

THE STATE OF TEXAS
COUNTY OF HIDALGO

CONTRACT FOR SERVICES

C-CAP-07-005-00-00

THIS AGREEMENT is made effective the ____ day of _____, 2007 by and between the
**HIDALGO COUNTY , TEXAS, (“County”) PRECINT #1 and PROFESSIONAL SERVICE
INDUSTRIES, INC.,** a Delaware Corporation. (“Laboratory”)

WITNESSETH:

WHEREAS, part of the responsibilities vested in the County pursuant to required
“Construction Materials Testing-Colonia Access Program Projects”; and

WHEREAS, County has determined that the services of professional engineers are
sometimes necessary to carry out the required services; and

WHEREAS, pursuant to Article 664-4, “ The Professional Service Act,” Texas Government
Code, the County requested proposals from professional engineers to assist the County by providing
material testing services; and

WHEREAS, the County has selected the Laboratory to provide construction materials
testing services within the County of Hidalgo, Texas.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein
contained, County and Laboratory do mutually agree as follows:

1. **Scope of Services.** Laboratory agrees to provide to County the services shown in Exhibit "A" attached hereto and entitled "Services to be Provided by the Laboratory." The County will provide to Laboratory the services described in exhibit "B", "Services to be Provided by County."

2. **Term.** This Contract becomes effective when fully executed by both parties and will terminate on June 31, 2008 unless sooner terminated as provided herein. The Laboratory will not begin to work or incur costs until authorized in writing by the County for each work order.

3. **Compensation.** The maximum amount payable under this Contract shall not exceed the amount for each work order unless an amendment is executed as provided hereinafter. The Laboratory is authorized to submit periodic requests for payment within thirty days after completion of each work order. The request for payment shall be made using forms acceptable to the County and shall show the total amount earned to the date of submission and the amount due and payable as of the date of the current billing. Upon receipt of said request for payment, County shall submit a requisition for payment of said services in the customary manner provided for payments utilized by Hidalgo County, Texas. Laboratory agrees to separately account for the receipt and/or expenditure of funds received pursuant to this Contract and to keep adequate books and records of all such receipts and/or expenditures. All payments to Laboratory shall be mailed to the address shown in numbered paragraph 21 hereof.

4. **Progress.** Upon acceptance of a work order, the Laboratory shall undertake and complete the authorized work. The County or the Laboratory can request conferences to be provided at the Laboratory's office, the office of the County, or at other agreed upon locations.

5. **Inspection of Work.** The County has the right at all reasonable times to inspect or otherwise evaluate the work performed hereunder and the premises in which it is being performed.

If any inspection or evaluation is made on the premises of the Laboratory, or a subcontractor, the Laboratory shall provide and require its subcontractor to provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay their work.

6. **Amendments.** If it becomes necessary at any time during the contract period to change the scope of work, the contract period, the maximum amount payable, the complexity, or the character of this contract, an amendment must be prepared and executed within the contract period. The County retains the right to reject any such amendment proposed by the Laboratory unless the County finds the proposed amendment necessary to complete the work authorized herein. Any such amendments shall be made in writing, agreed to by all parties hereto, and duly executed before the end of the contract as specified.

If the County finds it necessary to require changes in completed work because of errors made by the Laboratory, the County shall require the Laboratory to correct the work at no cost to the County and without amendment to the contract. If the changes are made at the request of the County and are not due to errors of the Laboratory, the County will reimburse the Laboratory for the additional work at the same rate of pay established in Exhibit "C," "Basis for Payment." If payment for the additional work will cause the maximum amount payable to be executed, an amendment shall be executed in accordance with the terms of this provision.

7. **Reporting.** The Laboratory shall promptly advise the County in writing of events which have a significant impact upon the contract, including:

1. Problems, delays, or adverse conditions which will materially affect the ability to meet time schedules and goals, or preclude the attainment of project work units

by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated and any County or, if Federal Funds are involved, Federal assistance needed to resolve the situation.

2. Favorable developments or events which enable meeting time schedules and goals sooner than anticipated or producing more work units than originally projected.

8. **Ownership of Documents.** Upon completion or termination of this contract, all documents prepared by the Laboratory or furnished to the Laboratory by the County shall be delivered to and become the property of the County. All sketches, photographs, calculations, and other data prepared under this contract shall be made available, upon request, to the County without restriction or limitation on their further use. The Laboratory may, at its own expense, have copies made of the documents or any other data furnished to the County under this contract.

