

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

AGREEMENT FOR GENERAL ENGINEERING SERVICES
Contract No. C-08-227-02-09

THIS AGREEMENT is made, by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner’s Court**, hereinafter called the "**Owner**", and **TEDSI Infrastructure Group, Inc.** professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

WITNESSETH:

WHEREAS, the **Owner** desires to contract with the **Engineer** to provide **General Engineering Services for Mile 6 West Road Improvements between SH 107 and Mile 9 North** for Hidalgo County Precinct Number One.

NOW, THEREFORE, the **Owner** and the **Engineer** in consideration of the mutual covenants and agreements herein contained do mutually agree as follows:

ARTICLE 1. Employment of Engineer. The **Owner** agrees to employ the **Engineer** and the **Engineer** agrees to perform general engineering, rights of way & field topographic services as stated in the articles to follow, and for having rendered such services, the **Owner** agrees to pay the **Engineer** compensation as stated in the articles to follow.

ARTICLE 2. Character and Extent of Services. This Agreement will provide for of the **Project** with the following:

2.1. Scope of Work. The **Owner** will furnish items and provide those services for the development of Work Authorizations and fulfillment of this Agreement, as identified in **EXHIBIT “A” -Services to be Provided by the Owner**, attached hereto and made a part of this Agreement. The **Engineer** shall render professional engineering services for the development of said Work Authorizations and fulfillment of this Agreement as identified in **EXHIBIT “B”-Services to be Provided by the Engineer**, attached hereto and made a part of this Agreement.

2.2 Classification of Services. For this Agreement, the professional services to be provided by the **Engineer**, as more particularly identified in **EXHIBIT “B”**, attached hereto.

2.3 Schedule of Work. The **Engineer** shall prepare a schedule of work (hereinafter referred to as “**Work Schedule**”) in accordance with the terms identified in **EXHIBIT “C”-Work Schedule**, attached hereto and made a part of this Agreement.

ARTICLE 3. Period of Service. Upon execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof.

3.1 Termination Date. This Agreement shall terminate at the completion of services as defined in Exhibit B, attached hereto. The **Owner** assumes no liability or obligation for payment to the **Engineer** for work performed or costs incurred by the **Engineer** prior to the date authorized by the **Owner** for the **Engineer** to begin work or during periods when work is suspended.

3.2 Suspension of Work. Should the **Owner** desire to suspend the work under this Agreement, but not terminate this Agreement, the **Owner** shall provide thirty (30) calendar days verbal notification to the **Engineer**, followed by written confirmation from the **Owner** to the **Engineer** to that effect. The thirty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**. The work under this Agreement may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from the **Owner** to the **Engineer**. The sixty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**.

3.3 Termination of Agreement. This Agreement may be terminated by any of the following conditions:

- (1) **Commitment of Current Revenues.** In the event that, during any term hereof, the **Owner** does not appropriate sufficient funds to meet to the obligations of this Agreement, the **Owner** may terminate this Agreement upon thirty (30) days written notice to the **Engineer**. The **Owner** agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of the **Owner** pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp.1995).
- (2) By mutual agreement and consent, in writing, of both the **Engineer** and the **Owner**.
- (3) By the **Owner**, upon failure of the **Engineer** to fulfill the **Engineer**'s obligations set forth herein in a satisfactory manner as determined by the **Owner** and in sole opinion of the **Owner**, after the **Owner** provides written notice to the **Engineer** of such failure and the **Engineer** has not corrected such failure within (30) days of such written notice by the **Owner**.
- (4) By the **Engineer**, upon failure of the **Owner** to fulfill the **Owner**'s obligations set forth herein, after the **Engineer** provides written notice to the **Owner** of such failure and the **Owner** has not corrected such failure within thirty (30) days of such written notice by the **Engineer**.
- (5) By the **Owner** without cause upon thirty (30) days written notice to the **Engineer**.
- (6) By satisfactory completion of all services and obligations described herein.

Should the **Owner** terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the **Engineer** notwithstanding anything herein to the contrary. In determining the value of the work performed by the **Engineer** prior to termination, the **Owner** shall be the sole judge of the value of such work performed. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the **Owner** terminate this Agreement under (5) of the paragraph above, the amount charged during the thirty (30) day notice period shall not exceed the amount charged during the preceding ninety (90) days.

If the termination of this Agreement is due to the failure of the **Engineer** to fulfill the **Engineer's** obligations under this Agreement, the **Owner** may take over the Work Authorization and prosecute the work to completion. In such case, the **Engineer** shall be liable to the **Owner** for any additional cost occasioned by the **Owner**.

If the **Engineer** defaults in the performance of this Agreement or if the **Owner** terminates this Agreement for fault on the part of the **Engineer**, the **Owner** will give consideration to payment of an amount in settlement to include: the actual costs incurred by the **Engineer** in performing the work to the date of default, the amount of work required which was satisfactorily completed to date of default, the value of the work which is usable to the **Owner**, the cost to the **Owner** of employing another consultant and/or firm to complete the work required and the time required to do so, and other factors which affect the value to the **Owner** of the work performed at the time of default. This Agreement shall not be considered as specifying the exclusive remedy for any default by the **Engineer**, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

The termination of the Agreement and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the **Owner** and the **Engineer** under this Agreement, except the obligations set forth in Articles 11.2, 12, 13, 15, 16, 17, 18.3, 19, 22, and 26, hereto.

ARTICLE 4. Progress and Coordination. The **Engineer** shall, from time to time during the progress of the work, confer with the **Owner**. The **Engineer** shall prepare and present such information as may be pertinent and necessary, or as may be requested by the **Owner**, in order to evaluate features of the **Engineer's** services and work.

At the request of the **Owner** or the **Engineer**, conferences shall be provided at the **Engineer's** office, the office of the **Owner**, or at other locations designated by the **Owner**. These conferences shall also include evaluation of the **Engineer's** services and work when requested by the **Owner**.

All applicable study reports shall be submitted in preliminary form for approval by the **Owner** before the final report is

issued. The **Owner's** comments regarding the **Engineer's** preliminary report will be addressed by the **Engineer** in the final report.

If funds by other agencies or entities are to be used for the development of the **Project** under this Agreement, the **Engineer's** services and work will be subject to periodic review and approval by other agencies or entities, including those of the city, county, state, and/or federal agencies.

Should it be determined that the progress in the production of the **Engineer's** services and work does not satisfy the requirements of the approved **Work Schedule** as provided by **EXHIBIT "C"**, attached hereto, the **Owner** shall review the approved **Work Schedule** with the **Engineer** to determine the corrective action needed by either the **Owner** or the **Engineer**.

