

AGENDA ITEM 6:
Agreement with PSC

**AGREEMENT
BETWEEN City of Ransom Canyon, Texas
AND
PARKHILL, SMITH & COOPER, INC.
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of May 12, 2020, ("Effective Date")

Between Ransom Canyon, Texas ("OWNER") and
Parkhill, Smith & Cooper, Inc. ("ENGINEER").

OWNER'S Project, of which ENGINEER'S services under this AGREEMENT are a part, is generally identified as follows: Owner intends to Construct a new 310,000 gallon Wastewater Treatment Plant suitable for stream discharge, and also intends to rehabilitate and coat the city's existing 100,000 gallon Ground Storage Tank and 100,000 gallon Elevated Water Storage Tank.
 ("Project").

ENGINEER'S services under this AGREEMENT are generally identified as follows: Engineer will design the following:

Wastewater Treatment Plant (Project A):

- The Town of Ransom Canyon (pop 1,113) is located due east of the City of Lubbock in Lubbock County Texas. The town currently purchases drinking water from the City of Lubbock and treats its wastewater suitable for stream quality discharge to the North Fork of the Double Mountain Brazos River Basin. Ransom Canyon has a current 30-year agreement with an adjacent community (Buffalo Springs Lake) to treat their wastewater as well. Costs for wastewater treatment are split by the communities due to % flow usage. Historically this has been approximately 50/50 split. The current agreement will be extended for the life of this project/loan.

The Current WWTP is located due West of the Ransom Canyon Dam and is comprised of a traditional mechanical wastewater plant comprised of a bar screen, grit chamber, contact stabilization, aeration chamber, clarification and chlorination prior to stream discharge. The current plant is rated for 225,000 gpd. In recent months, the 1990's era WWTP has reached over 90% of its capacity and is nearing the end of

its useful life. Average flow for 2019 was 194,793 gpd. In looking at historical and recent growth for the Ransom Canyon and Buffalo Springs lake community's PSC has identified that the new WWTP will need to be rated for 310,000 gpd. This will allow for a moderate 2-3% growth over the next 20 years. The new plant will be modular in nature to allow for future growth and will be compact in footprint to utilize the current land requirements that the City currently owns. The new discharge plant will be designed to meet current and future nutrient limitations/requirements that will be required by the Texas Commission on Environmental Quality (TCEQ).

Water System Improvements (Project B):

- **100K Ground Storage Tank**

This project includes refurbishment of the existing West 100K Gallon water storage tank. Refurbishment of the tank will include roof plating removal and replacement, installation of access hatch and guard rail, and reinforcement of upper tank walls and installation of a stiffening ring for the future roof plating. Additional refurbishments will include installation of joist brackets, center column support removal and replacement. The tank will also have misc. improvements completed such as a new vent, overflow pipe and weir box, new interior access ladder as well as a new exterior ladder and safety climb system. misc. electrical and Scada control work will be complete on the tank as well.

The current tank paint system had been evaluated and there is not any lead present in the current coating system. The project will include a new coating system for both the interior and exterior of the tank. Both interior and exterior surfaces will be sandblasted to remove the current coating system and the new high-performance coating system will be placed.

- **100K Elevated Storage Tank**

This project includes refurbishment of the existing 100K elevated water storage tank. The tank will be refurbished with new screen and flapper replacements on the overflow pipe, a new tank vent, new interior access ladder, new level indicator, obstruction lighting and exterior safety climb systems.

The current tank paint system has been evaluated and there is not any lead present in the current coating system. The project will include a new coating system for both the interior and exterior of the tank. The interior coating systems will be sandblasted to remove the current coating system. The exterior coating system will be hydro blasted to clean and remove and loose debris. Both interior and exterior coating systems will be applied using a new high-performance coating system.

OWNER and ENGINEER further agree as follows:

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ARTICLE 1 - SERVICES OF ENGINEER

1.01 Scope

- A. ENGINEER shall provide or cause to be provided the services set forth herein and in Exhibit A.
- B. If authorized by OWNER, ENGINEER shall furnish Resident Project Representative(s) with duties, responsibilities and limitations of authority as set forth in Exhibit C.

ARTICLE 2 – OWNER'S RESPONSIBILITIES

2.01 General

- A. OWNER shall have the responsibilities set forth herein.
- B. Provide ENGINEER with all criteria and full information as to OWNER's requirements for the Project, including, design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any, budgetary limitations.
- C. Furnish copies of all design and construction standards which OWNER will require to be included in the Drawings and Specifications; and furnish copies of OWNER's standard forms, conditions, and related documents for ENGINEER to include in the Bidding Documents, when applicable.
- D. Furnish to ENGINEER any other available information pertinent to the Project including reports and data relative to previous designs, or investigation at or adjacent to the Site.
- E. Following ENGINEER's assessment of initially-available Project information and data and upon ENGINEER's request, furnish or otherwise make available such additional Project related information and data as is reasonably required to enable ENGINEER to complete its Basic and Additional Services. Such additional information or data would generally include the following:
 - 1. Property descriptions.
 - 2. Zoning, deed, and other land use restrictions.
 - 3. Explorations and tests of subsurface conditions at or contiguous to the Site, drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site, or hydrographic surveys, with appropriate professional interpretation thereof.
 - 4. Environmental assessments, audits, investigations and impact statements, and other relevant environmental or cultural studies as to the Project, the Site, and adjacent areas.
 - 5. Data or consultations as required for the Project but not otherwise identified in the Agreement or the Exhibits thereto.
- F. Give prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of a Hazardous Environmental Condition or of any other development that affects the scope or time of performance of ENGINEER's services, or any defect or nonconformance in ENGINEER's services or in the work of any Contractor.

G. Arrange for safe access to and make all provisions for ENGINEER to enter upon public and private property, as required for ENGINEER to perform services under the Agreement.

H. Provide, as required for the Project:

1. Accounting, bond and financial advisory, independent cost estimating, and insurance counseling services.

2. Legal services with regard to issues pertaining to the Project as OWNER requires, Contractor raises, or ENGINEER reasonably requests.

3. Such auditing services as OWNER requires to ascertain how or for what purpose Contractor has used the moneys paid.

I. Provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of Samples, materials, and equipment required by the Construction Contract Documents, or to evaluate the performance of materials, equipment, and facilities of OWNER, prior to their incorporation into the Work with appropriate professional interpretation thereof unless authorized as Additional Services under Exhibit A.

J. Provide reviews, approvals, and permits from all governmental authorities having jurisdiction to approve all phases of the Project designed or specified by ENGINEER and such reviews, approvals, and consents from others as may, be necessary for completion of each phase of the Project.

K. Advise ENGINEER of the identity and scope of services of any independent consultants employed by OWNER to perform or furnish services in regard to the Project, including, but not limited to, cost estimating, project peer review, value engineering, and constructability review.

L. If OWNER designates a construction manager or an individual or entity other than, or in addition to, ENGINEER to represent OWNER at the Site, define the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of ENGINEER.

M. Examine all alternate solutions, studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by ENGINEER (including obtaining advice of an attorney, insurance counselor, and other advisors or consultants as OWNER deems appropriate with respect to such examination) and render in writing timely, decisions pertaining thereto.

N. Place and pay for advertisement for Bids in appropriate publications.

O. Attend the pre-bid conference, bid opening, pre-construction conferences, construction progress and other job-related meetings, and Site visits to determine Substantial Completion and final payment.

P. Authorize ENGINEER to provide Additional Services as set forth in Exhibit A - Part 2 of the Agreement as required.

Q. Make decisions and carry out OWNER'S responsibilities in a timely manner and shall bear all costs incident thereto so as not to delay the services of the ENGINEER.

ARTICLE 3-SCHEDULE FOR RENDERING SERVICES

3.01 Commencement

- A. ENGINEER is authorized to begin rendering services as of the Effective Date.

3.02 Time for Completion

A. ENGINEER's services and compensation under this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion. Unless specific periods of time or specific dates for providing services are specified in this Agreement, ENGINEER's obligation to render services hereunder will be for a period which may reasonably be required for the completion of said services.

B. If in this Agreement specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided, and if such periods of time or dates are changed through no fault of ENGINEER, the rates and amounts of compensation provided for herein shall be subject to equitable adjustment.

C. If OWNER authorizes changes in the scope, extent, or character of the Project or ENGINEER's services, then the time for completion of ENGINEER's services, and the rates and amounts of ENGINEER's compensation, shall be adjusted equitably.

3.03 Suspension

A. If OWNER fails to give prompt written authorization to proceed with any phase of services after completion of the immediately preceding phase, or if ENGINEER's services are delayed through no fault of ENGINEER, ENGINEER may be entitled to equitable adjustment of rates and amounts of compensation provided for elsewhere in this Agreement to reflect, reasonable costs incurred by ENGINEER in connection with, among other things, such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

ARTICLE 4 - PAYMENTS TO ENGINEER

4.01 Methods of Payment for Basic Services and Additional Services of ENGINEER

A. *For Basic Services.* OWNER shall pay ENGINEER for Basic Services performed or furnished under Exhibit A - Part 1, as set forth in Exhibit B.