9. **Independent Contractor.** Laboratory must comply with all applicable Hidalgo County policies and with any applicable federal, state or local laws, regulations, orders or ordinances applicable to the services provided by Laboratory under this Contract. Notwithstanding the foregoing sentence, Laboratory represents and maintains that is an independent contractor and is not an employee of Hidalgo County, Texas or any agency thereof, and represents and warrants that it does not desire or request any fringe benefits provided to employees of Hidalgo County, Texas, and/or any agency thereof, including, but not limited to benefits associated with Hidalgo County's civil service program. Laboratory agrees to be responsible for any federal income tax, withholding or social security tax liability that might arise from payments received hereunder.

10. **Voluntary Termination.** Laboratory and County agree that either party may terminate this Contract at any time for any reason or no reason at all upon giving of thirty (30) day prior written notice to other party.

11. **Insurance.** Laboratory agrees to provide liability insurance covering its activities in providing the services for County in an amount not less than the minimum amounts prescribed by the Texas Tort Claims Act, § 100.001, et seq., Texas Civil Practices and remedies Code, and shall furnish Department a certificate issued by the insurer that such insurance is in full force and effect.

12. **No Assignment.** Except as otherwise herein provided, Laboratory may not assign the obligations or rights under this contract to any person without the prior written consent of County.

13. **Termination Date.** Unless earlier terminated as herein provided, this Contract shall terminate on June 31, 2008.

14. **Conflict.** Nothing in this Contract shall be constructed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Contract and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Contract shall be modified only to the extent necessary to bring them the legal requirements and only during the time such conflict exists.

15. **Termination by County.** If Laboratory fails to deliver quality service, fails to achieve the defined goals, outcomes, strategies and outputs set by County, or if Laboratory fails to comply with any conditions in this Contract, then County shall have the right to terminate this Contract upon the giving of ten (10) days prior written notice to Laboratory.

16. **No Waiver.** No waiver by County of any breach of any provision of this Contract shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

17. **Entire Agreement.** This Contract contains the entire agreement between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Contract not specifically set forth herein. This Contract may be modified or amended only by agreement in writing executed by County and Laboratory, and not otherwise.

18. **Venue.** This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

19. **Hold Harmless.** In the event Laboratory should cause, either directly or indirectly, damage, loss, destruction, liability, or claims against the other party as a result of intentional conduct, negligence or otherwise, Laboratory shall hold harmless and indemnify County from any and all obligations, liabilities, cause of action, lawsuits, damages, and assessments, including legal fees, etc., that from the Laboratory's intentional actions or negligence. This indemnification clause shall survive this Contract and be enforceable as a separate agreement in the event its survival and enforcement becomes necessary.

20. **Attorney's Fees.** In the unlikely event that a dispute occurs which is litigated or arbitrated, or a cause of action in law or equity is filed concerning the operation, construction, interpretation, or enforcement of this Contract, the losing party shall bear the cost of the attorney's fees incurred by the prevailing party and any and all costs applicable thereto, including, but not

limited to, court costs, deposition fees, expert witness fees, out-of-pocket expenses and travel expenses which are incurred by the prevailing party.

21. **Notices.** Except as may be otherwise specifically provided in this Contract, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by a registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to County: County of Hidalgo
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

If to Laboratory: Professional Service Industries, Inc.
2020 North Loop 499 Suit 302
Harlingen, Texas 78550

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addresses or, if mailed at such time as it is deposited in the United States mail.

22. **Executions of Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Contract.

23. **Binding Contract.** This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this contract.

24. **Gender.** All pronouns used in this Contract shall include the other gender, whether used in the masculine, feminine or neutral gender, and the singular shall include the plural whenever and as often as may be appropriate.

25. **Authority.** The execution and performance of this Contract by County and Laboratory have been duly authorized by all necessary laws, resolutions or corporate action, and this Contract constitutes the valid and enforceable obligations of County and Laboratory in accordance with its terms.

26. **Laboratory's Seal.** All documents and data furnished by the Laboratory to the County shall bear the Engineer's professional seal.

EXECUTED as of the day and year first written above.

COUNTY:

COUNTY OF HIDALGO, TEXAS

By: _____
Juan D. Salinas III, County Judge

Laboratory: Professional Service Industries, Inc.