The **Engineer** shall promptly advise the **Owner** in writing of events which have a significant impact upon the progress of the **Engineer's** services and work and the approved **Work Schedule**, including:

- (1) problems, delays, adverse conditions which will materially affect the ability to attain contract objectives, prevent the meeting of time schedules and goals, or preclude the timely completion and submittal of Work Authorization deliverables by the **Engineer** within established time periods; this disclosure will be accompanied by a statement by the **Engineer** of recommended or immediate action taken, or contemplated, and any **Owner** or other agency or entity assistance needed to resolve the situation; and
- (2) favorable developments or events which enable meeting the **Work Schedule** goals sooner than anticipated.

ARTICLE 5. Compensation and Fees. For and in consideration of the services to be rendered by the **Engineer**, the **Owner** shall compensate the **Engineer** as follows:

5.1 Services. For and in consideration of the *Services* to be rendered by the **Engineer**, as identified in Article 2 and more particularly identified in **EXHIBIT "B"**, attached hereto, the maximum amount payable by the **Owner** to the **Engineer** for *Services*, subject to adjustment in accordance with Article 6.1 herein, will be provided in each work authorization issued. Payments to the **Engineer** for *Services* shall be made by the **Owner**, upon presentation by the **Engineer** of the monthly **Request for Payment**, in accordance with the terms and provisions of Article 6 herein.

5.2 Special Services. Those services that may be required to be provided by the **Engineer** as *Special Services* are set forth below and more particularly described in **EXHIBIT "B"**, attached hereto. For and in consideration of these *Special Services* rendered as required by the **Engineer**, the **Owner** shall pay the **Engineer** a negotiated lump sum fee (hereinafter

referred to as “**Special Services Fee**”) at the hourly labor rates and non-labor rates (hereinafter referred to as “**Contract Rates**”) specified in **EXHIBIT “D”-Contract Rates**, attached hereto and made a part of this Agreement, and as follows:

- 1. RESIDENT OR SITE ENGINEER, INSPECTOR.** Actual performance of services of project site engineer, resident engineer and/or inspector, if required by **Owner**.
- 2. DOCUMENT COPIES.** Actual performance and / or providing of additional copies (over 3) of reports; additional copies (over 3) of plans (contract drawings), specifications, and estimates (PS&E); additional copies (over 3) of bidding documents; additional copies (over 3) of as-built drawings.
- 3. EXTRA TRAVEL.** Extra travel required of **Engineer** and authorized by **Owner** to points outside of Hidalgo County.
- 4. EXPERT WITNESS.** Assistance to the **Owner** as expert witness in any litigation with third parties, arising from the development or construction of the improvements provided in each Work Authorization.
- 5. MISCELLANEOUS.** Investigations involving detailed consideration of operation, maintenance and overhead expenses and (unless otherwise agreed) the preparation of rate schedules, earning and expense statements; preparation of feasibility studies; environmental document preparation; appraisals, valuations, and material audits; or inventories required for certification of force account construction performed by the **Owner**; preparation of change orders for extra work done by the **Contractor**.

ARTICLE 6. Method of Payment.

6.1 Request for Payment. Payments to the **Engineer** for services rendered will be made while work is in progress as executed through a lump sum fee assigned to each work authorization (hereinafter referred to as “**Work Authorization**”) in accordance with Article 7 herein. For each **Work Authorization**, the **Engineer** shall prepare and submit to the **Owner** monthly progress reports in sufficient detail to support the progress of the work and in support of a request for payment (hereinafter referred to as “**Request for Payment**”). The progress report shall indicate the percent completion of the work accomplished by the **Engineer** during the billing period and to the date of the **Request for Payment**. On or before noon of the first Monday of each month during the performance of the services, the **Engineer** shall submit to the **Owner** for approval a **Request for Payment**. Payment of the lump sum fee for each **Work Authorization** identified in the **Request for Payment** will be in proportion to the percent completion of the work tasks identified in such **Work Authorizations** together with a detailed breakdown of the amount and the sum of all prior payments. The **Owner** shall review each such **Request for Payment** and may make such exceptions as the **Owner** reasonably deems necessary or appropriate under the circumstances then existing. About ten (10) working days after the Commissioners Court of the **Owner** meets approving such payment, the **Owner** shall make payment to the **Engineer** in the amount approved as aforesaid subject to Article 6.4 herein and below. If **OWNER** fails to make any payment due **ENGINEER** for services and expenses within thirty days after receipt of **ENGINEER**'s invoice therefore, 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, in addition, ENGINEER may, after giving seven days' written notice to OWNER, suspend services under this Agreement until ENGINEER has been paid in full all amounts due for services, expenses and charges. Payments will be credited first to interest and then to principal. In the event of a disputed or contested billing, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.

If the Work Authorization, or any portion(s) thereof, are deleted or otherwise not constructed, compensation to the **Engineer** by the **Owner** for the Work Authorization or such portions of the Work Authorization shall be only the amounts paid the **Engineer** for actual work performed in accordance with the **Work Authorization(s)** approved by the **Owner**.

6.2 Final Payment. After final completion of the work and acceptance thereof by the **Owner**, the **Engineer** shall submit a final request for payment ("**Final Request for Payment**") which shall set forth all amounts due and remaining unpaid to the **Engineer** and upon approval thereof by the **Owner**, the **Owner** shall pay to the **Engineer** the amount due ("**Final Payment**") under such **Final Request for Payment** in accordance with the provisions of Article 6.1 hereof. The **Final Payment** shall not be made until the **Engineer** delivers to the **Owner** an affidavit that so far as the **Engineer** has knowledge or information any and all amounts due for materials and services over which the **Engineer** has control have been paid.

6.3 Qualification on Obligations to Pay. Any provision hereof to the contrary notwithstanding, the **Owner** shall not be obligated to make any payment (whether a payment under Article 6.1 hereof or **Final Payment**) to the **Engineer** hereunder if any one or more of the following conditions precedent exist:

- (1) The **Engineer** is in default of any of its obligations hereunder or otherwise is in default under this Agreement or under any contract documents related to this Agreement;
- (2) Any part of such payment is attributable to the **Engineer's** services which are not performed in accordance with this Agreement; provided, however, such payment shall be made as to the part thereof attributable to the **Engineer's** services which were performed in accordance with this Agreement;
- (3) The **Engineer** has failed to make payments promptly to consultants or other third parties used in connection with the Work Authorization for which the **Owner** has made payment to the **Engineer**;
- (4) If the **Owner**, in good faith judgment, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the **Engineer's** services in accordance with this Agreement, no additional payments will be due the **Engineer** hereunder unless and until the **Engineer**, at its sole cost, performs a sufficient portion of the **Engineer's** services so that such portion of the compensation then remaining unpaid is determined by the **Owner** to be sufficient to so complete the **Engineer's** services.

