], attached hereto and incorporated herein, or at such other locations as hereafter may be designated by the City. The Mayor or his designee is hereby authorized to update Exhibit A to reflect the locations designated by the County or the Elections Administrator, and such locations are hereby approved.

(b) The City Secretary is hereby appointed as the **Early Voting Clerk**. Applications for ballot by mail shall be mailed to: **Early Voting Clerk** ; Attention: **Shannon Bennett; PO Box 700, Deer Park, Texas 77536.**

9. The Presiding Judge is hereby authorized to appoint two (2) Clerks to assist in conducting said election, and as many more as he deems necessary for the proper conduct of such election, up to a maximum of six (6). The Presiding Judge shall receive ten and no/100 dollars (\$12.00) per hour for their services. The Alternate Judge shall receive nine and no/100 dollars (\$11.00) per hour for their services. The Clerk shall receive eight and no/100 dollars (\$10.00) per hour for their services. Neither Judges nor Clerks shall be paid more than one (1) hour before the opening of the Polls, nor more than two (2) hours after the closing of the Polls. The Judge or Clerk who delivers the returns of election shall be paid an amount not to exceed twenty-five and no/100 dollars (\$25.00) for that service; provided, also, he shall

make returns of the election. All of the aforesaid compensation shall be paid from the General Fund of the City.

**10.** The two (2) twelve (12) hour days for early voting will be held on the first two (2) days of the early voting period.

**11.** It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551 of the Government Code of the State of Texas

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed, approved and adopted** on this the \_\_\_\_ day of \_\_\_\_\_, 2020 **by a vote of** \_\_\_\_\_ **“Ayes” and** \_\_\_\_\_ **“Noes”.**

\_\_\_\_\_  
**MAYOR**, City of Deer Park, Texas

**ATTEST:**

\_\_\_\_\_  
City Secretary

**APPROVED:**

\_\_\_\_\_  
City Attorney

ORDER OF ELECTION  
(orden de elección)  
GENERAL ELECTION  
(elección general)  
MAY 2, 2020

A general election is hereby ordered to be held on May 2, 2020 for electing three Council members for the City of Deer Park.

*(Una elección general se ordena por la presente que se celebrará el 2 de mayo para tres miembros del Consejo de la Cuidad de Deer Park.)*

Early voting by personal appearance will be conducted each weekday at the City Secretary's Office, City Hall, 710 East San Augustine Street between the hours of 7:00 a.m. and 7:00 p.m. on April 20, 2020 and April 21, 2020, and 8:00 a.m. until 5:00 p.m. beginning on April 22 and ending on April 28, 2020. *(La Votación temprana por la apariencia personal se llevará a cabo cada día de la semana en la oficina de la Secretaria, casa de ayuntamiento, la calle 710 East San Augustine, entre las horas de 7:00 a.m. y las 7:00 p.m. el día 20 de abril y el día 21 de abril de 2020, y de 8:00 a.m. hasta las 5:00 p.m. el día 22 de abril y terminará el día 28 día abril de 2020.)*

On Election Day, May 2, 2020, voting will be conducted at the Deer Park Community Center, Room 12, 610 E. San Augustine from 7 am – 7 pm.

*(La eleccion de este ano se llevara a cabo el día 02 de mayo de 2020, en el edificio Community Center, 610 E. San Augustine de 7 am - 7 pm.)*

Applications for ballot by mail shall be mailed to or emailed to:

*(Las solicitudes de votación por correo, serán enviados por correo o por correo electrónico:)*

Shannon Bennett, Early Voting Clerk  
City of Deer Park  
P. O. Box 700  
Deer Park, Texas 77536  
Email: [Sbennett@deerparktx.org](mailto:Sbennett@deerparktx.org)  
*(Correo electrónico)*

Applications for ballot by mail must be received no later than the close of business on April 20, 2020 *(Las solicitudes para boletas de votacion adelantada por correo deberan recibirse para el fin de las horas de negocio el: 20 de Abril 2020.)*