By: _____

Printed Name _____

Title: _____

ATTEST:

Arturo Guajardo Jr., County Clerk

Approved on Commissioners' Court _____ / _____ / 2007

APPROVED AS TO FORM:

Atlas & Hall, L.L.P.

By: _____

EXHIBIT "A"
Services to be Provided by Laboratory

The services to be provided by the LABORATORY in providing geotechnical engineering services, construction materials testing services, construction observation services and environmental services for the Hidalgo County Colonia Access Program - Precinct # 1 –Projects is as follows:

A. Preliminary Phase:

- 1) Attend preliminary conferences with the OWNER and, if requested, with the funding agency and other government agencies or interested parties regarding the Project.
- 2) Provide for the necessary geotechnical investigation and testing necessary to develop design.
- 3) Provide environmental studies as may be necessary to complete a project.
- 4) Provide assistance to the OWNER in providing material requirements and specifications for design, construction and maintenance projects.
- 5) Provide assistance to the OWNER in providing pavement design recommendations for the design, construction and maintenance projects.
- 6) Provide assistance to the OWNER in providing pavement rehabilitation recommendations for the design, and maintenance projects.
- 7) Provide assistance to the OWNER in providing pavement condition studies.

B. Design Phase:

- 1) Attend the OWNER'S and respective Party's meeting as requested for the purpose of explaining geotechnical investigation report recommendations and preliminary testing results and their impact to proposed design activities.
- 2) Perform any additional geotechnical investigations, testing and environmental studies necessary to collect information required in the design of the Project.
- 3) Provide assistance to the OWNER in providing material requirements and specifications for design, construction and maintenance projects.
- 4) Provide assistance to the OWNER in providing pavement design recommendations for the design, construction and maintenance projects.
- 5) Provide assistance to the OWNER in providing pavement rehabilitation recommendation for the design, construction and maintenance projects.
- 6) Provide assistance to the OWNER in providing pavement condition studies.
- 7) Furnish the OWNER all necessary report for preliminary design, design, and construction and maintenance projects.

C. Construction/Maintenance Phase:

- 1) Attend the OWNER'S and respective Party's pre-construction and construction meetings as requested for the purpose of explaining geotechnical investigation report recommendation and preliminary testing results and their impact to proposed construction activities and establish coordination and lines of communication for proposed construction materials testing during construction activities.
- 2) Consult and advise with the OWNER during construction.
- 3) Provide construction materials testing for construction and maintenance project as required by the project plans and specifications and/or specified by the project design engineer.
- 4) Review all material designs as requested by the OWNER and/or project design engineer.
- 5) Furnish the OWNER all necessary reports for construction and maintenance projects.
- 6) Provide construction observation services as requested by the OWNER on construction and maintenance projects.

D. Miscellaneous/Other

- 1) Act for Owner in professional manner, using that degree of care and skill ordinarily exercised by and consistent with the standards of the profession.
- 2) Perform all technical services under the general direction of a Licensed Professional Engineer in the State of Texas and in substantial accordance with the basic requirements of the appropriate Standards of the American Society for Testing and Materials, where applicable, or other standards designated by County.
- 3) Employ testing machines which have been calibrated within a period not exceeding twelve (12) months from the time of use by devices of accuracy traceable to the National Institute for Standards and Technology (NIST) of the United States Department of Commerce, and, upon request, submit to the OWNER or its authorized representative documentation of such calibration.
- 4) Promptly submit formal construction materials testing reports for all tests, observations and services performed indicating where applicable, compliance with OWNER specifications or other documents. Such reports shall be completed and factual, citing the tests performed, methods employed, values obtained, parts of the structure and location at which tests were made.
- 5) The plans and specifications prepared under this Agreement shall become the property of the OWNER upon completion of the work and payment in full of all monies due to the Laboratory.
- 6) Retain all pertinent records relating to the services performed for a period of five (5) years following submission of all reports, during which period the records will be made available to the Owner within a reasonable time.

NOTE: Change in and/or additional services to Scope will require prior approval from Owner prior to undertaking.

Exhibit "B"

Services to be Provided by County

The following provides an outline of the services to be provided by the Owner in the development of Projects (as defined and more particularly identified in Exhibit "A" attached to this Agreement).