6.4 No partial payment made hereunder shall be or construed to be final acceptance or approval of that part of the **Engineer's** services to which such partial payment related or relieves the **Engineer** of any of its obligations hereunder with respect thereto.

6.5 The **Engineer** shall promptly pay all bills for labor and material performed and furnished by others in connection with the performance of the **Engineer's** services.

6.6 Waiver. The making of the **Final Payment** shall constitute a waiver of all claims by the **Owner** except those arising from (1) faulty or defective services of the **Engineer** appearing after completion of the **Project**, (2) failure of the **Engineer's** services to comply with the requirements of this Agreement or any contracts or Agreements related to the Work Authorization, or (3) terms of any special warranties required by this Agreement or provided at law or in equity. The acceptance of **Final Payment** shall constitute a waiver of all claims by the **Engineer** except those previously made in writing and identified by the **Engineer** as unsettled at the time of the **Final Request for Payment**.

ARTICLE 7. Work Authorization. After execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof, only as authorized by the **Owner** through an agreed **Work Authorization** document in the form identified in **EXHIBIT "E" – Work Authorization Form**, attached hereto and made a part of this Agreement. The **Engineer** will identify, as approved by the **Owner**, the needed services for the Work Authorization, as required through the course of the development of the Work Authorization. The **Owner** shall authorize the **Engineer** to perform one or more of the agreed tasks identified in **EXHIBIT "B"**, attached hereto, in the form of individual work authorizations. Upon authorization from the **Owner**, the **Engineer** will prepare a **Work Authorization** document, which will include a description of the work to be performed, including a description of the tasks and milestones, a work schedule, and an estimated cost proposal agreed upon by the **Owner** and the **Engineer**. The estimated cost proposal shall set forth in detail the computation of the cost of each work task, at the hourly rates established and identified in **EXHIBIT "D"**, attached hereto. The **Work Authorization** shall not waive the **Owner's** and the **Engineer's** responsibilities and obligations established in this Agreement.

The estimated cost proposal for each **Work Authorization**, developed by the **Engineer** and approved by the **Owner**, shall be used by the **Owner** to appropriate a purchase order for the **Work Authorization**. Each executed **Work Authorization** shall become a part of this Agreement. Upon satisfactory completion of the **Work Authorization**, the **Engineer** shall submit the Work Authorization's deliverables as specified in the executed **Work Authorization** to the **Owner** for review and acceptance.

Work included in a **Work Authorization** shall not begin until the **Owner** and the **Engineer** have signed the **Work Authorization**. All work must be completed on or before the completion date specified in the **Work Authorization**, unless extended by written agreement by the **Engineer** and the **Owner**. The **Engineer** shall promptly notify the **Owner** of any event

that will affect completion of the **Work Authorization**. All **Work Authorizations** must be executed and completed by both the **Engineer** and the **Owner** within the period established for this Agreement as specified in Article 3 hereof.

The final acceptance by the **Owner** of each **Work Authorization** shall serve as evidence of completion, on the part of the **Engineer**, of all services under this Agreement insofar as they pertain to that portion of work identified in the applicable work authorization.

ARTICLE 8. Supplemental Agreements. The terms of this Agreement may be amended by supplemental agreement if the **Owner** determines that (1) there is a need to extend the **Termination Date** identified in Article 3.1 hereof, (2) there has been a significant change in the scope, complexity or character of the services to be performed by the **Engineer**, and/or (3) for any other reason agreeable to the **Owner** and the **Engineer**. All supplemental agreements will be developed in the form identified in **EXHIBIT "F" – Supplemental Agreement Form**, attached hereto and made a part of this Agreement, and incorporated herein by reference as "**Supplemental Agreement**".

If determined appropriate by the **Owner**, additional compensation to the **Engineer** for (1), (2) and/or (3) above shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D"**, attached hereto. The negotiated lump sum fee shall be incorporated into the **Supplemental Agreement**.

Any **Supplemental Agreement** must be executed by both the **Engineer** and the **Owner** prior to the **Termination Date** specified in Article 3 hereof.

It is distinctly understood and agreed that no claim by the **Engineer** for additional work, as identified in Article 9 hereof, or changes or revisions in work, as identified in Article 10 hereof, shall be made by the **Engineer** until full execution of the **Supplemental Agreement** and authorization to proceed is granted by the **Owner**. The **Owner** reserves the right to withhold payment to the **Engineer** pending verification of satisfactory work performed by the **Engineer**.

ARTICLE 9. Additional Work. If the **Engineer** is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement and constitutes extra work, the **Engineer** shall promptly notify the **Owner** in writing. In the event the **Owner** finds that such work does constitute extra work, the **Owner** shall so advise the **Engineer** and a written supplemental agreement will be executed between the **Owner** and the **Engineer** as provided herein. The **Engineer** shall not perform any proposed additional work or incur any additional costs prior to the execution by both the **Engineer** and the **Owner** of a supplemental agreement. Additional compensation from the **Owner** to the **Engineer** shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D"**, attached hereto. The negotiated lump sum fee shall be incorporated into

the supplemental agreement as specified in Article 8 hereof. The **Owner** shall not be liable or under any obligation to compensate the **Engineer** for work performed or costs incurred by the **Engineer** relating to additional work not directly associated with the performance of the work authorized in this Agreement or as amended through supplemental agreement.

ARTICLE 10. Changes or Revisions in Work. If the **Owner** finds it necessary to request changes to the work, and the changes are within the applications of sound engineering principles, the **Engineer** shall make such revisions if requested and directed by the **Owner**.

10.1 Preliminary Work. The **Engineer** will make, without expense to the **Owner**, such revisions of any preliminary reports or drawings as may be required to meet the needs of the **Owner** and the applications of sound engineering principles.

10.2 Previously Approved or Satisfactorily Completed Work. If the **Owner** finds it necessary to request the **Engineer** to make changes to work previously approved by the **Owner** or work satisfactorily completed for which the **Owner** approves or, after a definite plan has been approved by the **Owner**, if a decision is subsequently made by the **Owner**, which for proper execution involves extra services and expenses for changes in or additions to the drawings, specifications or other documents, this will be considered as additional work, and compensation from the **Owner** to the **Engineer** will be in accordance with Article 9 hereof.

10.3 Project Delays. If the **Engineer** is required to perform additional work due to delays by the imposition of causes not within the **Engineer**'s control, such as by the re-advertisement of bids or by the delinquency or insolvency of contractors, such work associated with these delays shall be considered additional work, and the **Engineer** shall be compensated by the **Owner** for such extra services and expense in accordance with Article 9 hereof.

10.4 Reduction of Project Cost. Notwithstanding any provision herein to the contrary, in the event it is necessary for the **Owner** to require changes in the final plan to enable it to reduce the construction cost the **Engineer** will be required to make such revisions or changes. These changes will be considered additional work by the **Engineer**. Payment for this additional work will then be made to the **Engineer** in accordance with Article 9 hereof.