B. *For Additional Services.* OWNER shall pay ENGINEER for Additional Services performed or furnished under Exhibit A - Part 2, as set forth in Exhibit B.

4.02 Other Provisions Concerning Payments

A. *Preparation and Submittal of Invoices.* ENGINEER will prepare invoices in accordance with ENGINEER's standard invoicing practices and will submit to OWNER, unless otherwise agreed. The amount billed in each invoice will be calculated as set forth in Exhibit B.

B. *Payment of Invoices.* Invoices are due and payable within 30 days of receipt. If OWNER fails to make any payment due ENGINEER for services and expenses within 30 days after receipt of ENGINEER's invoice, the amounts due ENGINEER will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and ENGINEER may (after giving seven-day notice to

OWNER), suspend services under this Agreement until OWNER has paid in full all amounts due for services. Owner waives any and all claims against ENGINEER for any such suspension.

C. *Disputed Invoices:* If OWNER disputes an invoice, either as to the amount or entitlement, then OWNER shall promptly advise ENGINEER in writing of the specific basis for doing so, may withhold that portion so disputed, and must pay the undisputed portion.

D. *Records of ENGINEER's Costs.* Records of ENGINEER's costs pertinent to ENGINEER's compensation under this Agreement shall be kept in accordance with generally accepted accounting practices. To the extent necessary to verify ENGINEER's charges and upon OWNER's timely request, copies of such records will be made available to OWNER.

E. *Legislative Actions.* In the event of legislative actions after the Effective Date of the Agreement by any level of government that impose taxes, fees, or costs on ENGINEER's services or other compensation under this Agreement then Engineer may invoice for reimbursement by OWNER as a Reimbursable Expense to which a Factor of 1.0 shall be applied. Should such taxes, fees, or costs be imposed, they shall be in addition to ENGINEER's estimated total compensation.

ARTICLE 5 - OPINIONS OF COST

5.01 Opinions of Probable Construction Cost

A. ENGINEER's opinions of probable Construction Cost provided for herein are to be made on the basis of ENGINEER's experience and qualifications and represent ENGINEER's best judgment as an experienced and qualified professional generally familiar with the industry. However, because ENGINEER has no control over the cost of labor, materials, equipment, or services furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions, ENGINEER cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by ENGINEER.

ARTICLE 6 - GENERAL CONSIDERATIONS

6.01 Standards of Performance

A. *Standard of Care.* The standard of care for all professional engineering and related services performed or furnished by ENGINEER under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession practicing under similar circumstances at the same time and in the same locality. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by ENGINEER.

B. *Technical Accuracy.* OWNER shall not be responsible for discovering deficiencies in the technical accuracy of ENGINEER's services. ENGINEER shall correct deficiencies in technical accuracy without additional compensation, unless such corrective action is directly attributable to deficiencies in OWNER-furnished information.

C. *Consultants.* ENGINEER shall perform or furnish professional engineering and related services in all phases of the Project to which this Agreement applies. ENGINEER shall serve as OWNER's prime professional for the Project. ENGINEER may employ such ENGINEER's Consultants as ENGINEER deems necessary to assist in the performance or furnishing of the services. ENGINEER shall not be required to employ any ENGINEER's Consultant unacceptable to ENGINEER.

D. *Compliance with Laws and Regulations.* ENGINEER and OWNER shall comply with applicable Laws or Regulations and OWNER-mandated standards. This Agreement is based on these requirements as of its Effective Date. Changes to these requirements after the Effective Date of this Agreement may be the basis for modifications to OWNER's responsibilities or to ENGINEER's scope of services, times of performance, or compensation.

E. *Reliance on Others.* OWNER shall be responsible for, and ENGINEER may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by OWNER to ENGINEER pursuant to this Agreement. ENGINEER may use such requirements, reports, data, and information in performing or furnishing services under this Agreement.

F. ENGINEER shall not be required to sign any documents, no matter by whom requested, that would result in the ENGINEER's having to certify, guarantee or warrant the existence of conditions whose existence the ENGINEER cannot ascertain. OWNER agrees not to make resolution of any dispute with the ENGINEER in any way contingent upon the ENGINEERs signing any such certification.

G. During the Construction Phase, ENGINEER shall not supervise, direct, or have control over Contractor's work, nor shall ENGINEER have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor, for safety precautions and programs incident to the Contractor's work in progress, nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's furnishing and performing the Work.

H. ENGINEER neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.

I. ENGINEER shall not be responsible for the acts or omissions of any Contractor(s), subcontractor or supplier, or of any of the Contractor's agents or employees or any other persons (except ENGINEER's own employees) at the Site or otherwise furnishing or performing any of the Contractor's work; or for any decision made on interpretations or clarifications of the Contract Documents given by OWNER without consultation and advice of ENGINEER.

J. The General Conditions for any construction contract documents prepared hereunder are to be the "Standard General Conditions of the Construction Contract" as prepared by the Engineers Joint Contract Documents Committee, C-700 (2007 Edition) unless both parties mutually agree to use other General Conditions.

6.02 Authorized Project Representatives

A. ENGINEER and OWNER shall designate specific individuals to act as ENGINEER's and OWNER's representatives with respect to the services to be performed or furnished by ENGINEER and responsibilities of OWNER under this Agreement. Such individuals shall have authority to transmit instructions, receive information, and render decisions relative to the Project on behalf of each respective party.

6.03 Design without Construction Phase Services

A. Should OWNER provide Construction Phase services with either OWNER's representatives or a third party, ENGINEER's Basic Services under this Agreement will be considered to be completed upon completion of the Final Design Phase or Bidding or Negotiating Phase as outlined in Exhibit A - Part 1.

B. It is understood and agreed that if ENGINEER's Basic Services under this Agreement do not include Construction Phase services, and that such services will be provided by OWNER, then OWNER assumes all responsibility for the application and interpretation of the construction Contract Documents and waives all claims against the ENGINEER that may be in any way connected to Construction Phase administration, engineering or professional services except for those services that are expressly required of Engineer in Exhibit A.

6.04 Use of Documents

A. All Documents are instruments of service and ENGINEER shall retain an ownership and property interest therein (including the right of reuse at the discretion of the ENGINEER) whether or not the Project is completed.

B. OWNER may make and retain copies of Documents for information and reference in connection with use on the Project by OWNER. Such Documents are not intended or represented to be suitable for reuse by OWNER or others on extensions of the Project or on any other project. Any such reuse or modification without written verification or adaptation by ENGINEER, as appropriate for the specific purpose intended, will be at OWNER's sole risk and without liability or legal exposure to ENGINEER or to ENGINEER's Consultants.

C. Any verification or adaptation of the Documents for extensions of the Project or for any other project will entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

D. Copies of OWNER-furnished data that may be relied upon by ENGINEER are limited to the printed copies (also known as hard copies) that are delivered to the ENGINEER. Files in electronic media format of text, data, graphics, or of other types that are furnished by OWNER to ENGINEER are only for convenience of ENGINEER. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk.

E. Copies of Documents that may be relied upon by OWNER are limited to the printed copies (also known as hard copies) that are signed or sealed by the ENGINEER. Files in electronic media format of text, data, graphics, or of other types that are furnished by ENGINEER to OWNER are only for convenience of OWNER. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk.

F. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

G. When transferring documents in electronic media format, ENGINEER makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by ENGINEER at the beginning of this Project.

H. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files. ENGINEER shall not be responsible to maintain documents stored in electronic media format after acceptance by OWNER.

6.05 Insurance

A. ENGINEER shall procure and maintain the following insurance: Worker's Compensation, General Liability and Professional Liability.

B. At OWNER's request ENGINEER shall deliver certificates of insurance evidencing the coverage. Such certificates shall be furnished prior to commencement of ENGINEER's services and at renewals thereafter during the life of this agreement.

C. OWNER shall require Contractor to purchase and maintain Workers' Compensation, General Liability and other insurance as specified in the Contract Documents and to cause ENGINEER and ENGINEER'S Consultants to be listed as additional insureds with respect to such liability and other insurance purchased and maintained by Contractor for the Project.

6.06 Termination

A. The obligation to provide further services under this Agreement may be terminated:

1. For cause, by either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

2. For convenience, by OWNER effective upon the receipt of notice by ENGINEER.

B. *Payments Upon Termination.* In the event of any termination, ENGINEER will be entitled to invoice OWNER and will be paid in accordance with Exhibit B for all services performed or furnished and all expenses incurred through the effective date of termination.