General

The Owner will provide to the Laboratory the following:

- 1) Provide the authorization to proceed with services through coordination with the project consulting and design Engineer.
- 2) Payment for work performed by the Laboratory and accepted by the Owner in accordance with Article 3 of this Agreement.
- 3) Assistance to the Laboratory, as necessary, to obtain the required data and information from other local, regional, State and Federal agencies the Engineer cannot easily obtain.
- 4) Provide any available relevant data the Owner may have on file concerning the projects.
- 5) Provide timely review and decisions in response to the Laboratory's request for information and/or required submittals and deliverables, in order for the Laboratory to maintain the agreed upon work schedule prepared in accordance with Exhibit "A" attached to this Agreement.
- 6) Attend and participate in progress meetings as required and as coordinated and conducted by Laboratory.
- 7) Provide the authorization to proceed with services on project by project basis through consulting design and construction engineer.



February 6, 2007

Hidalgo County Purchasing Department
100 E. Cano 4th Floor
Edinburg, Texas 78539

Attn: Mrs. Laura L. Renteria-Moya

Re: Construction Materials Testing
Colonia Access program Projects
Hidalgo County Texas

Dear Mrs. Laura L. Renteria-Moya:

Professional Service Industries, Inc. (PSI) is pleased to provide the following Schedule of Services and Fees for Construction Materials Testing for **Construction Materials Testing-Colonia Access program Projects in Hidalgo County**, Texas. PSI proposes to provide experienced technical personnel to perform the testing as per your request.

We propose to provide experienced technical personnel to perform the necessary testing and inspection services in general accordance with the project specifications. It is proposed that the fees for the performance of inspection services on this project be determined on a unit price basis. All work will be performed in accordance with the Schedule of Services and Fees and PSI General Conditions, which are enclosed and incorporated into this proposal. Estimates on page 4 of 6 are based on those tests itemized only. Final billing is determined by actual technical time expended and laboratory tests performed.

PSI will proceed with the work on the basis of verbal authorization; however, please sign and return one (1) copy of this proposal intact. When returning the proposal, please complete the attached Project Data Sheet so that your file can be properly established. Please provide a set of plans and specifications for this project.

CONTRACTUAL AGREEMENTS

The following qualifications to our proposal and scope of services apply unless otherwise addressed in the proposal.

1. Unit prices are in effect for 12 months from the date of this proposal and are subject to change without notice thereafter.
1. Our scope of services includes the total maximum number of unit projects. Testing in excess of this amount will be billed in accordance with the applicable unit rates.
2. Overtime rates will be applicable for services performed in excess of eight (8) hours per day Monday through Friday and for all hours worked on Saturdays, Sundays and holidays. The overtime rate will be 1.5 times the applicable hourly rate.
3. Rates involving mileage (including transportation, mobilization and trip charges) are subject to change based upon increases in the national average gasoline price.
4. A minimum of three (3) densities and/or one (1) set of cylinders will be completed during each request for these services.
5. Scheduling or cancellation of field testing and observation services is required no less than the working prior to the date the services are to be performed. Services cancelled without advance notice will be assessed a minimum 2 hour charge.
6. A charge that approximates 10 percent of the monthly invoice amount will be billed to schedule and supervise personnel and evaluate and review reports.
7. Retaining will not be held for our services.
8. Services and fees not listed on this schedule may be quoted on request.



PROFESSIONAL SERVICE INDUSTRIES, INC.
SCHEDULE OF SERVICES & FEES
Standard Rate Sheet
August 2007

Laboratory Testing Services

Laboratory compression testing of concrete cylinders delivered to our laboratory in accordance with ASTM procedures and project specifications.

- a. Testing and reporting (Minimum 4 cylinders) Each \$12.00
- b. Reserves not tested..... Each \$8.00

Flexural Testing of beams delivered to our laboratory in accordance with ASTM procedures and project specifications Each \$28.00

Moisture density relationship of soil

- a. ASTM D-698 (Standard Proctor) Each \$135.00
- b. ASTM D-1557 (Modified Proctor) Each \$140.00

Atterberg limits determination..... Each \$60.00

Grain size analysis, mechanical Each \$60.00

Percent passing #200 sieve Each \$45.00

Asphaltic concrete testing

- a. Molding specimens (3 specimens)..... Per Set \$60.00
- b. Density (3 specimens)..... Per Set \$60.00
- c. Monitor Asphalt Placement..... Per Hour \$35.00
- d. Extraction and gradation..... Each \$120.00
- e. Asphalt core..... Each \$35.00
- f. Asphalt Lab Density..... Each \$25.00
- g. Theoretical..... Each \$55.00

Field Testing Services

Engineering Technician to perform:

- a. Concrete batch plant inspection
 - b. Concrete field inspection & molding concrete cylinders
 - c. Concrete pipe or precast plant inspection
 - d. Field observation & testing of fill operations
- Engineering Technician (minimum 2 hours)..... Per Hour \$30.00
Overtime Per Hour \$45.00

PSI Field Testing Services, continued...