ARTICLE 11. Ownership and Release of Documents.

11.1 Ownership of Documents. Original drawings and specifications are the property of the **Engineer**; however, the Work Authorization deliverables are the property of the **Owner**, and the **Engineer** may not use the drawings and specifications thereof for any purpose not relating to the Work Authorization without the **Owner's** consent. The **Owner** shall be furnished with such reproductions of drawings and specifications as the **Owner** may reasonably require. Upon completion of the work or

any earlier termination of this Agreement under Article 3.4 hereof, the **Engineer** will revise drawings to reflect changes made during construction and will promptly furnish the **Owner** with one complete set of reproducible record prints. Prints shall be furnished by the **Engineer**, as an additional service, at any other time requested by **Owner**. All such reproductions shall be the property of the **Owner** who may use them without the **Engineer's** permission for any proper purpose relating to the Work Authorization, including, but not limited to, additions to or completion of the Work Authorization. Any additions or revisions by the **Owner** to a drawing signed, sealed, and dated by a registered professional engineer, shall be made in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

All documents furnished to the **Engineer** by the **Owner** shall be delivered to the **Owner** upon completion or termination of this Agreement. The **Engineer**, at the **Engineer's** own expense, may retain copies of such documents or any other data under this Agreement.

11.2 Release of Documents or Information. Release of information to the public or others regarding the Work Authorization will be in accordance with the Texas Public Information Act.

ARTICLE 12. Discounts, Rebates, Refunds. In connection with procurement services rendered by the **Engineer**, if procurement services are required of the **Engineer** hereunder, all discounts, rebates and refunds shall accrue to the **Owner**. For some purchases, the **Engineer** may deem that payment within the discount period is not safe; and/or inspection, guarantees, or other considerations may dictate delay. In such cases, the **Engineer** shall promptly notify the **Owner** so that a course of action may be mutually agreed upon by the **Owner** and the **Engineer**.

ARTICLE 13. Records, Accounting, Inspection. The **Engineer** shall keep full and detailed records and accounts in a manner approved by the **Owner**. The **Engineer** shall afford the **Owner's** authorized personnel and independent auditors, if any, full access to the work performed by the **Engineer** regarding the Work Authorization and to all of the **Engineer's** books, records, correspondence, instructions, drawings, receipts, vouchers and other documents relating to such work under this Agreement, and the **Engineer** shall preserve all such records for three (3) years after final payment. The **Engineer** shall deliver to the **Owner** upon completion of such work, a statement of the cost of such work detailed according to the accounting procedure and requirements of the **Owner**.

ARTICLE 14. Subcontracting and Assignment. The **Engineer** shall not assign, subcontract or transfer the **Engineer's** interest in this Agreement without the prior written consent of the **Owner**. The **Engineer** shall bind every

subconsultant by written subcontract to observe all the terms of this Agreement to the extent that they may be applicable to each subconsultant. No subcontract relieves the **Engineer** of any responsibilities under this Agreement.

The **Engineer**, and the **Owner**, do hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this contract.

ARTICLE 15. Patents. The **Engineer** shall indemnify and save the **Owner** harmless from all liability for alleged or actual infringement of any patent resulting from the use of apparatus or equipment furnished or designed by the **Engineer** or from the use of any process designed by the **Engineer** or effected by said apparatus or equipment, and the **Engineer** shall indemnify and save the **Owner** harmless from and against all costs, legal fees, expenses and liabilities incurred in or about any claim of or action for such infringement; provided, however, that the **Owner** shall promptly transmit to the **Engineer** all papers served on the **Owner** in any suit involving such claim of infringement, and provided further, that the **Owner** permits the **Engineer** to have entire charge and control of the defense of any such suit. If because of actual infringement the use of such apparatus, equipment, or process is enjoined, the **Engineer** shall refund the purchase price thereof in proportion to the length of service uncompleted, the life of such apparatus or equipment being assumed as five years. The **Engineer** hereby grants to the **Owner** a non-exclusive, royalty-free license under patents now or hereafter owned by the **Engineer** covering any machines, apparatus, processes, articles, or products included in the **Engineer's** work hereunder.

ARTICLE 16. Confidential Information, Inventions and Other Restrictions.

16.1 Confidential Information. The **Engineer** shall not use in any way, commercial or otherwise, except to the extent required by the proper performance of this Agreement; and shall hold in confidence and not disclose to any person, for any reason or at any time, any information relating to the secret processes, products, compositions, machinery, apparatus or trade secrets of the **Owner**, or any other confidential information given to the **Engineer** by any of the **Owner's** commissioners, elected officials, employees, or representatives or acquired by the **Engineer** during the term of or as a result of this Agreement. Any information not generally available to the public shall be considered secret and confidential for the foregoing purposes; provided, however, that any technical information which was lawfully in the **Engineer's** possession prior to such disclosure to the **Engineer** by the **Owner** or which is or shall lawfully be published or become part of general knowledge from sources other than the **Engineer** or which otherwise shall lawfully become available to the **Engineer** from a source other than the **Owner**, shall not be subject to these provisions. All the foregoing stipulations shall apply to such information and work hereunder as

well as to any information and ideas originated or developed by the **Engineer** in performing such work. Such information may, of course, be disclosed to the proper officials or employees of the **Owner** if necessary to perform the work hereunder. The **Engineer** shall, however, inform each of its employees who receive such information of these restrictions and the **Engineer** shall take all reasonable precautions and exert all reasonable efforts to assure conformance with such restrictions by all of its officers, employees, and agents, obtaining from them if necessary, agreements satisfactory to the **Owner**, effectuating the purposes of this Article.

16.2 Inventions. The **Engineer** shall communicate to the **Owner** at once, and require the **Engineer's** employees assigned to the Work Authorization to communicate to the **Owner** all inventions and improvements which any of the **Engineer's** employees, either alone or in conjunction with any of the **Owner's** employees may conceive, make or discover during the course of or as a result of work on any Work Authorization under this or any ensuing agreement with the **Owner** that relates to the processes, products, compositions, machinery or plants of the **Owner**, or relating in any way to any of the operations in which the **Owner** has been or is engaged at the time, and such inventions and improvements shall become the sole, exclusive property of the **Owner** without any obligation on its part to make any payment therefor in addition to any sums which the **Owner** may be obligated to pay to the **Engineer** as compensation for services rendered by the **Engineer** under contract with the **Owner**. The **Engineer** shall require its employees to execute patent applications and assignments thereof to the **Owner** or its nominees, and powers of attorney relating thereto for any country the **Owner** may designate, and shall take all other actions as the **Owner** may request to maintain and protect such inventions and improvements. The **Owner** shall pay all costs or charges incurred in protecting such inventions and improvements if the **Owner** desires to protect them. Before assigning any of the **Engineer's** employees to work under any contract with the **Owner** concerning this Work Authorization, the **Engineer** shall obtain from them agreements satisfactory to **Owner** complying in all respects with the terms and provisions of this Article.