6.07 Controlling Law

A. This Agreement is to be governed by the law of the state in which the Project is located.

6.08 Successors, Assigns, and Beneficiaries

A. Neither OWNER nor ENGINEER may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law.

6.09 Dispute Resolution

A. OWNER and ENGINEER agree to negotiate all disputes between them in good faith for a minimum of 30 days from the date of notice. Should such negotiations fail, the OWNER and ENGINEER agree that any dispute between them arising out of or relating to this Agreement shall be submitted to nonbinding mediation prior to exercising any other rights under law, unless the parties mutually agree otherwise.

6.10 Hazardous Environmental Condition

A. OWNER represents to Engineer that to the best of its knowledge a Hazardous Environmental Condition does not exist.

B. OWNER has disclosed to the best of its knowledge to ENGINEER the existence of all Asbestos, PCB's, Petroleum, Hazardous Waste, or Radioactive Material located at or near the Site, including type, quantity and location.

C. If a Hazardous Environmental Condition is encountered or alleged, ENGINEER shall have the obligation to notify OWNER and, to the extent of applicable Laws and Regulations, appropriate governmental officials.

D. It is acknowledged by both parties that ENGINEER's scope of services does not include any services related to a Hazardous Environmental Condition. In the event ENGINEER or any other party encounters a Hazardous Environmental Condition, ENGINEER may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until OWNER: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the Site is in full compliance with applicable Laws and Regulations.

6.11 Allocation of Risks

A. To the fullest extent permitted by law, ENGINEER shall indemnify and hold harmless OWNER, OWNER's officers, directors, partners, and employees from and against any and all costs, losses, and

damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of ENGINEER or ENGINEER's officers, directors, partners, employees, and ENGINEER's Consultants in the performance and furnishing of ENGINEER's services under this Agreement.

B. To the fullest extent permitted by law, OWNER shall indemnify and hold harmless ENGINEER, ENGINEER's officers, directors, partners, employees, and ENGINEER's Consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of OWNER or OWNER's officers, directors, partners, employees, and OWNER's consultants with respect to this Agreement or the Project.

C. To the fullest extent permitted by law, ENGINEER's total liability to OWNER and anyone claiming by, through, or under OWNER for any cost, loss, or damages caused in part by the negligence of ENGINEER and in part by the negligence of OWNER or any other negligent entity or individual, shall not exceed the percentage share that ENGINEER's negligence bears to the total negligence of OWNER, ENGINEER, and all other negligent entities and individuals.

6.12 Third-Party Beneficiaries

A. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the OWNER or the ENGINEER. The ENGINEER'S services under this Agreement are being performed solely for the OWNER'S benefit, and no other party or entity shall have any claim against the ENGINEER because of this Agreement or the performance or nonperformance of services hereunder. The OWNER and ENGINEER agree to require a similar provision in all contracts with contractors, subcontractors, subconsultants, vendors and other entities involved in this Project to carry out the intent of this provision.

6.13 Miscellaneous Provisions

A. *Notices.* Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

B. *Survival.* All express representations included in this Agreement will survive its completion or termination for any reason.

C. *Severability.* Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and ENGINEER, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

D. *Waiver.* Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

E. *Headings.* The headings used in this Agreement are for general reference only and do not have special significance.

ARTICLE 7 - DEFINITIONS

7.01 Defined Terms

A. Wherever used in this Agreement (including the Exhibits hereto) and printed with initial or all capital letters, the terms listed below have the meanings indicated, which are applicable to both the singular and plural thereof:

1. *Addenda*--Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Documents.
2. *Additional Services*--The services to be performed for or furnished to OWNER by ENGINEER in accordance with Exhibit A - Part 2 of this Agreement.
3. *Agreement*--This "Standard Form of Agreement between OWNER and ENGINEER for Professional Services", including those Exhibits listed in Article 8 hereof.
4. *Application for Payment*--The form acceptable to ENGINEER which is to be used by Contractor in requesting progress or final payments for the completion of its Work and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
5. *Asbestos*--Any material that contains more than one percent of asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
6. *Basic Services*--The services to be performed for or furnished to OWNER by ENGINEER in accordance with Exhibit A - Part 1, of this Agreement.
7. *Bid*--The offer or proposal of the bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
8. *Bidding Documents*--The advertisement or invitation to Bid, instructions to bidders, the Bid form and attachments, the Bid bond, if any, the proposed Contract Documents, and all Addenda, if any.
9. *Change Order*--A document recommended by ENGINEER, which is signed by Contractor and OWNER to authorize an addition, deletion or revision in the Work, or an adjustment in the Contract Price or the Contract Times, issued on or after the Effective Date of the Construction Agreement.
10. *Construction Agreement*--The written instrument which is evidence of the agreement, contained in the Contract Documents, between OWNER and Contractor concerning the Work.
11. *Construction Contract*--The entire and integrated written agreement between the OWNER and Contractor concerning the Work.
12. *Construction Cost*--The cost to OWNER of those portions of the entire Project designed or specified by ENGINEER. Construction Cost does not include costs of services of ENGINEER or other design professionals and consultants, cost of land, rights-of-way, or compensation for damages to properties, or OWNER's costs for legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the Project, or the cost of other services to be provided by others to OWNER. Construction Cost is one of the items comprising Total Project Costs.
13. *Contract Documents*--Documents that establish the rights and obligations of the parties engaged in construction and include the Construction Agreement between OWNER and Contractor, Addenda (which pertain to the Contract Documents), Contractor's Bid (including documentation accompanying the Bid and any post-Bid documentation submitted prior to the notice of award) when attached as an exhibit to

the Construction Agreement, the notice to proceed, the bonds, appropriate certifications, the General Conditions, the Supplementary Conditions, the Specifications and the Drawings as the same are more specifically identified in the Construction Agreement, together with all Written Amendment, Change Orders, Work Change Directives, Field Orders, and ENGINEER's written interpretations and clarifications issued on or after the Effective Date of the Construction Agreement. Approved Shop Drawings and the reports and drawings of subsurface and physical conditions are not Contract Documents.

14. *Contract Price*--The moneys payable by OWNER to Contractor for completion of the Work in accordance with the Contract Documents and as stated in the Construction Agreement.

15. *Construction Contract Times*--The numbers of days or the dates stated in the Construction Agreement to:

(i) achieve Substantial Completion, and (ii) complete the Work so that it is ready for final payment as evidenced by ENGINEER's written recommendation of final payment.

16. *Contractor*--An individual or entity with whom OWNER enters into a Construction Agreement.

17. *Correction Period*--The time after Substantial Completion during which Contractor must correct, at no cost to OWNER, any Defective Work, normally one year after the date of Substantial Completion or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee or specific provision of the Contract Documents.

18. *Defective*--An adjective which, when modifying the word Work, refers to Work that is unsatisfactory, faulty, or deficient, in that it does not conform to the Contract Documents, or does not meet the requirements of any inspection, reference standard, test, or approval referred to in the Contract Documents, or has been damaged prior to ENGINEER's recommendation of final payment.

19. *Direct Expenses*--The expenses incurred directly by ENGINEER in connection with the performing of Basic Services for the Project for which OWNER shall pay ENGINEER as indicated in Exhibit B, to include but not limited to fax, reproduction, travel, telephone, meals and lodging, CAD charges, field supplies, models, renderings, photos, and postage.

20. *Documents*--Data, reports, Drawings, Specifications, Record Drawings, and other deliverables, whether in printed or electronic media format, provided or furnished in appropriate phases by ENGINEER to OWNER pursuant to this Agreement.

21. *Drawings*--That part of the Contract Documents prepared or approved by ENGINEER which graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop Drawings are not Drawings as so defined.

22. *Effective Date of the Construction Agreement*--The date indicated in the Construction Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Construction Agreement is signed and delivered by the last of the two parties to sign and deliver.

23. *Effective Date of the Agreement*--The date indicated in this Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.

24. *Engineer's Consultants*--Individuals or entities having a contract with ENGINEER to furnish services with respect to this Project as ENGINEER's independent professional associates, consultants, subcontractors, or vendors. The term ENGINEER includes ENGINEER's Consultants.

25. *Field Order*--A written order issued by ENGINEER which directs minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.

26. *General Conditions*--That part of the Contract Documents which sets forth terms, conditions, and procedures that govern the Work to be performed or furnished by Contractor with respect to the Project.

27. *Hazardous Environmental Condition*--The presence at the Site of Asbestos, PCB's, Petroleum, Hazardous Waste, or Radioactive Materials in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto in connection with the Work.

28. *Hazardous Waste*--The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.

29. *Laws and Regulations; Laws or Regulations*--Any and all applicable laws, rules, regulations, ordinances, codes, standards, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

30. *PCB's*--Polychlorinated biphenyls.

31. *Petroleum*--Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.

32. *Radioactive Materials*--Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.