Senior Engineering Technician to perform:

- a. Asphalt batch plant inspection
 - b. Soil-cement or lime stabilization inspection
 - c. Structural steel & visual welding inspection
 - d. Post Tension Cable Inspection
 - e. Drilled pier and/or pile installation inspection
- | | | |
|---|----------|---------|
| Senior Engineering Technician (minimum 2 hours) | Per Hour | \$40.00 |
| Overtime | Per Hour | \$55.00 |

In-Place Nuclear Density Tests (Minimum 3 per trip)..... Each \$30.00

Trip Charges:

- a. Within 5 mile radius of laboratory..... Per Trip -0-
- b. Over 5 miles from laboratory..... Per Trip \$60.00

Engineering Services

Engineering services for test evaluation, contract administration, supervision of laboratory and field personnel and consultation

- a. Principal of Firm
 - b. Project Senior Engineer.....
 - c. Staff Engineer.....
 - d. Project Manager.....
 - e. Report Review
- | | | |
|-------|----------|----------|
| | Per Hour | \$200.00 |
| | Per Hour | \$150.00 |
| | Per Hour | \$125.00 |
| | Per Hour | \$65.00 |
| | Per Hour | \$55.00 |

Remarks

Services and fees not listed above will be quoted on request.

Overtime rates will be applicable for any hours worked exclusive of 8:00 a.m. to 5:00 p.m. Monday through Friday and for all hours worked on Saturdays, Sundays, or holidays.

PROFESSIONAL SERVICE INDUSTRIES, INC.
PROJECT DATA SHEET
CONSTRUCTION MATERIALS TESTING AND INSPECTION SERVICES

1. Project Name: _____
2. Project Location: _____
3. Your Job No.: _____ Purchase Order No.: _____
4. Project Manager: _____ Telephone No.: _____
5. Number and Distribution of Reports:

<input type="checkbox"/> Copies To: _____ _____ _____	<input type="checkbox"/> Copies To: _____ _____ _____
Attn: _____	Attn: _____

<input type="checkbox"/> Copies To: _____ _____ _____	<input type="checkbox"/> Copies To: _____ _____ _____
Attn: _____	Attn: _____
6. Invoicing Address: _____
Attn: _____