16.3 The rights and obligations set forth in Article 16 shall survive the performance of this Agreement, or any termination, discharge or cancellation thereof.

ARTICLE 17. Engineer's Seal, Responsibility and Warranties.

17.1 Engineer's Seal. The **Engineer** shall assign a responsible engineer or engineers licensed to practice in the State of Texas, who shall sign, seal and date all appropriate engineering submissions to the **Owner** in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

17.2 Engineer's Responsibility. The **Engineer** shall be responsible for the accuracy of the work performed in Work Authorizations, and shall promptly make necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**. No additional compensation will be made to the **Engineer** for any necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**.

The **Engineer's** responsibility for all questions arising from design errors and/or omissions will be determined by the **Owner** or a designee appointed by the **Owner**. The **Engineer** will not be relieved of the responsibility for subsequent correction of any such errors or omissions or for clarification of any ambiguities until after the construction phase of the **Project** has been completed.

17.3 Warranties.

(a) The **Engineer** warrants that engineering design work performed by the **Engineer** hereunder shall be in accordance with sound engineering design practices and in conformance with applicable code and standards established for such work.

(b) Notwithstanding anything to the contrary contained in this Agreement, the **Owner** and the **Engineer** agree and acknowledge that the **Owner** is entering into this Agreement in reliance on the **Engineer's** experience and abilities with respect to performing the **Engineer's** services hereunder. The **Engineer** accepts the relationship of trust and confidence established between it and the **Owner** by this Agreement. The **Engineer** covenants with the **Owner** to use the **Engineer's best** efforts, skill, judgment and abilities to design the improvements in each Work Authorization and to further the interests of the **Owner** in accordance with the **Owner's** requirements and procedures, in accordance with all professional standards, and in compliance with all applicable national, federal, state, county and municipal laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction. If the development of plans, specifications and estimates (hereinafter referred to as "**PS&E**") are identified in this Agreement under Article 2 hereof or **EXHIBIT "B"**, attached hereto, as part of the services to be provided by the **Engineer** for the Work Authorization, prior to the commencement of construction, the **Engineer** shall certify in writing to the **Owner** that the **PS&E** for the Work Authorization, and the improvements when built in accordance therewith, conform to all applicable governmental regulations, statutes and ordinances then in effect. The **Engineer** represents, covenants and agrees that there are no obligations, commitments or impediments of any kind that will limit or prevent performance of the **Engineer's** services.

(c) The **Engineer** represents, covenants and agrees that all of **Engineer's** services to be furnished by the **Engineer** under or pursuant to this Agreement from the inception of the Agreement until the Work Authorization has been fully completed, shall be of the standard and quality which prevail among engineers of similar experience, knowledge, skill and ability engaged in engineering practice throughout Texas under the same or similar circumstances involving the design and construction.

(d) The **Engineer** represents, covenants and agrees that the **Engineer's** special talent, training and experience cause the **Engineer** to be the prime professional on the Work Authorization; that because of such talent and training, the **Engineer** envisions the construction of the Work Authorization in its entirety, and possesses the special skills which enable the **Engineer** to recognize dangerous conditions that a reasonable, prudent engineer having such special skills could anticipate may arise from the proper use of the improvements after acceptance by **Owner**; that as the design professional, the **Engineer** has some measure of control over any such dangerous conditions; that the **Engineer** has knowledge which will enable the **Engineer** to recognize specific dangers that may arise from the proper use of the improvements after acceptance by **Owner**; and, that the **Engineer** recognizes that any commissioners, elected officials, employees, and agents of the **Owner**, plus residents and owners of property within the area affected by the improvements are within a class of foreseeable persons who will be relying on the improvements being designed in a professional and safe manner.

(e) If the development of **PS&E** is identified in this Agreement under Article 2 hereof or **EXHIBIT "B"**, attached hereto, as part of the services to be provided by the **Engineer** for the Work Authorization, the **Engineer** represents, covenants and agrees that the **PS&E** of the improvements will be accurate and free from any material errors. The **Engineer** additionally represents, covenants, and agrees to the following: that the design of the improvements will conform to its foreseeable use with all the amenities as set forth in any **PS&E** developed by the **Engineer** for the Work Authorization; that the result of such **PS&E**, if built in accordance therewith, will be suitable for purposes for which the improvement is designed; that the result of **Engineer's** inspection of the improvements will be suitable for purposes for which the improvements were designed; and, the improvements will be inspected in a workmanlike, professional manner and will be suitable for the Work Authorization's intended purpose. The **Engineer's** responsibilities as set forth herein shall at no time be in any way diminished by reason of any approval by the **Owner** of any **PS&E** developed by the **Engineer** for the Work Authorization, nor shall the **Engineer** be released from any liability by reason of such approval by the **Owner**, it being understood that the **Owner** at all times is ultimately relying upon the **Engineer's** skill and knowledge in preparing such **PS&E**.

(f) In connection with the **Engineer's** performance of procurement services hereunder, if any, the **Engineer** shall use its best efforts to obtain from all vendors of equipment and materials, fullest possible warranties against defective materials and workmanship for the benefit the **Owner**.

ARTICLE 18. Engineer's Resources. The **Engineer** shall furnish and maintain, at the **Engineer's** own expense, office space for the performance of all services, skilled and sufficient personnel, as well as adequate and sufficient equipment to perform the services as required under this Agreement.

18.1 Project Manager. The **Engineer** shall provide a manager (**Project Manager**) for the Work Authorization that is a registered professional engineer in the State of Texas. The **Project Manager** shall have such knowledge and experience as will enable the **Project Manager** to perform the duties required for the services under this Agreement. The **Engineer** may change the **Project Manager** during the course of the Work Authorization without prior consent of the **Owner**. If, due to situations beyond the control of the **Engineer**, the **Engineer** must change the **Project Manager** prior to the completion and acceptance of the improvements, the **Engineer** will submit a request to change the **Project Manager** to the **Owner** for approval.

18.2 Employees of the Engineer. All employees of the **Engineer** shall have such knowledge and experience as will enable them to perform the duties assigned to them and required for the services under this Agreement. Any employee of the **Engineer** who, in the opinion of the **Owner**, is incompetent, or whose conduct becomes detrimental to the work required under this Agreement, shall immediately be removed from association with the Work Authorization when so instructed by the **Owner**. The **Engineer** certifies that the **Engineer** presently has employed sufficient and qualified personnel, and will maintain sufficient and qualified personnel for performance of the services under this Agreement.