Issued this the 4<sup>th</sup> day of February 2020  
*(Emitada este día 4 de febrero, 2020.)*

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Signature of Mayor Jerry Mouton, Jr.  
*(Firma del Alcalde)*





## Legislation Details (With Text)

**File #:** ORD 20-010    **Version:** 1    **Name:**  
**Type:** Ordinance    **Status:** Agenda Ready  
**File created:** 1/27/2020    **In control:** City Council  
**On agenda:** 2/4/2020    **Final action:**  
**Title:** Consideration of and action on an ordinance calling a Special Election on May 2, 2020 for Type B Economic Development sales and use tax.  
**Sponsors:** City Secretary's Office  
**Indexes:**  
**Code sections:**  
**Attachments:** [Special Election ord-Type B\\_Final](#)  
[Order of Special Election.2020 - DRAFT](#)

Date	Ver.	Action By	Action	Result
2/4/2020	1	City Council		

Consideration of and action on an ordinance calling a Special Election on May 2, 2020 for Type B Economic Development sales and use tax.

### Summary:

A special election for Type B special election in the city of Deer Park, Texas, on May 2, 2020 to submit a proposition on the question of the adoption of a Type B additional sales and use tax within the city at the rate of one-half of one percent for an additional purpose; establishing the election precinct for such election.

### Fiscal/Budgetary Impact:

Election is budgeted.

Adoption of ordinance.



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

**AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF DEER PARK, TEXAS, ON MAY 2, 2020 TO SUBMIT A PROPOSITION ON THE QUESTION OF THE ADOPTION OF A TYPE B ADDITIONAL SALES AND USE TAX WITHIN THE CITY AT THE RATE OF ONE-HALF OF ONE PERCENT FOR AN ADDITIONAL PURPOSE; ESTABLISHING THE ELECTION PRECINCT FOR SUCH ELECTION; THE POLLING PLACE THEREFOR; PROVIDING FOR NOTICE.**

WHEREAS, at an election on May 9, 2015 (the “2015 Election”), the voters in the City of Deer Park (the “City”) approved a Type B economic development sales and use tax within the City at the rate of one-half of one percent as authorized by chapters 501 and 505 of the Texas Local Government Code; and

WHEREAS, the City Council of the City has determined than an election should be held within the City to authorize expenditure of Type B economic development sales and use tax revenues for a purpose in addition to the purpose approved by the voters at the 2015 Election as more specifically described in the proposition set forth below; Now Therefore

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS:**

1. An election shall be held in the City of Deer Park, Texas, on May 2, 2020, (the “Election”) between the hours of 7:00 o’clock a.m. and 7:00 p.m. for the purpose of the adoption of a Type B additional sales and use tax within the City for an additional purpose as follows:

**CITY OF DEER PARK – PROPOSITION A**

“Shall the City Council of the City of Deer Park be authorized to adopt the Type B economic development sales and use tax within the City at the rate of one-half of one percent, as authorized by chapters 501 and 505 of the Texas Local Government Code for the additional purpose of land, buildings, equipment, facilities, and improvements (including the maintenance and operating costs thereof) found by the board of directors of the Deer Park Community Development Corporation to be required or suitable for use for the following: amateur sports, children’s sports, athletic, entertainment and public park purposes and events, including ball parks, parks and park facilities, and open space improvements (including (i) a community/recreation center with indoor pool, gymnasium, and indoor track and (ii) an outdoor pool and/or pool related facilities); related concession and automobile parking facilities; related roads, streets, and water and sewer facilities; and other related improvements that enhance any of the above?”

Said election shall be conducted using the E-Slate Machine.

2. The boundary lines of each Voting Precinct are hereby established for voting in the aforesaid election as per Ordinance No. 3068 of the City of Deer Park, adopted February 7, 2006.