33. *Record Drawings*--The Drawings as issued for construction on which the ENGINEER, upon completion of the Work, has shown changes due to Addenda or Change Orders and other information which ENGINEER considers significant based on record documents furnished by Contractor to ENGINEER and which were annotated by Contractor to show changes made during construction.

34. *Reimbursable Expenses*--The expenses incurred directly by ENGINEER in connection with the performing of Additional Services for the Project for which OWNER shall pay ENGINEER as indicated in Exhibit B, to include but not limited to fax, reproduction, travel, telephone, meals and lodging, CAD charges, field supplies, models, renderings, photos, and postage.

35. *Resident Project Representative*--The authorized representative of ENGINEER, if any, assigned to assist ENGINEER at the Site during the Construction Phase. The Resident Project Representative will be ENGINEER's agent or employee and under ENGINEER's supervision. As used herein, the term Resident Project Representative includes any assistants of Resident Project Representative agreed to by OWNER. The duties and responsibilities of the Resident Project Representative are as set forth in Exhibit C.

36. *Samples*--Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.

37. *Shop Drawings*--All drawings, diagrams, illustrations, schedules, and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to ENGINEER to illustrate some portion of the Work.

38. *Site*--Lands or areas indicated in the Contract Documents as being furnished by OWNER upon which the Work is to be performed, rights-of-way and easements for access thereto, and such other lands furnished by OWNER which are designated for use of Contractor.

39. *Specifications*--That part of the Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards, and workmanship as applied to the Work and certain administrative details applicable thereto.

40. *Substantial Completion*--The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of ENGINEER, the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.

41. *Supplementary Conditions*--That part of the Contract Documents which amends or supplements the General Conditions.

42. *Work*--The entire completed construction or the various separately identifiable parts thereof required to be provided under the Contract Documents with respect to this Project. Work includes and is the result of performing or furnishing labor, services, and documentation necessary to produce such construction and furnishing, installing, and incorporating all materials and all equipment into such construction, all as required by the Contract Documents.

43. *Work Change Directive*--A written directive to Contractor issued on or after the Effective Date of the Construction Agreement and signed by OWNER upon recommendation of the ENGINEER, ordering an addition, deletion, or revision in the Work, or responding to differing or unforeseen subsurface or physical conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the change directed or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Times.

44. *Written Amendment*--A written amendment of the Contract Documents signed by OWNER and Contractor on or after the Effective Date of the Construction Agreement and normally dealing with the non-engineering or non-technical rather than strictly construction-related aspects of the Contract Documents.

ARTICLE 8-EXHIBITS AND SPECIAL PROVISIONS

8.01 Exhibits Included

- A. Exhibit A, "ENGINEER's Services", consisting of 9 pages.
- B. Exhibit B, "Payments to Engineer", consisting of 2 pages.
- C. Exhibit C, "Duties, Responsibilities and Limitations of Authority of Resident Project Representative", consisting of 4 pages.
- D. Exhibit D, "Notice of Acceptability of Work", consisting of 2 pages.

8.02 Total Agreement

A. This Agreement (consisting of pages 1 to 33 inclusive, together with the Exhibits identified above) constitutes the entire agreement between OWNER and ENGINEER and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate, the Effective Date of which is indicated on page 1

OWNER:

ENGINEER:

By: Mrs. Jana Trew

By: Brian M. Stephens, P.E.

Title: Mayor

Title: Firm Principal

Date Signed: _____

Date Signed: _____

Address for giving notices:

City of Ransom Canyon, Texas

24 Lee Kitchens Dr.

Ransom Canyon, Texas 79366

Phone: 806-829-2470

Fax: 806-829-2680

Address for giving notices:

Parkhill, Smith and Cooper, Inc.

4222 85th Street

Lubbock Texas 79423

Phone: 806-473-2200

Fax: 806-473-3500

bstephens@team-psc.com

IN DUPLICATE

EXHIBIT A ENGINEER'S SERVICES

Article 1 of the Agreement is amended and supplemented to include the following agreement of the parties. ENGINEER shall provide Basic and authorized Additional Services as set forth below.

EXHIBIT A - PART 1 – BASIC SERVICES

A I.01 *Study and Report Phase*

A. ENGINEER shall:

1. Consult with OWNER to define and clarify OWNER's requirements for the Project and available data.

2. Advise OWNER as to the necessity of OWNER's providing data or services which are not part of ENGINEER's Basic Services, and assist OWNER in obtaining such data and services.

3. Establish the scope, and advise the OWNER, of any special investigations, field surveys or soil and foundation investigations which, in the opinion of the ENGINEER, may be required for the proper execution of the Study and Report Phase; and arrange with the OWNER for the conduct of such investigations and tests. The performance of these investigations and tests is not a part of the ENGINEER's Basic Services, and compensation therefor is not included in the Basic Fee. The investigations and tests may be performed by the ENGINEER, by agreement with the OWNER, in which case compensation shall be determined by the applicable portions of Exhibit B.

4. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project designed or specified by ENGINEER, including but not limited to mitigating measures identified in the environmental assessment.

5. Identify and evaluate alternate solutions available to OWNER and, after consultation with OWNER, recommend to OWNER those solutions which in ENGINEER's judgment meet OWNER's requirements for the Project.

6. Prepare a report (the "Report") which will, as appropriate, contain schematic layouts, sketches and conceptual design criteria with appropriate exhibits to indicate the agreed-to requirements, considerations involved, and ENGINEER's recommended solution(s). This Report will be accompanied by ENGINEER's opinion of Total Project Costs for each recommended solution with each component separately itemized, including the following: opinion of probable Construction Cost, allowances for contingencies and for the estimated total costs of design, professional, and related services provided by ENGINEER, and other information furnished by OWNER.

7. Furnish five (5) review copies of the Report to OWNER and review it with OWNER.

8. Revise the Report in response to OWNER's and other parties' comments, as appropriate, and furnish ten (10) final copies of the revised Report to the OWNER.

B. ENGINEER's services under the Study and Report Phase will be considered complete on the date when the final copies of the revised Report have been delivered to OWNER.

A 1.02 Preliminary Design Phase

A. After acceptance by OWNER of the Report, selection by OWNER of a recommended solution and indication of any specific modifications or changes in the scope, extent, character, or design requirements of the Project desired by OWNER, and upon written authorization from OWNER, ENGINEER shall:

1. On the basis of the above acceptance, selection and authorization, prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications and written descriptions of the Project.

2. Provide necessary field surveys and topographic and utility mapping for design purposes. Utility mapping will be based upon information obtained from utility owners. The performance of field surveys is not a part of the ENGINEER's basic services, and compensation therefore is not included in the Basic Fee. The surveys may be performed by the ENGINEER, by agreement with the OWNER, in which case compensation shall be determined by applicable portions of Exhibit B.

3. Establish the scope, and advise the OWNER, of any additional soils or foundation investigations which, in the opinion of the ENGINEER, may be required for the proper execution of the Project; and arrange with the OWNER for the conduct of such investigations and tests. The performance of these investigations and tests is not a part of the ENGINEER's Basic Services, and compensation therefor is not included in the Basic Fee. The investigations and tests may be performed by the ENGINEER, by agreement with the OWNER, in which case compensation shall be determined by the applicable portions of Exhibit B.

4. Advise OWNER if additional reports, data, information, or services are necessary and assist OWNER in obtaining such reports, data, information, or services.

5. Based on the information contained in the Preliminary Design Phase documents, submit a revised opinion of probable Construction Cost.

6. Furnish five (5) review copies of the Preliminary Design Phase documents to OWNER and review them with OWNER.

B. ENGINEER's services under the Preliminary Design Phase will be considered complete on the date when copies of the Preliminary Design Phase documents have been delivered to OWNER.

A 1.03 Final Design Phase

A. After acceptance by OWNER of the Preliminary Design Phase documents and revised opinion of probable Construction Cost as determined in the Preliminary Design Phase, but subject to any OWNER-directed modifications or changes in the scope, extent, character, or design requirements of or for the Project, and upon written authorization from OWNER, ENGINEER shall:

1. On the basis of the above acceptance, direction and authorization, prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor. Specifications will be prepared, where appropriate, in general conformance with the 16-division format of the Construction Specifications Institute.

2. Provide technical criteria, written descriptions, and design data for OWNER's use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design of the Project and assist OWNER in consultations with appropriate authorities.

3. Advise OWNER of any adjustments to the opinion of probable Construction Cost.

4. Prepare and furnish five (5) sets of Bidding Documents and a revised opinion of probable Construction Cost for review and approval by OWNER, its legal counsel, and other advisors, as appropriate, and assist OWNER in the preparation of other related documents.

B. The number of prime contracts for Work designed or specified by ENGINEER upon which the ENGINEER's compensation has been established under this Agreement is one (1).