18.3 Documents/Information Exchange. The purpose of this Article is to define the required automated resources, format for graphics files, and information exchange pertaining to the Work Authorization. Taking into consideration that the **Owner** has a significant investment in the development of the improvements, there is a need for the **Engineer** to provide consistency in document development for information exchange. Consistency in document development for information exchange and production will help facilitate an economically efficient improvement. Therefore, the **Engineer** shall provide the **Owner** with documents and information in accordance with the special requirements outlined in **EXHIBIT "B"** attached hereto.

ARTICLE 19. Indemnification. To the fullest extent permitted by applicable law, the **Engineer** and its agents, partners, subcontractors, and consultants (collectively "**Indemnitors**") shall and do agree to indemnify, and hold harmless the **Owner**, the **Owner's** respective directors, elected officials, employees and agents (collectively "**Indemnitees**") from and against all claims, damages, losses, liens, causes of action, suits, judgments and expenses, including attorney fees, of any nature, kind or description (collectively "**Liabilities**") of any person or entity whomsoever arising out of, caused by or resulting from the negligent performance of the **Engineer's** services through activities of the **Engineer**, its agents, partners, subcontractors and/or consultants performed under this Agreement, and which are caused by or result from error, omission, or negligent act of the **Engineer** or of any person employed or contracted by the **Engineer** provided that any such **Liabilities** (1) are attributable to bodily injury, personal injury, sickness, disease or death of any person, or to the injury to or destruction of tangible personal property including the loss of use and consequential damages resulting therefrom and (2) are caused in whole or in part by any negligent act or omission of the **Engineer**, anyone directly or indirectly employed by the **Engineer** or anyone for whose acts the **Engineer** may be legally liable. The **Engineer** shall also save harmless the **Owner** from any and all expense, including, but not limited to, attorney fees which may be incurred by the **Owner** in litigation or otherwise resisting said claim or liabilities which may be imposed on the **Owner** as a result of such activities by the **Engineer**, its agents, partners, subcontractors and/or consultants. In this connection, it is agreed and understood that the **Engineer** shall not be responsible for any portion of the liability proximately caused by the **Owner's** negligence.

ARTICLE 20. Joint and Several Liability. In the event more than one of the **Indemnitors** are connected with an accident or occurrence covered by the indemnification in Article 19 hereof, then each of such **Indemnitors** shall be jointly and severally responsible to the **Indemnitees** for indemnification and the ultimate responsibility among such **Indemnitors** for the loss and expense of any such indemnification shall be settled by separate proceedings and without jeopardy to any **Indemnitee**. The provisions of this Article shall not be construed to eliminate or reduce any other indemnification or right which the **Owner** or any of the **Indemnitees** has by law.

ARTICLE 21 Insurance. The **Engineer** shall obtain and maintain insurance in the limits of liability for each of the types of insurance coverage identified as follows:

- (1) Workers' Compensation, endorsed with a waiver of subrogation in favor of the **Owner** in accordance with the statutory obligations imposed by Worker's Compensation or Occupational Disease laws under the Texas Workers' Compensation Law ("**Statutory Texas**").

- (2) Commercial General Liability, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 19 and Article 20 herein*, in limits of liability not less than one million dollars (**\$1,000,000**) combined single limit each occurrence and in the aggregate for bodily injury and property damage.
- (3) Texas Business Automobile Policy, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 19 and Article 20 herein*, in limits of liability not less than two hundred fifty thousand dollars (**\$250,000**) each person for bodily injury, five hundred thousand dollars (**\$500,000**) each occurrence for bodily injury, and one hundred thousand dollars (**\$100,000**) each occurrence for property damage.
- (4) Professional Liability in limits of **\$1,000,000** each claim and aggregate.

The **Engineer** covenants and agrees to maintain an insurance policy in the minimum limits of liability for each of the types of insurance coverage identified above. The **Engineer** shall furnish the **Owner** with a certificate of insurance (*Hidalgo County Certificate of Insurance*) showing the said policy to be in full force and effect during the period of service, identified in Article 3 hereto, for this Agreement. The completed *Hidalgo County Certificate of Insurance* shall be attached hereto and identified as **EXHIBIT "G"- Hidalgo County Certificate of Insurance**. The **Engineer** will be considered in breach of contract should the **Engineer** fail to maintain an insurance policy in the minimum limits of liability and requirements identified above while performing services for and under this Agreement, and will be subject to default and termination of the Agreement as outlined in Article 3.4 hereto. Additionally, the **Engineer** covenants and agrees to use its best efforts to maintain an insurance policy in the minimum limits of liability and requirements identified above until one year following the date of the acceptance of the Work Authorization by the **Owner**.

ARTICLE 22. Compliance with Laws. The **Engineer** shall comply with all applicable Federal, State and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the **Engineer** shall furnish the **Owner** with satisfactory proof of its compliance therewith.

ARTICLE 23. Noncollusion. The **Engineer** warrants that the **Engineer** has not employed or retained any company or persons, other than a bona fide employee working solely for the **Engineer**, to solicit or secure this Agreement, and that the

Engineer has not paid or agreed to pay any company, engineer or any other person or entity any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or execution of this Agreement. For breach or violation of this warranty, the **Owner** shall have the right to annul this Agreement without liability or, in the **Owner's** discretion, to deduct from the *Services Fee*, or otherwise recover, the full amount of each fee, commission, percentage, brokerage fee, gift or contingent fee.

ARTICLE 24. Gratuities. The **Owner** mandates that employees of the **Owner** shall not accept any benefits, gifts or favors from any person doing business or who reasonably speaking may do business with the **Owner** under this Agreement; the only exceptions allowed are ordinary business meals. Any person doing business with or who may reasonably seeking to do business with the **Owner** under this Agreement may not make any offer of benefits, gifts or favors to **Owner** employees, except as mentioned herein above. Failure on the part of the **Engineer** to adhere to this provision may result in the termination of this Agreement.

ARTICLE 25. Payment of Franchise Tax. The **Engineer** hereby certifies that the **Engineer** is not delinquent in Texas franchise tax payments, or that the **Engineer** is exempt from, or not subject to, such a tax. A false statement concerning corporation's franchise tax status shall constitute grounds for termination of the Agreement at the sole option of the **Owner**.

ARTICLE 26. Disputes. The **Engineer** shall be responsible for the settlement of all contractual and administrative issues arising out of any procurement made by the **Engineer** in support of the services under this Agreement.

ARTICLE 27. Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ARTICLE 28. Notices. All notices to either party by the other required under this Agreement shall be personally delivered or mailed to such party at the following respective addresses:

OWNER: Hidalgo County
100 East Cano, 2nd Floor
Edinburg, Texas 78539

ENGINEER: TEDSI Infrastructure Group, Inc.
1201 E. Expressway 83
Mission TX 78572

The address may be changed by either party by written notice, and notice so mailed shall be effective upon mailing.