3. The voting and polling place in the precinct for such election for all qualified voters living therein shall be at the following place in said City:

<b><u>Precinct Number</u></b>	<b><u>Polling Place</u></b>	<b><u>Location</u></b>
1	Deer Park Community Center	610 E. San Augustine

4. The following persons are appointed within their respective Voting Precincts to the election offices set forth below:

<b><u>Precinct Number</u></b>	<b><u>Presiding Judge</u></b>	<b><u>Alternate Judge</u></b>
1	Annette Osburn	Arbia Khalil

5. The following persons are hereby appointed for the following positions of the Early Voting Ballot Board:

<b><u>Position</u></b>	<b><u>Name</u></b>
Judge	Sonia Acosta
Clerk	Jessica Rackley

6. The following persons are hereby appointed as Central Counting Station Personnel for the election:

<b><u>Position</u></b>	<b><u>Name</u></b>
Manager	Shannon Bennett
Judge	Loretta French
Tabulation Manager	Sonia Acosta

7. The official ballots for the Election shall be prepared in accordance with Texas Election Code so as to permit the electors to vote “FOR” or “AGAINST” the proposition, which shall be set forth on the ballots substantially in the following form:

CITY OF DEER PARK – PROPOSITION A

- |                                  |  |
|----------------------------------|--|
| <input type="checkbox"/> FOR     | ) “THE ADOPTION OF THE TYPE B ECONOMIC DEVELOPMENT SALES AND USE TAX WITHIN THE CITY AT  |
| <input type="checkbox"/> AGAINST | ) THE RATE OF ONE-HALF OF ONE PERCENT, AS AUTHORIZED BY CHAPTERS 501 AND 505 OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE ADDITIONAL PURPOSE OF LAND, BUILDINGS, EQUIPMENT, FACILITIES, AND IMPROVEMENTS (INCLUDING THE MAINTENANCE AND OPERATING COSTS THEREOF) FOUND BY THE BOARD OF DIRECTORS OF THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION TO BE REQUIRED OR SUITABLE FOR USE FOR THE FOLLOWING: AMATEUR SPORTS, CHILDREN’S SPORTS, ATHLETIC, ENTERTAINMENT AND PUBLIC PARK PURPOSES AND EVENTS, INCLUDING BALL PARKS, PARKS AND PARK FACILITIES, AND OPEN SPACE IMPROVEMENTS (INCLUDING (I) A COMMUNITY/RECREATION CENTER WITH INDOOR POOL, GYMNASIUM, AND INDOOR TRACK AND (II) AN OUTDOOR POOL AND/OR POOL RELATED FACILITIES); RELATED CONCESSION AND AUTOMOBILE PARKING FACILITIES; RELATED ROADS, STREETS, AND WATER AND SEWER FACILITIES; AND OTHER RELATED IMPROVEMENTS THAT ENHANCE ANY OF THE ABOVE?” |

8. Early Voting Locations, Dates and Times.

(a) Early voting by personal appearance for all election precincts shall be held at the locations, at the times and on the days set forth in [Exhibit A], attached hereto and incorporated herein, or at such other locations as hereafter may be designated by the City. The Mayor or his designee is hereby authorized to update Exhibit A to reflect the locations designated by the County or the Elections Administrator, and such locations are hereby approved.

(b) The **City Secretary** is hereby appointed as the Early Voting Clerk. Applications for ballot by mail shall be mailed to: **Early Voting Clerk** ; Attention: **Shannon Bennett**; **PO Box 700, Deer Park, TX 77536**.

9. The City Secretary is hereby directed and instructed to post notice of election as prescribed by the Texas Election Law, Sec. 4.003 and Sec. 4.004. Said notices shall be posted at least twenty-one (21) days before the date of said election, and shall be published in the official city newspaper at least once, such publication to be no earlier than thirty (30) days before such election date and no later than ten (10) days before such election date.