GENERAL CONDITIONS

1. **PARTIES AND SCOPE OF WORK:** Professional Service Industries Inc. (hereinafter referred to as "PSI") shall include said company or its particular division, subsidiary or affiliate performing the work. "Work" means the specific geotechnical, analytical, testing or other service to be performed by PSI as set forth in PSI's proposal, Client's acceptance thereof and these General Conditions. Additional work ordered by Client shall also be subject to these General Conditions. "Client" refers to the person or business entity ordering the work to be done by PSI. If Client is ordering the work on behalf of another, Client represents and warrants that it is the duly authorized agent of said party for the purpose of ordering and directing said work. Unless otherwise stated in writing, Client assumes sole responsibility for determining whether the quantity and the nature of the work ordered by the client is adequate and sufficient for Client's intended purpose. Client shall communicate these General Conditions to each and every third party to whom Client transmits any part of PSI's work. PSI shall have no duty or obligation to any third party greater than that set forth in PSI's proposal, Client's acceptance thereof and these General Conditions. The ordering of work from PSI, or the reliance on any of PSI's work, shall constitute acceptance of the terms of PSI's proposal at these General Conditions, regardless of the terms of any subsequently issued document.
2. **TESTS AND INSPECTIONS:** Client shall cause all tests and inspections of the site, materials and work performed by PSI or others to be timely and properly performed in accordance with the plans, specifications and contract documents and PSI's recommendations. No claims for loss, damage or injury shall be brought against PSI by Client or any third party unless all tests and inspections have been so performed and unless PSI's recommendations have been followed. Client agrees to indemnify, defend and hold PSI, its officers, employees and agents harmless from any and all claims, suits, losses, costs and expenses, including, but not limited to, court costs and reasonable attorney's fees in the event that all such tests and inspections are not so performed or PSI's recommendations are not so followed except to the extent that such failure is the result of the negligence, willful or wanton act or omission of PSI, its officers, agents or employees, subject to the limitation contained in paragraph 9.
3. **SCHEDULING OF WORK:** The services set forth in PSI's proposal and Client's acceptance will be accomplished in a timely, workmanlike and professional manner by PSI personnel at the price quoted. If PSI is required to delay commencement of the work or if, upon embarking upon its work, PSI is required to stop or interrupt the progress of its work as a result of changes in the scope of the work requested by Client, to fulfill the requirements of third parties, interruptions in the progress of construction, or other causes beyond the direct reasonable control of PSI, additional charges will be applicable and payable by Client.
4. **ACCESS TO SITE:** Client will arrange and provide such access to the site as is necessary for PSI to perform the work. PSI shall take reasonable measures and precautions to minimize damage to the site and any improvements located thereon as the result of its work or the use of its equipment; however, PSI has not included in its fee the cost of restoration of damage which may occur. If Client desires or requires PSI to restore the site to its former condition, upon written request PSI will perform such additional work as is necessary to do so and Client agrees to pay to PSI for the cost.
5. **CLIENT'S DUTY TO NOTIFY ENGINEER:** Client represents and warrants that it has advised PSI of any known or suspected hazardous materials, utility lines and pollutants at any site at which PSI is to do work hereunder, and unless PSI has assumed in writing the responsibility of locating subsurface objects, structures, lines or conduits, Client agrees to defend, indemnify and save PSI harmless from all claims, suits, losses, costs and expenses, including reasonable attorney's fees as a result of personal injury, death or property damage occurring with respect to PSI's performance of its work and resulting to or caused by contact with subsurface or latent objects, structures, lines or conduits where the actual or potential presence and location thereof were not revealed to PSI by Client.
6. **RESPONSIBILITY:** PSI's work shall not include determining, supervising or implementing the means, methods, techniques, sequences or procedures of construction. PSI shall not be responsible for evaluating, reporting or affecting job conditions concerning health, safety or welfare. PSI's work or failure to perform same shall not in any way excuse any contractor, subcontractor or supplier from performance of its work in accordance with the contract documents. PSI has no right or duty to stop the contractor's work.
7. **SAMPLE DISPOSAL:** Unless otherwise agreed in writing, test specimens or samples will be disposed immediately upon completion of the test. All drilling samples or specimens will be disposed sixty (60) days after submission of PSI's report.