ARTICLE 29. Miscellaneous Provisions.

(a) This Agreement constitutes the entire Agreement between the **Engineer** and the **Owner** relating to the work herein described, and supersedes any prior understanding or written or oral contracts between the parties respecting the subject matter defined herein. There are no previous or contemporary representations or warranties of the **Owner** or the **Engineer** not set forth herein.

(b) Except as specifically provided herein, no modification, waiver, termination, rescission, discharge, or cancellation of this Agreement or of any terms thereof shall be binding on the **Owner** unless in writing and executed by an officer or employee of the **Owner** specifically authorized to do so.

(c) No waiver of any provision of or a default under this Agreement shall affect the right of the **Owner** thereafter to enforce said provision or to exercise any right or remedy in the event of any other default, whether or not similar.

(d) No modification, waiver, termination, discharge or cancellation of this Agreement or of any terms thereof shall impair the **Owner's** rights with respect to any liabilities, whether or not liquidated, of the **Engineer** to the **Owner** theretofore accrued.

(e) All rights and remedies of the **Owner** specified in this Agreement are in addition to the **Owner's** other rights and remedies.

(f) The **Engineer** shall remain an independent contractor and shall have no power, nor shall the **Engineer** represent that the **Engineer** has any power, to bind the **Owner** or to assume or to create any obligation express or implied on behalf of the **Owner** except as specifically authorized in advance by the **Owner**.

(g) The Agreement shall be construed under the laws of the State of Texas and is performable in Hidalgo County, Texas.

(h) This Agreement may only be amended by a written document executed by the **Owner** and the **Engineer** as provided by Article 8 herein.

ARTICLE 30. Signatory Warranty The undersigned signatory or signatories for the **Engineer** hereby represent and warrant that the signatory is an officer of the organization for which he or she has executed this Agreement, and that he or she has full and complete authority to enter into this Agreement on behalf of the **Engineer**. The above-stated representations and warranties are made for the purpose of inducing the **Owner** to enter into this Agreement.

IN WITNESS WHEREOF, the **Engineer** and the **Owner** have caused this **Agreement for Professional**

Services to be effective as of the ____ day of _____, 2009.

ENGINEER:
TEDSI Infrastructure Group, Inc.

BY: _____
Jesse Salinas, Principal

OWNER:
HIDALGO COUNTY

BY: _____
Juan D. Salinas III, County Judge

ATTEST:

By: _____
Arturo Guajardo Jr., Hidalgo County Clerk

ATTACHMENTS:

- EXHIBIT A** -Scope of Services to be Provided by the Owner
- EXHIBIT B** -Scope of Services to be Provided by the Engineer
- EXHIBIT C** -Work Schedule
- EXHIBIT D** -Engineer's Contract Rates
- EXHIBIT E** -Work Authorization Form
- EXHIBIT F** -Supplemental Agreement Form
- EXHIBIT G** -Certificate of Insurance (*Hidalgo County*)

Approved As To Form:
Atlas & Hall, LLP

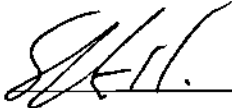
By:  _____

EXHIBIT "A"
SERVICES TO BE
PROVIDED BY OWNER

EXHIBIT "A"

Services to be Provided by the Owner

The following provides an outline of the services to be provided by the **Owner** in the development of the **Work Authorizations**.

The **Owner** will provide to the **Engineer** the following:

- 1) Prepare and execute a Purchase Order with Hidalgo County Purchasing Department
- 2) Authorization to the Engineer to begin work.
- 3) Payment for work performed by the engineer.
- 4) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.
- 5) Secure required Environmental permits from regulatory agencies
- 6) Acquire additional Right of Way identified by the Engineer
- 7) Provide any available relevant data that may on file concerning the Project.
- 8) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.
- 9) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.
- 10) Advertise and award, as assisted and recommended by the Engineer, construction contracts for the PS&E developed by the Engineer.
- 11) Attend pre-bid and pre-construction conferences coordinated and conducted by the Engineer.
- 12) Review and approve monthly and final estimates, developed by the Engineer, for payment to the Contractor. Compensate and pay the Contractor for work performed as identified in the approved monthly and final estimates.
- 13) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.
- 14) Provide Engineer with Geotechnical Data for pavement design and thickness.

EXHIBIT “B”
SCOPE OF SERVICES
TO BE PROVIDED BY ENGINEER

EXHIBIT "B"

Generalized Services to be Provided by the Engineer

MILE 6 WEST ROAD – PHASE II from SH 107 to Mile 9 North

The engineer shall provide the following engineer services required for the preparation of the plans, specification and estimate, and related documents for the above noted project. The Engineer shall maintain a direct line of communication and coordinate very closely with the Hidalgo County.

ROUTE AND DESIGN STUDIES

- 1) Develop and assemble Preliminary Construction Cost Estimates at 30%, 60% and 90% milestone submittals.
- 2) Develop Roadway Design Criteria; help prepare the Design Summary Report.
- 3) Attend and participate in the Design Concept Conference.
- 4) Conduct additional soil core hole drilling to supplement those already collected. Utilize existing soil boring information if available.
 - a) Retaining Walls
 - b) Miscellaneous Structures
 - c) Bridges
- 5) Prepare foundation information summary for all structures.
- 6) Develop a feasibility study, design alternative analysis and/or a geometric schematic
- 7) Assist in developing a public involvement plan and accomplish tasks as necessary to effectuate the plan
- 8) Identify existing right of way limits and locate all major utilities within the study limits.
- 9) Determine minimum ROW and easement requirements using the proposed typical sections and preliminary cross sections. Adjust the proposed typical sections to accommodate refinements in design of the proposed alternative. Such refinements may include widening of pavement for turn lanes, changes in side slopes to reduce ROW requirements, use of retaining walls to minimize ROW and environmental impacts, addition of the proposed pavement design section, and other changes in the roadway typical sections.
- 10) The ENGINEER will provide an Engineering Summary Report outlining the various design alternatives considered with reasons for selection of the preferred alternative. All of the engineering analysis and methodology used in determining the preferred alternative will be documented in the report.
- 11) Conduct an analysis of traffic operations (level of service) for the intersecting streets using acceptable simulation software based on traffic data provided by TxDOT. This analysis will be used to determine the appropriate intersection design. Diagrams will also be developed of the existing and projected traffic volumes and turning movements, to be shown on the schematic drawing.
- 12) Obtain traffic counts at specific locations using tube counters and or personnel to obtain traffic counts.