10. The Presiding Judge is hereby authorized to appoint two (2) Clerks to assist in conducting said election, and as many more as he deems necessary for the proper conduct of such election, up to a maximum of six (6). The Presiding Judge shall receive twelve and no/100 dollars (\$12.00) per hour for their services. The Alternate Judge shall receive eleven and no/100 dollars (\$11.00) per hour for their services. The Clerk shall receive ten and no/100 dollars (10.00) per hour for their services. Neither Judges nor Clerks shall be paid more than one (1) hour before the opening of the Polls, nor more than two (2) hours after the closing of the Polls. The Judge or Clerk who delivers the returns of election shall be paid an amount not to exceed twenty-five and no/100 dollars (\$25.00) for that service; provided, also, he shall make returns of the election. All of the aforesaid compensation shall be paid from the General Fund of the City.

11. It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551 of the Government Code of the State of Texas.

**12.** If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, neither the remaining portions of this Ordinance nor their application to other persons or sets of circumstances shall be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, invalidity or unenforceability of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

**13.** Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption.

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed, approved and adopted** on this the \_\_\_\_ day of \_\_\_\_\_, 2020 **by a vote of** \_\_\_\_\_ **“Ayes”** **and** \_\_\_\_\_ **“Noes”**.

\_\_\_\_\_  
**MAYOR**, City of Deer Park, Texas

**ATTEST:**

\_\_\_\_\_  
City Secretary

**APPROVED:**

\_\_\_\_\_  
City Attorney

ORDER OF ELECTION  
(orden de elección)  
SPECIAL ELECTION  
(elección general)  
MAY 2, 2020

A special election is hereby ordered to be held on May 2, 2020 to submit a proposition on the question of the adoption of a Type B sales and use tax within the City at the rate of one-half of one percent for an additional purpose.

(Se ordena una elección especial el 2 de mayo de 2020 para presentar una propuesta sobre la cuestión de la adopción de un impuesto sobre las ventas y el uso de Tipo B dentro de la Ciudad a una tasa de la mitad del uno por ciento para un propósito adicional.)

Early voting by personal appearance will be conducted each weekday at the City Secretary's Office, City Hall, 710 East San Augustine Street between the hours of 7:00 a.m. and 7:00 p.m. on April 20, 2020 and April 21, 2020, and 8:00 a.m. until 5:00 p.m. beginning on April 22 and ending on April 28, 2020. (*La Votación temprana por la apariencia personal se llevará a cabo cada día de la semana en la oficina de la Secretaria, casa de ayuntamiento, la calle 710 East San Augustine, entre las horas de 7:00 a.m. y las 7:00 p.m. el día 20 de abril y el día 21 de abril de 2020, y de 8:00 a.m. hasta las 5:00 p.m. el día 22 de abril y terminará el día 28 día abril de 2020.*)

On Election Day, May 2, 2020, voting will be conducted at the Deer Park Community Center, Room 12, 610 E. San Augustine from 7 am – 7 pm.

(*La eleccion de este ano se llevara a cabo el dia 02 de mayo de 2020, en el edificio Community Center, 610 E. San Augustine de 7 am - 7 pm.*)

Applications for ballot by mail shall be mailed to or emailed to:

(*Las solicitudes de votación por correo, serán enviados por correo o por correo electrónico.*)

Shannon Bennett, Early Voting Clerk  
City of Deer Park  
P. O. Box 700  
Deer Park, Texas 77536  
Email: [Sbennett@deerparktx.org](mailto:Sbennett@deerparktx.org)  
(Correo electrónico)

Applications for ballot by mail must be received no later than the close of business on April 20, 2020 (*Las solicitudes para boletas de votacion adelantada por correo deberan recibirse para el fin de las horas de negocio el: 20 de Abril 2020.*)

Issued this the 4<sup>th</sup> day of February 2020  
(*Emitada este día 4 de febrero, 2020.*)

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Signature of Mayor Jerry Mouton, Jr.

*(Firma del Alcalde)*