8. **PAYMENT:** Client shall be invoiced once each month for work performed during the preceding period. Client agrees to pay each invoice within thirty (30) days of its receipt. Client further agrees to pay interest on all amounts invoiced and not paid or objected to for valid cause in writing within said thirty (30) day period at the rate of eighteen (18) percent per annum (or the maximum interest rate permitted under applicable law), until paid. Client agrees to pay PSI's cost of collection of all amounts due and unpaid after sixty (60) days, including court costs and reasonable attorney's fees. PSI shall not be bound by any provision or agreement requiring or providing for arbitration of disputes or controversies arising out of this agreement, any provision wherein PSI waives an rights to a mechanics' lien, or any provision conditioning PSI's right to receive payment for its work upon payment to Client by any third party. These General Conditions are notice, where required that PSI shall file a lien whenever necessary to collect past due amounts. Failure to make payment within 30 days of invoice shall constitute a release of PSI from any and all claims which Client may have, whether in tort, contract or otherwise, and whether known or unknown at the time.
9. **WARRANTY:** PSI'S SERVICES WILL BE PERFORMED, ITS FINDINGS OBTAINED AND ITS REPORTS PREPARED IN ACCORDANCE WITH ITS PROPOSAL, CLIENT'S ACCEPTANCE THEREOF, THESE GENERAL CONDITIONS, AND WITH GENERALLY ACCEPTED PRINCIPLES AND PRACTICES. IN PERFORMING ITS PROFESSIONAL SERVICES, PSI WILL USE THAT DEGREE OF CARE AND SKILL ORDINARILY EXERCISED UNDER SIMILAR CIRCUMSTANCES BY MEMBERS OF ITS PROFESSION. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED. STATEMENTS MADE IN PSI REPORTS ARE OPINIONS BASED UPON ENGINEERING JUDGMENT AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACT. SHOULD PSI OR ANY OF ITS PROFESSIONAL EMPLOYEES BE FOUND TO HAVE BEEN NEGLIGENT IN THE PERFORMANCE OF ITS WORK, OR TO HAVE MADE AND BREACHED ANY EXPRESS OR IMPLIED WARRANTY, REPRESENTATION OR CONTRACT, CLIENT, ALL PARTIES CLAIMING THROUGH CLIENT AND ALL PARTIES CLAIMING TO HAVE IN ANY WAY RELIED UPON PSI'S WORK AGREE THAT THE MAXIMUM AGGREGATE AMOUNT OF THE LIABILITY OF PSI, ITS OFFICERS, EMPLOYEES AND AGENTS SHALL BE LIMITED TO \$25,000.00 OR THE TOTAL AMOUNT OF THE FEE PAID TO PSI FOR ITS WORK PERFORMED WITH RESPECT TO THE PROJECT, WHICHEVER AMOUNT IS GREATER. IN THE EVENT CLIENT IS UNWILLING OR UNABLE TO LIMIT PSI'S LIABILITY IN ACCORDANCE WITH THE PROVISIONS SET FORTH IN THIS PARAGRAPH, CLIENT MAY, UPON WRITTEN REQUEST OF CLIENT RECEIVED WITHIN FIVE DAYS OF CLIENT'S ACCEPTANCE HEREOF, INCREASE THE LIMIT OF PSI'S LIABILITY TO \$250,000.00 OR THE AMOUNT OF PSI'S FEE, WHICHEVER IS THE GREATER, BY AGREEING TO PAY PSI A SUM EQUIVALENT TO AN ADDITIONAL AMOUNT OF 5% OF THE TOTAL FEE TO BE CHARGED FOR PSI'S SERVICES. THIS CHARGE IS NOT TO BE CONSTRUED AS BEING A CHARGE FOR INSURANCE OF ANY TYPE, BUT IS INCREASED CONSIDERATION FOR THE GREATER LIABILITY INVOLVED. IN ANY EVENT, ATTORNEY'S FEES EXPENDED BY PSI IN CONNECTION WITH ANY CLAIM SHALL REDUCE THE AMOUNT AVAILABLE, AND ONLY ONE SUCH AMOUNT WILL APPLY TO ANY PROJECT.
10. **NO ACTION OR CLAIM, WHETHER IN TORT, CONTRACT, OR OTHERWISE, MAY BE BROUGHT AGAINST PSI, ARISING FROM OR RELATED TO PSI'S WORK, MORE THAN TWO YEARS AFTER THE CESSATION OF PSI'S WORK HEREUNDER.**
10. **INDEMNITY:** Subject to the foregoing limitations, PSI agrees to indemnify and hold Client harmless from and against any and all claims, suits, costs and expenses including reasonable attorney's fees and court costs arising out of PSI's negligence to the extent of PSI's negligence. Client shall provide the same protection to the extent of its negligence. In the event that Client or Client's principal shall bring any suit, cause of action, claim or counterclaim against PSI, the party initiating such action shall pay to PSI the costs and expenses incurred by PSI to investigate, answer and defend it, including reasonable attorney's and witness fees and court costs to the extent that PSI shall prevail in such suit.
11. **TERMINATION:** This Agreement may be terminated by either party upon seven days' prior written notice. In the event of termination, PSI shall be compensated by Client for all services performed up to and including the termination date, including reimbursable expenses, and for the completion of such services and records as are necessary to place PSI's files in order and/or protect its professional reputation.
12. **EMPLOYEES/WITNESS FEES:** PSI's employees shall not be retained as expert witnesses except by separate, written agreement. Client agrees to pay PSI's legal expenses, administrative costs and fees pursuant to PSI's then current fee schedule for PSI to respond to any subpoena. Client agrees not to hire PSI's employees except through PSI. In the event Client hires a PSI employee, Client shall pay PSI an amount equal to one-half of the employee's annualized salary, without PSI waiving other remedies it may have.
13. **HAZARDOUS MATERIALS:** Nothing contained within this agreement shall be construed or interpreted as requiring PSI to assume the status of an owner, operator, generator, storer, transporter, treater or disposal facility as those terms appear within RCRA or within any Federal or State statute or regulation governing the generation, transportation, treatment, storage and disposal of pollutants. Client assumes full responsibility for compliance with the provisions of RCRA and any other Federal or State statute or regulation governing the handling, treatment, storage and disposal of pollutants.
14. **PROVISIONS SEVERABLE:** The parties have entered into this agreement in good faith, and it is the specific intent of the parties that the terms of these General Conditions be enforced as written. In the event any of the provisions of these General Conditions should be found to be unenforceable, it shall be stricken and the remaining provisions shall be enforceable.
15. **ENTIRE AGREEMENT:** This agreement constitutes the entire understanding of the parties, and there are no representations, warranties or undertakings made other than as set forth herein. This agreement may be amended, modified or terminated only in writing, signed by each of the parties hereto.