C. ENGINEER's services under the Final Design Phase will be considered complete on the date when the final Bidding Documents have been delivered to OWNER.

A I.04 *Bidding or Negotiating Phase*

A. After acceptance by OWNER of the Bidding Documents and the most recent opinion of probable Construction Cost as determined in the Final Design Phase, and upon written authorization by OWNER to proceed, ENGINEER shall:

1. Furnish the number of copies of the Bidding Documents as required by prospective bidders and furnishers of material and equipment. All sets of Bidding Documents are to be paid for separately under Exhibit B as an Additional Service.

2. Assist OWNER in advertising for and obtaining bids or negotiating proposals for the Work and, where applicable, maintain a record of prospective bidders to whom Bidding Documents have been issued, attend pre-bid conferences, if any, and receive and process Contractor deposits or charges for the Bidding Documents.

3. Prepare and issue Addenda as appropriate to clarify, correct, or change the Bidding Documents.

4. Consult with OWNER as to the qualifications of subcontractors, suppliers, and other individuals and entities proposed by Contractor for those portions of the Work as to which such acceptability is required by the Bidding Documents.

5. Attend the bid opening, prepare bid tabulation sheets, and assist OWNER in evaluating bids or proposals and in assembling and awarding contracts for the Work.

B. The Bidding or Negotiating Phase will be considered complete upon commencement of the Construction Phase or upon cessation of negotiations with prospective Contractors.

A I.05 *Construction Phase*

A. Upon successful completion of the Bidding and Negotiating Phase, and upon written authorization from OWNER, ENGINEER shall:

1. *General Administration of Construction Contract.* Consult with OWNER and act as OWNER's representative as provided in the Construction Contract General Conditions.

2. *Resident Project Representative (RPR).* Provide the services of an RPR at the Site to assist the ENGINEER and to provide more extensive observation of Contractor's work. Duties, responsibilities, and authority of the RPR are as set forth in Exhibit C. The furnishing of such RPR's services will not extend ENGINEER's responsibilities or authority beyond the specific limits set forth elsewhere in this Agreement. The performance of the RPR is not included in the ENGINEER's basic fee and may be performed by the ENGINEER, by agreement with the OWNER, in which case compensation shall be determined by applicable portions of Exhibit B.

3. *Selecting Independent Testing Laboratory.* Assist OWNER in the selection of an independent testing laboratory. The performance of these investigations and tests is not included in the ENGINEER's basic fee and may be performed by the ENGINEER, by agreement with the OWNER, in which case compensation shall be determined by applicable portions of Exhibit B.

4. *Pre-Construction Conference.* Conduct a Pre-Construction Conference prior to commencement of Work at the Site.

5. *Baselines and Benchmarks.* As appropriate, establish baselines and benchmarks for locating the Work which in ENGINEER's judgment are necessary to enable Contractor to proceed. The performance of field surveys is not included in the ENGINEER's basic fee and may be performed by the ENGINEER, by agreement with the OWNER, in which case compensation shall be determined by applicable portions of Exhibit B.

6. *Visits to Site and Observation of Construction.* In connection with observations of Contractor's work in progress while it is in progress:

a. Make visits to the Site at intervals appropriate to the various stages of construction, as ENGINEER deems necessary, in order to observe as an experienced and qualified design professional the progress and quality of the Work. Such visits and observations by ENGINEER, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress or to involve detailed inspections of Contractor's work in progress beyond the responsibilities specifically assigned to ENGINEER in this Agreement and the Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on ENGINEER's exercise of professional judgment as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and such observations, ENGINEER will determine in general if Contractor's work is proceeding in accordance with the Contract Documents, and ENGINEER shall keep OWNER informed of the progress of the Work.

b. ENGINEER shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor shall ENGINEER have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, or for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's furnishing and performing the Work. Accordingly, ENGINEER neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

7. *Defective Work.* Recommend to OWNER that Contractor's work be disapproved and rejected while it is in progress if, on the basis of such observations, ENGINEER believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

8. *Clarifications and Interpretations; Field Orders.* Issue necessary clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. ENGINEER may issue Field Orders authorizing minor variations from the requirements of the Contract Documents.

9. *Change orders and Work Change Directives.* Recommend Change Orders and Work Change Directives to OWNER, as appropriate, and prepare Change Orders and Work Change Directives as required.

10. *Shop Drawings and Samples.* Review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences or procedures of construction or to safety, precautions and programs incident thereto.

11. *Substitutes and "or-equal."* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor.

12. *Inspections and Tests.* Require such special inspections or tests of Contractor's work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Contract Documents. ENGINEER's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Contract Documents.

13. *Disagreements between OWNER and Contractor.* Render formal written decisions on all claims of OWNER and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of Contractor's work. In rendering such decisions, ENGINEER shall be fair and not show partiality to OWNER or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.

14. *Applications for Payment.* Based on ENGINEER's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

a. Determine the amounts that ENGINEER recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute ENGINEER's representation to OWNER, based on such observations and review, that, to the best of ENGINEER's knowledge, information and belief, Contractor's work has progressed to the point indicated, the quality of such work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is ENGINEER's responsibility to observe Contractor's work. In the case of unit price work, ENGINEER's recommendations of payment will include final determinations of quantities and classifications of Contractor's work (subject to any subsequent adjustments allowed by the Contract Documents).

15. *Contractor's Completion Documents.*

a. Receive, review and transmit to OWNER maintenance and operating instructions, schedules, and guarantees.

b. Receive and transmit to OWNER bonds, certificates, or other evidence of insurance not previously submitted and required by the Contract Documents, certificates of inspection, tests and approvals, Shop Drawings, Samples, annotated record drawings, and other data which are to be assembled by Contractor in accordance with the Contract Documents to obtain final payment.

16. *Substantial Completion.* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with OWNER and Contractor, visit the Site to review the Work and determine the status of completion. If after considering any objections of OWNER, ENGINEER considers the Work Substantially Complete, ENGINEER shall deliver a certificate of Substantial Completion to OWNER and Contractor.

17. *Final Notice of Acceptability of the Work.* Conduct a final visit to the project to determine if the completed Work of Contractor is acceptable so that ENGINEER may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, ENGINEER shall also provide a notice in the form attached hereto as Exhibit D (the "Notice of Acceptability of Work") that the Work is acceptable to the best of ENGINEER's knowledge, information, and belief and based on the extent of the services provided by ENGINEER under this Agreement.

B. *Duration of Construction Phase.* The Construction Phase will commence with the execution of the first Construction Agreement for the Project or any part thereof and will terminate upon written recommendation by ENGINEER for final payment to Contractors. If the Project involves more than one prime contract, Construction Phase services may be rendered at different times in respect to the separate contracts. Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after original date for completion and readiness for final payment of Contractor as set forth in the Contract Documents.

C. *Limitation of Responsibilities.* ENGINEER shall not be responsible for the acts or omissions of any Contractor, or of any of their subcontractors, suppliers, or of any other individual or entity performing or furnishing any of the Work. ENGINEER shall not be responsible for failure of any Contractor to perform or furnish the Work in accordance with the Contract Documents.

EXHIBIT A - PART 2 -- ADDITIONAL SERVICES

A 2.01 *Additional Services Requiring OWNER's Authorization in Advance*

A. If authorized in writing by OWNER, ENGINEER shall furnish or obtain from others Additional Services of the types listed below. These services will be paid for by OWNER as indicated in Article 4 of the Agreement.

1. Not used
2. Not used
3. Not used
4. Not used
5. **Post-Construction Phase.** The Post-Construction Phase includes, providing assistance in connection with the testing and adjusting of Project equipment or systems; Assisting OWNER in training OWNER's staff to operate and maintain Project, equipment, and systems; Assisting OWNER in developing procedures for control of the operation and maintenance of, and record keeping for Project equipment and systems; visiting the Project with the OWNER to observe any apparent defects in the Work, assist OWNER in consultations and discussions with Contractor concerning correction of any such defects, and make recommendations as to replacement or correction of Defective Work, if present; and in company with OWNER or OWNER's representative, provide an inspection of the Project within one month before the end of the Correction Period to ascertain whether any portion of the Work is subject to correction.
6. **Preparation of applications and supporting documents** (in addition to those furnished under Basic Services) for private or governmental grants, loans or advances in connection with the Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.
7. **Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by OWNER.**
8. **Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by ENGINEER or its design requirements including, but not limited to, changes in size, complexity, OWNER's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of this Agreement or are due to any other causes beyond ENGINEER's control.**
9. **Services required as a result of OWNER's providing incomplete or incorrect Project information.**
10. **Providing renderings or models for OWNER's use.**
11. **Undertaking investigations and studies including, but not limited to, detailed consideration of operations, maintenance, and overhead expenses; the preparation of feasibility studies, cash flow and economic evaluations, rate schedules, and appraisals; assistance in obtaining financing for the Project; evaluating processes available for licensing, and assisting OWNER in obtaining process licensing; detailed quantity surveys of materials, equipment, and labor; and audits or inventories required in connection with construction performed by OWNER.**
12. **Furnishing services of ENGINEER's Consultants for other than Basic Services.**

13. Services during out-of-town travel required of ENGINEER other than for visits to the Site or OWNER's office.

14. Preparing for, coordinating with, participating in and responding to structured independent review processes, including, but not limited to, construction management, cost estimating, project peer review, value engineering, and constructability review requested by OWNER; and performing or furnishing services required to revise studies, reports, Drawings, Specifications, or other Bidding Documents as a result of such review processes.

15. Preparing additional Bidding Documents or Contract Documents for alternate bids or prices requested by OWNER for the Work or a portion thereof.

16. Determining the acceptability of substitute materials and equipment proposed during the Bidding or Negotiating Phase when substitution prior to the award of contracts is allowed by the Bidding Documents.

17. Assistance in connection with Bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services.

18. Providing Construction Phase services beyond the Contract Times set forth in Exhibit B.

19. Providing assistance in resolving any Hazardous Environmental Condition in compliance with current Laws and Regulations.

20. Preparation of operation and maintenance manuals.

21. Preparing to serve or serving as a consultant or witness for OWNER in any litigation, arbitration or other dispute resolution process related to the Project.

22. Providing more extensive services required to enable ENGINEER to issue notices or certifications requested by OWNER.

23. Services in connection with Work Change Directives and Change Orders to reflect changes requested by OWNER so as to make the compensation commensurate with the extent of the Additional Services rendered.

24. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or-equal" items; and services after the award of the Construction Agreement in evaluating and determining the acceptability of a substitution which is found to be inappropriate for the Project or an excessive number of substitutions.

25. Services resulting from significant delays, changes, or price increases occurring as a direct or indirect result of materials, equipment, or energy shortages.

26. Additional or extended services during construction made necessary by (1) emergencies or acts of God endangering the Work, (2) an occurrence of a Hazardous Environmental Condition, (3) Work damaged by fire or other cause during construction, (4) a significant amount of defective, neglected, or delayed work by Contractor, (5) acceleration of the progress schedule involving services beyond normal working hours, or (6) default by Contractor.

27. Services in connection with any partial utilization of any part of the Work by OWNER prior to Substantial Completion.

28. Evaluating an unreasonable claim or an excessive number of claims submitted by Contractor or others in connection with the Work.

29. Other services performed or furnished by ENGINEER not otherwise provided for in this Agreement.

30. Reimbursable expenses associated with providing additional services.

**EXHIBIT B
PAYMENTS TO ENGINEER
LUMP SUM METHOD**

Article 4 of the Agreement is amended and supplemented to include the following agreement of the parties:

ARTICLE 4 -- PAYMENTS TO THE ENGINEER

B 4.01 Compensation for Basic Services - Lump Sum Method of Payment

A. OWNER shall pay ENGINEER for Basic Services set forth in Exhibit A-Part 1, as follows:

1. A Lump Sum amount of \$973,965 based on the following distribution of compensation:

Wastewater Treatment Plant (Project A)

a. Engineering Design	<u>\$396,540</u>
b. Surveying	<u>\$17,500</u>
c. Geotechnical	<u>\$32,000</u>
d. Construction Admin Services	<u>\$75,000</u>
e. Resident Project Representative (RPR)	<u>\$150,000</u>
f. Construction Material Testing	<u>\$120,000</u>
g. Environmental Survey	<u>\$20,000</u>
h. Engineering Feasibility Report (EFR)	<u>\$25,000</u>
i. TCEQ Wastewater Permitting	<u>\$25,000</u>
Subtotal Project A	<u>\$861,040</u>

Water System Improvements (Project B)

a. Engineering Design	<u>\$35,029</u>
b. Construction Admin Services	<u>\$29,396</u>
c. Resident Project Inspection (RPR)	<u>\$35,000</u>
d. Environmental Survey	<u>\$8,500</u>
e. Engineering Feasibility Report (EFR)	<u>\$5,000</u>
Subtotal Project B	<u>\$112,925</u>

2. The Lump Sum includes compensation for ENGINEER's services and services of ENGINEER's Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Direct Expenses.

3. The portion of the Lump Sum amount billed for ENGINEER's services will be based upon ENGINEER's estimate of the proportion of the total services actually completed during the billing period to the Lump Sum.

4. The Lump Sum is conditioned on Construction Contract Times to complete the Work not exceeding 6 months for each project identified. Should the Construction Contract Times to complete the Work be extended beyond this period, the total compensation to ENGINEER shall be appropriately adjusted.

5. If more prime contracts are awarded for Work designed or specified by ENGINEER for this Project than identified in Exhibit A - Part 1, the ENGINEER shall be compensated an additional amount equal to \$ _____* for all Basic Services for each prime contract added.

*To be negotiated if required.

B 4.02 Compensation for Authorized Additional Services --Standard Hourly Rates Method of Payment.

A. OWNER shall pay ENGINEER for authorized Additional Services set forth in Exhibit A - Part 2 as follows:

- 1. For labor on an hourly rate basis in accordance with Appendix 1.**
- 2. For reimbursable expenses, on the basis of cost times a factor of 1.15.**

B. The hourly rate schedule will be adjusted each January 1st to reflect cost of living adjustments.

APPENDIX 1: HOURLY RATE SCHEDULE

**EXHIBIT C
DUTIES, RESPONSIBILITIES, AND LIMITATIONS
OF AUTHORITY
OF RESIDENT PROJECT REPRESENTATIVE**

Paragraph 1.01C of the Agreement is amended and supplemented to include the following agreement of the parties:

C6.02 Resident Project Representative

A. ENGINEER shall furnish a Resident Project Representative ("RPR"), assistants, and other field staff to assist ENGINEER in observing progress and quality of the Work. The RPR, assistants, and other field staff under this Exhibit C may provide full time representation or may provide representation to a lesser degree.

B. Through such additional observations of Contractor's work in progress and field checks of materials and equipment by the RPR and assistants, ENGINEER shall endeavor to provide further protection for OWNER against defects and deficiencies in the Work. However, ENGINEER shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over the Contractor's Work nor shall ENGINEER have authority over or responsibility for the means, methods, techniques, sequences, or procedures selected by Contractor, for safety precautions and programs incident to the Contractor's work in progress, for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's performing and furnishing the Work, or responsibility of construction for Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.

C. The duties and responsibilities of the RPR are limited to those of ENGINEER in the Agreement with the OWNER and in the Contract Documents, and are further limited and described as follows:

1. *General:* RPR is ENGINEER's agent at the Site, will act as directed by and under the supervision of ENGINEER, and will confer with ENGINEER regarding RPR's actions. RPR's dealings in matters pertaining to the Contractor's work in progress shall in general be with ENGINEER and Contractor, keeping OWNER advised as necessary. RPR's dealings with subcontractors shall only be through or with the full knowledge and approval of Contractor. RPR shall generally communicate with OWNER with the knowledge of and under the direction of ENGINEER.

2. *Schedules:* Review the progress schedule, schedule of Shop Drawing and Sample submittals, and schedule of values prepared by Contractor and consult with ENGINEER concerning acceptability.

3. *Conferences and Meetings:* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.

4. *Liaison:*

a. Serve as ENGINEER's liaison with Contractor, working principally through Contractor's superintendent and assist in understanding the intent of the Contract Documents.

b. Assist ENGINEER in serving as OWNER's liaison with Contractor when Contractor's operations affect OWNER's on-Site operations.

c. Assist in obtaining from OWNER additional details or information, when required for proper execution of the Work.

5. *Interpretation of Contract Documents:* Report to ENGINEER when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and

interpretations as issued by ENGINEER.

6. *Shop Drawings and Samples.*

- a. Record date of receipt of Samples and approved Shop Drawings.
- b. Receive Samples which are furnished at the Site by Contractor, and notify ENGINEER of availability of Samples for examination.
- c. Advise ENGINEER and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal for which RPR believes that the submittal has not been approved by ENGINEER.

7. *Modifications:* Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and report with RPR's recommendations to ENGINEER. Transmit to Contractor in writing decisions as issued by ENGINEER.

8. *Review of Work and Rejection of Defective Work:*

- a. Conduct on-Site observations of Contractor's work in progress to assist ENGINEER in determining if the Work is in general proceeding in accordance with the Contract Documents.
- b. Report to ENGINEER whenever RPR believes that any part of Contractor's work in progress will not produce a completed Project that conforms generally to the Contract Documents or will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise ENGINEER of that part of work in progress that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.