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER

PRODUCER

Marsh USA Inc.
TWO LOGAN SQUARE
PHILADELPHIA, PA 19103
Attn: Contract.reviewcss@marsh.com/ 212-948-1308

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

- COMPANY
A ZURICH AMERICAN INS. CO.
- COMPANY
B
- COMPANY
C
- COMPANY
D

J19623-PSI-GAW-06-07

INSURED

PROFESSIONAL SERVICE INDUSTRIES, INC.
CORPORATE OFFICE
1901 S. MEYERS ROAD, SUITE 400
OAKBROOK TERRACE, IL 60181

COVERAGES

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	GLO 6580471-15	03/01/06	03/01/07	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> PROD/COMPLETED OPS				FIRE DAMAGE (Any one fire) \$ 1,000,000
	<input checked="" type="checkbox"/> CONTRACTUAL				MED EXP (Any one person) \$ 5,000
A	AUTOMOBILE LIABILITY	BAP 6580472-15 (AOS)	03/01/06	03/01/07	COMBINED SINGLE LIMIT \$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
	EXCESS LIABILITY				AGGREGATE \$
	<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC 6580421-15 (AOS)	03/01/06	03/01/07	<input checked="" type="checkbox"/> WC STATUTORY LIMITS OTH-ER
		WC 9302890-04 (MA, WI)	03/01/06	03/01/07	EL EACH ACCIDENT \$ 1,000,000
					EL DISEASE-POLICY LIMIT \$ 1,000,000
					EL DISEASE-EACH EMPLOYEE \$ 1,000,000
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input checked="" type="checkbox"/> INCL <input type="checkbox"/> EXCL				
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE

MARSH USA INC.

BY:

MM1(3/02)

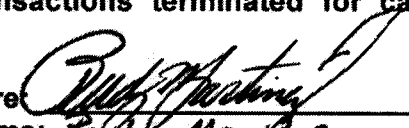
Mary Rudasinski

VALID AS OF:

**Certification
Regarding Debarment, Suspension and Ineligibility**

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;
- B. Have not within a three-year period preceding this bid proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and
- D. Have not within a three-year period preceding this bid proposal and/or application had one or more public transactions terminated for cause or default.

Signature: 
Print Name: Rudy Marshall
Title: Branch Manager
Telephone Number: (951) 423-6826
Date: 2-6-07

If the bidder is unable to certify to all of the statements in this Certification, such bidder should attach an explanation to this proposal.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity.

By law this questionnaire must be filed with the records administrator of the local government not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

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

OFFICE USE ONLY

Date Received

1 Name of person doing business with local governmental entity.

Rudy Martinez

2

Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3

Describe each affiliation or business relationship with an employee or contractor of the local governmental entity who makes recommendations to a local government officer of the local governmental entity with respect to expenditure of money.

None

4

Describe each affiliation or business relationship with a person who is a local government officer and who appoints or employs a local government officer of the local governmental entity that is the subject of this questionnaire.

None

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

FORM CIQ

Page 2

5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the answer to A, B, or C is YES.)

This section, item 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or business relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire?

Yes No

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity?

Yes No

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

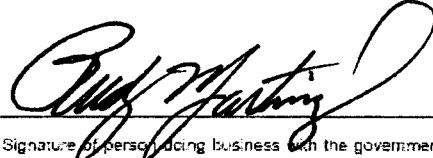
Yes No

D. Describe each affiliation or business relationship.

6 Describe any other affiliation or business relationship that might cause a conflict of interest.

none

7



Signature of person doing business with the governmental entity

2-7-07

Date