9. *Inspections, Tests, and System Startups:*

- a. Consult with ENGINEER in advance of scheduled major inspections, tests, and systems startups of important phases of the Work.
- b. Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate OWNER's personnel, and that Contractor maintains adequate records thereof.
- c. Observe, record, and report to ENGINEER appropriate details relative to the test procedures and systems startups.
- d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections, and report to ENGINEER.

10. *Records:*

- a. Maintain at the Site orderly files for correspondence, reports of job conferences, reproductions of original Contract Documents including all Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Contract, ENGINEER's clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing and Sample submittals received from and delivered to Contractor, and other Project related documents.
- b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site, weather conditions, data relative to questions of Change Orders, Field Orders, Work Change Directives, or changed conditions, Site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to ENGINEER.

c. Record names, addresses and telephone numbers of all Contractors, subcontractors, and major suppliers of materials and equipment.

d. Maintain records for use in preparing Project documentation.

e. Upon completion of the Work, furnish original set of all RPR Project documentation to ENGINEER.

11. *Reports:*

a. Furnish to ENGINEER periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.

b. Draft and recommend to ENGINEER proposed Change Orders, Work Change Directives, and Field Orders. Obtain backup material from Contractor.

c. Furnish to ENGINEER and OWNER copies of all inspection, test, and system startup reports.

d. Report immediately to ENGINEER the occurrence of any Site accidents, any Hazardous environmental Conditions, emergencies, or acts of God endangering the Work, and property damaged by fire or other causes.

12. *Payment Requests:* Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to ENGINEER, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.

13. *Certificates, Operation and Maintenance Manuals:* During the course of the Work, verify that materials and equipment certificates, operation and maintenance manuals and other data required by the Specifications to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to ENGINEER for review and forwarding to OWNER prior to payment for that part of the Work.

14. *Completion:*

a. Before ENGINEER issues a Certificate of Substantial Completion, submit to Contractor a list of observed items requiring completion or correction.

b. Observe whether Contractor has arranged for inspections required by Laws and Regulations, including but not limited to those to be performed by public agencies having jurisdiction over the Work.

c. Participate in a final inspection in the company of ENGINEER, OWNER, and Contractor and prepare a final list of items to be completed or corrected.

d. Observe whether all items on final list have been completed or corrected and make recommendations to ENGINEER concerning acceptance and issuance of the Notice of Acceptability of the Work.

D. Resident Project Representative shall not:

1. Authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items).

2. Exceed limitations of ENGINEER's authority as set forth in the Agreement or the Contract Documents.

3. Undertake any of the responsibilities of Contractor, subcontractors, suppliers, or Contractor's superintendent.
4. Advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of Contractor's work unless such advice or directions are specifically required by the Contract Documents.
5. Advise on, issue directions regarding, or assume control over safety precautions and programs in connection with the activities or operations of OWNER or Contractor.
6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by ENGINEER.
7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.
8. Authorize OWNER to occupy the Project in whole or in part.

EXHIBIT D

NOTICE OF ACCEPTABILITY OF WORK

PROJECT:

OWNER:

OWNER's Construction Contract Identification:

EFFECTIVE DATE OF THE CONSTRUCTION AGREEMENT:

CONSTRUCTION CONTRACT DATE:

ENGINEER:

To: OWNER

And To: CONTRACTOR

The undersigned hereby gives notice to the above OWNER and CONTRACTOR that the completed Work furnished and performed by CONTRACTOR under the above Contract is acceptable, expressly subject to the provisions of the related Contract Documents and the terms and conditions set forth on the reverse side hereof.

By: _____

Title: _____

Dated:

_____, _____

(Reverse side of Notice)

CONDITIONS OF NOTICE OF ACCEPTABILITY OF WORK

The Notice of Acceptability of Work ("Notice") on the front side of this sheet is expressly made subject to the following terms and conditions to which all persons who receive said Notice and rely thereon agree:

1. Said Notice is given with the skill and care ordinarily used by members of the engineering profession practicing under similar conditions at the same time and in the same locality.
2. Said Notice reflects and is an expression of the professional judgment of ENGINEER.
3. Said Notice is given as to the best of ENGINEER's knowledge, information, and belief as of the date hereof.
4. Said Notice is based entirely on and expressly limited by the scope of services ENGINEER has been employed by OWNER to perform or furnish during construction of the Project (including observation of the CONTRACTOR's work) under ENGINEER's Agreement with OWNER and under the Construction Contract referenced on the reverse hereof, and applies only to facts that are within ENGINEER's knowledge or could reasonably have been ascertained by ENGINEER as a result of carrying out the responsibilities specifically assigned to ENGINEER under ENGINEER's Agreement with OWNER and the Construction Contract referenced on the reverse hereof.
5. Said Notice is not a guarantee or warranty of CONTRACTOR's performance under the Construction Contract referenced on the reverse hereof nor an assumption of responsibility for any failure of CONTRACTOR to furnish and perform the Work thereunder in accordance with the Contract Documents.

AGENDA ITEM #7:
Specialized Finance Inc,
Agreement

FINANCIAL ADVISORY SERVICES AGREEMENT

This Financial Advisory Services Agreement (the "Agreement") is made and entered into by and between the Town of Ransom Canyon, Texas ("Issuer") and Specialized Public Finance Inc. ("SPFI") effective as of the date executed by the Issuer as set forth on the signature page hereof.

WITNESSETH:

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of indebtedness to the Texas Water Development Board ("TWBD") in amounts and forms which cannot presently be determined and, in connection with the authorization, sale, issuance and delivery of such indebtedness, the Issuer desires to retain an independent financial advisor; and

WHEREAS, the Issuer desires to obtain the professional services of SPFI to advise the Issuer regarding the issuance and sale of certain evidences of indebtedness or debt obligations to the TWDB that may be authorized and issued or otherwise created or assumed by the Issuer (hereafter referred to collectively as "Debt") from time to time during the period in which this Agreement shall be effective; and

WHEREAS, SPFI is willing to provide its professional services and its facilities as financial advisor in connection with all programs of financing as may be considered and authorized by the Issuer during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and SPFI, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I DESCRIPTION OF SERVICES

Upon the request of the Issuer, SPFI agrees to perform the financial advisory services stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay to SPFI the compensation as provided in Section V hereof.

1. Financial Planning. Provide financial planning services related to Debt plans and programs.
2. Debt Elements. Provide recommendations regarding Debt under consideration, including such elements as timing, structure, security provisions, and such other provisions as may be appropriate.

3. Offering Documents. Participate in and direct, as appropriate, the preparation of the offering documents, Private Placement Memorandum, TWDB application, and/or assist bond counsel with same.
4. Auditors. Coordinate verification by an independent auditor of any calculations incident to the Debt, as required.
5. Printing. Coordinate all work incident to printing of the offering documents and other documents required by the Issuer.
6. Closing. Provide the Issuer a post sale/closing booklet or update for the Debt and other outstanding debt, as needed.

SECTION II CONTINUING DISCLOSURE

It is understood and agreed that the Issuer, in connection with the sale and delivery of Debt, will be required to comply with certain continuing disclosure undertakings, including preparation and submission of annual reports (the “annual reports”) and reporting of certain specified material events (the “material events”) pursuant to written undertakings of the Issuer and in accordance with the provisions of Securities and Exchange Commission Rule 15c2-12, as amended (the “Rule”). SPFI shall provide continuing disclosure services on the terms and conditions, for the time period and for the compensation set forth herein.

1. This Agreement shall apply to all Debt delivered subsequent to the effective date of the continuing disclosure undertakings of the Issuer and as specified in the Rule, to the extent that any particular issue of Debt does not qualify for exceptions to the continuing disclosure requirements of the Rule.
2. SPFI agrees to perform annual reporting and material event notification duties required by the undertakings of the Issuer and the Rule at a flat rate of \$350 per material event filing.
3. The fees of SPFI for providing the foregoing continuing disclosure services shall be negotiated annually (not to exceed \$1,500 per similarly-secured type of Debt). The fees of SPFI for providing material event notification services shall be negotiated separately at the time such notifications may be required.

SECTION III

TERM OF AGREEMENT

This Agreement shall become effective as of the date executed by the Issuer as set forth on the signature page hereof and, unless terminated by either party pursuant to Section IV of this Agreement, shall remain in effect thereafter for a period of five (5) years from such date. Unless SPFI or the Issuer shall notify the other party in writing at least thirty (30) days in advance of the applicable anniversary date that this Agreement will not be renewed, this Agreement will automatically renew on the fifth anniversary of the date hereof for an additional one (1) year period and thereafter will automatically renew on each anniversary date for successive one (1) year periods under the same terms as the initial 5-year period.

SECTION IV

TERMINATION

This Agreement may be terminated with or without cause by the Issuer or SPFI upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate. In the event of such termination, it is understood and agreed that only the amounts due SPFI for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION V

COMPENSATION AND EXPENSE REIMBURSEMENT

The fees due to SPFI for the services set forth and described in Section I of this Agreement with respect to each issuance of Debt during the term of this Agreement shall be calculated in accordance with the schedule set forth on Appendix A attached hereto. Unless specifically provided otherwise on Appendix A or in a separate written agreement between the Issuer and SPFI, such fees, together with any other fees as may have been mutually agreed upon and all expenses for which SPFI is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt to the purchaser.

SECTION VI

MISCELLANEOUS

1. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas. Proper venue for any legal action arising out of this Agreement shall be Lubbock County, Texas.

2. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and SPFI, their respective heirs, executors, personal representatives, successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.
3. Anti-Boycott Verification. SPFI represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, neither SPFI, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the SPFI (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.
4. Entire Agreement. This instrument contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto.

Specialized Public Finance Inc.

By: VINCE VIAILLE
Managing Director

Town of Ransom Canyon, Texas

By: _____

Title: _____

Date: _____

The Issuer acknowledges that the decision to engage SPFI was reached based solely upon the expertise of SPFI to perform the duties outlined in this Agreement. The Issuer further acknowledges that no non-public information was relied upon in the decision to engage SPFI.

APPENDIX A

Base Fee, any issue:	\$20,000			
plus \$8.00	per \$1,000	for the next	\$ 5,000,000	of funds received by applicant
plus \$6.00	per \$1,000	for the next	\$ 5,000,000	of funds received by applicant
plus \$5.00	per \$1,000	for the next	\$ 5,000,000	of funds received by applicant
plus \$2.00	per \$1,000	thereafter		

State funding programs requiring multiple closings shall be subject to a \$250.00 installment closing fee, which shall apply to each revision to the original debt service schedule.

The charges for ancillary services, including computer structuring and official statement printing, shall be levied only for those services which are reasonably necessary in completing the transaction and which are reasonable in amount, unless such charges were incurred at the specified direction of the Issuer.

The payment of charges for financial advisory services in Section I of the foregoing Agreement shall be contingent upon the delivery of bonds and shall be due at the time that bonds are delivered. The payment of charges for services described in Section II of the foregoing Agreement shall be due and payable in accordance with the mutual agreement therefor between SPFI and the Issuer.

The Issuer shall be responsible for the following expenses, if and when applicable:

Bond counsel
Bond ratings
Computer structuring
Continuing Disclosure, as per Section II
Credit enhancement
Verification agent
Official statement preparation
Official statement printing
Paying agent/registrar/trustee
Travel related expenses
Underwriter and underwriters' counsel
Delivery, copy, conference call charges and other miscellaneous charges

The payment of reimbursable expenses that SPFI has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by SPFI.

AGENDA ITEM #8:
Declaration of Disaster

**TOWN OF RANSOM CANYON, TEXAS
FIFTH MAYORAL DECLARATION OF LOCAL STATE OF DISASTER
DUE TO PUBLIC HEALTH EMERGENCY**

WHEREAS, beginning in December 2019, a novel coronavirus, now designated SARS-CoV2 which causes the disease COVID-19, has been declared a global pandemic by the World Health Organization; and

WHEREAS, the symptoms of COVID-19 can range from mild to severe illness and cause further complications including death; and

WHEREAS, COVID-19 virus mainly spreads between people who are in close contact with one another through respiratory droplets produced when an infected person coughs or sneezes; and

WHEREAS, on March 13, 2020, the Governor of the State of Texas issued a proclamation certifying that COVID-19 poses an imminent threat of disaster in the state and declaring a state of disaster for all counties in Texas; and

WHEREAS, the Town of Ransom Canyon, Texas, is taking extraordinary measures to prevent the spread of this potentially devastating disease in our community; and

WHEREAS, said state of disaster requires that certain emergency protective measures be taken pursuant to the Texas Disaster Act of 1975 relating to Emergency Management and Public Health, pursuant to Chapter 418 of the Texas Government Code; and

WHEREAS, on March 22, 2020, the Governor advised that all Texans should remain at home as much as possible unless they have a pressing need to leave home to go to work at an essential job, to go to the doctor or a healthcare facility, or to go the grocery or a gas station; and

WHEREAS, the Mayor of Ransom Canyon, Texas has amended its fourth declaration of May 1, 2020 to include directives by the Governor of the State of Texas and additional protocols for the Town.

NOW THEREFORE, BE IT PROCLAIMED BY THE MAYOR OF THE TOWN OF RANSOM CANYON, TEXAS:

SECTION 1. That a local state of disaster for public health emergency is hereby declared for the Town of Ransom Canyon, Texas, pursuant to Section 418.108(a) of the Texas Government Code.

SECTION 2. That pursuant to Section 418.108(b) of the Texas Government Code the state of disaster for public health emergency shall continue for a period of not more than seven (7) days from the date of this declaration, unless continued or renewed by the City Council of the Town of Ransom Canyon, Texas.

SECTION 3. That pursuant to Section 418.108(c) of the Texas Government Code this declaration of a local state of disaster for public health emergency shall be given prompt and general publicity and shall be filed promptly with the City Secretary.

SECTION 4. That pursuant to Section 418.108(d) of the Texas Government Code, this declaration of a local state of disaster activates the Town of Ransom Canyon, Texas, emergency management plan, and authorizes the furnishing of aid and assistance under the declaration.

SECTION 5. That this declaration authorizes the Town to take any actions necessary to promote health and suppress the virus, including the quarantine of persons and occupied structures, examining hospital access,

regulating ingress and egress from the Town, regulating ingress and egress to occupied structures, emergency locations, and insuring compliance for those who do not comply with the Town's rules, pursuant to Section 122.006 of the Health and Safety Code.

SECTION 6. That this declaration hereby limits the size of gatherings to not more than ten (10) people and mandates the cancellation of all such gatherings until further notice. A "gathering" refers generally to a scheduled event or common endeavor where ten (10) persons are present in a confined space, room, or area.

SECTION 7. Pursuant to the Texas Health and Safety Code, Section 122.006, any individual adult or child having traveled to another country outside of the United States borders or has traveled via cruise ship, within the ten (10) days prior to this declaration and returning to Ransom Canyon, Texas, shall be quarantined at home for fourteen (14) days from the date of return to Ransom Canyon

SECTION 8. In accordance with Texas Government Code §418.173, a person who knowingly or intentionally violates this declaration commits an offense, punishable by a fine up to \$1,000.00 or confinement in jail for a term that does not exceed 180 days.

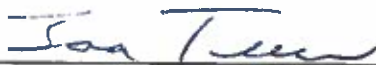
SECTION 9. That this declaration hereby authorizes the use of all lawfully available enforcement tools.

SECTION 10. That this declaration shall take effect immediately from and after its issuance and will remain in effect until further notice.

SECTION 11. Beginning May 1, 2020, the Town of Ransom Canyon Children's Library will be open for curbside service only and the church, with guidance for houses of worship during the COVID-19 crisis provided by the Attorney General, and local city hall can allow occupancy of no more than 25 percent with individuals taking precautionary measures to protect the most vulnerable populations by practicing social distancing and wearing masks when necessary.

SECTION 12. Beginning May 8, 2020, the Town of Ransom Canyon can host funerals, memorials, burials, weddings, and wedding receptions at the church following house of worship guidelines provided by the Texas Attorney General. The Town can host weddings and wedding receptions at the Ranch House with no more than 25% occupancy, while using specific guidance established by the State of Texas; provided, however, that occupancy limits do not apply to the outdoor wedding receptions.

DECLARED this 8th day of May, 2020.



Mayor
Town of Ransom Canyon, Texas

AGENDA ITEM 9:
Designating Signatories

RESOLUTION 051220 AUTHORIZING SIGNATORIES

A RESOLUTION BY THE CITY COUNCIL OF THE TOWN OF RANSOM CANYON, TEXAS DESIGNATING AUTHORIZED SIGNATORIES FOR CITY BANK ACCOUNTS AT CENTENNIAL BANK

WHEREAS, it is necessary to appoint persons to execute financial transactions in the event that the City transactions at Centennial Bank for the Town of Ransom Canyon and;

WHEREAS, the Town of Ransom Canyon, Texas acknowledges that in the event that an authorized signatory of the Town changes (elections, illness, resignations, etc.), the Town must provide Centennial with the following:

NOW THEREFORE, BE IT RESOLVED BY THE TOWN OF RANSOM CANYON, TEXAS, AS FOLLOWS:

The following individual will be authorized to sign checks:

Ron McWilliams, Alderman

The following individual will be removed from authorization to sign checks:

Chip Armstrong, Alderman

PASSED AND APPROVED BY (THE CITY COUNCIL OF THE TOWN OF RANSOM CANYON, TEXAS OF LUBBOCK, TEXAS on May 12, 2020.

Name, (MAYOR)

Attest:

Name, (CITY SECRETARY)