SOCIAL, ECONOMIC AND ENVIRONMENTAL STUDIES, AND PUBLIC INVOLVEMENT

- 1) Prepare environmental questionnaire and associated exhibits.
- 2) Prepare environmental documents (categorical exclusions or assessments) including the following elements, as appropriate:
 - a) Description of the existing facility
 - b) Description of the proposed action including appropriate discussions of roadway construction, utility construction, right-of-way needs and funding/construction cost
 - c) Explanation of the need for the project
 - d) Discussion of reasonable alternatives
 - e) Potential social, economic and environmental factors
 - i) Social impacts (i.e. relocations/displacements, environmental justice)
 - ii) Economic impacts (i.e. property values, regional and individual access,
 - (1) emergency response)
 - iii) Environmental impacts (i.e. land use, water quality, noise, air quality,
 - (2) vegetation, endangered species, historic/archaeological/cultural
 - (3) resources, hazardous materials/contamination)
- 3) Discussion of secondary impacts

- 4) Conclusion of findings
- 5) Schedule, coordinate, attend and follow-up activities for public involvement meeting(s) and/or hearing(s).
- 6) Prepare exhibits for the public meetings, railroads, etc. as required.
- 7) The ENGINEER will perform evaluations and other tasks related to permitting issues for particular locations or elements of the project.

RIGHT-OF-WAY & UTILITIES

- 1) Right-of-Way:
 - a) Identify areas where temporary construction/driveway easements or agreements may be required.
 - b) Prepare exhibits for driveway penetration agreements.
 - c) Identify areas where additional rights of way or drainage easements may be required.
- 2) Utility Coordination:
 - a) Identify & map existing and proposed utility locations. Proposed utilities will only be mapped if Microstation files depicting the proposed utilities are supplied by the utility company and they line up with the project datum and coordinate system.
 - b) Coordinate and attend utility coordination meetings. Engineer to provide copies of plans and cross sections to the utility companies.
 - c) Incorporate resolutions from utility coordination meetings into plans.
 - d) Coordinate with utility companies to determine areas of conflicts.
 - e) Provide coordination of utility adjustments with assistance from County. Provide technical assistance and meeting exhibits as needed.

FIELD SURVEYING

- 1) Obtain right of entry (short of litigation) to adjacent properties, as required.
- 2) Cross section drainage channels and drainage facilities as required.
- 3) Ties to existing bridges, bridge foundations, culverts and other existing drainage facilities as required.
- 4) Locate proposed soil core holes as drilled.
- 5) Establish x, y, and z coordinates of power poles, manholes and valves of various utilities, flow lines of existing sanitary sewer and storm sewer lines, and subsequent utility ties of facilities exposed by others.
- 6) Update planimetries to accurately reflect changes in topography due to development, erosion, etc.
- 7) Provide aerial survey services to produce
 - a) Digital Terrain Models
 - b) Digital Ortho Rectified Photos
 - c) Digital planmetric
- 8) Re-establish project baseline and appropriate offset(s) - recover and verify.
- 9) Provide project ties at limits of project in order to provide adequate length to establish grades.
- 10) Temporary signs, traffic control, flags, safety equipment, etc. Traffic control includes services of warning sign company to provide lane closures as required for safety of survey personnel.

ROADWAY DESIGN CONTROLS

- 1) Grading Design
 - a) Finalize horizontal and vertical alignments, and superelevation transitions of roadways based upon the approved schematic layout. Determine vertical clearances at grade separations and overpasses, taking into account the appropriate superelevation rate. Prepare Horizontal Alignment Data sheets, Horizontal Alignment Layout sheets, and Survey Control Data sheets.
 - b) Prepare Project Layout sheets.
 - c) Develop Typical Sections & Form 1002 for submittal & approval. Prepare Existing and Proposed Typical Section sheets.
 - d) Prepare Existing Plan sheets and Planing Layout sheets.
 - e) Prepare plan and profile sheets for roadway and intersecting streets as required for widening and/or reconstruction.
 - f) Develop Design Cross Sections - Design Cross Sections shall be submitted in electronic format and on 11" x 17" paper sheets or roll drawings. Design Cross-sections shall incorporate the following details on each section:

- i) Baseline & ROW Designations.
 - ii) Existing Natural Ground, Finished Grade
 - iii) .Earthwork will be calculated according to specification and calculations shown for each cross section.
 - iv) Side Slope ratios.
 - v) Driveways as required.
- g) Determine roadway quantities, including cut and fill quantities, and prepare quantity summary sheets. Show earthwork quantities on the plan sheets and cross sections.

DRAINAGE

- 1) Hydraulic Drainage Study and Documentation
 - a) Gather information regarding existing drainage features, facilities and watersheds.
 - b) Evaluate existing drainage conditions.
 - c) Develop drainage area map and discharge rates. D. Hydraulic computations
 - i) Cross Drain Culverts
 - ii) Channels
 - iii) Storm drainage/inlets
 - iv) Drainage analysis of waterways
 - v) Surface Channels/Ditches
- 2) Layout, Structural Design and Detailing of Drainage Features
 - a) Culverts replacements and or extensions
 - b) Storm drains
 - i) New storm drainage
 - ii) Modify existing storm drains
 - iii) Inlets
 - iv) Manholes
 - v) Trunk lines
- 3) Storm Water Pollution Prevention Plan (SW3P)
 - a) Develop SW3P Narrative
 - b) Develop separate SW3P Plans for each phase of construction. SW3P controls may include but are not limited to temporary sediment fence, construction exits, detention ponds, and rock berms.
 - i) Development of plans and details for Best Management Practices (BMPs) for permanent water quality features.
 - ii) Scour evaluations and preparation of scour report as needed.
 - iii) Determine quantities for drainage and SW3P items and prepare Summary of Quantity sheets.

SIGNING, MARKINGS AND SIGNALIZATION

- 1) Develop Traffic Signal Plans as required. Prepare Traffic Signal Layout and Detail Sheets
 - a) Determine quantities and prepare quantity summary sheet
 - i) List of all bid items
 - ii) Bid item quantities
 - iii) Specification item number
 - iv) Paid item description and unit of measure
 - b) Basis of estimate sheet (list of materials)
 - c) General notes and specification data sheet
 - d) Plan sheet(s)
 - i) Existing traffic control that will remain (signs and markings)
 - ii) Existing utilities
 - iii) Proposed highway improvements
 - iv) Proposed installation
 - v) Proposed additional traffic controls
 - vi) Proposed illumination attached to signal poles.
 - e) Notes for plan layout

- f) Phase sequence diagram(s)
 - i) Signal locations
 - ii) Signal indications
 - iii) Phase diagram
 - iv) Signal sequence table
 - v) Flashing operation (normal and emergency)
 - vi) Preemption operation (when applicable)
 - vii) Interval timing, cycle length and offset
 - g) Construction detail sheets(s)
 - i) Poles (TxDOT standard sheets)
 - ii) Detectors
 - iii) Pull Box and conduit layout
 - iv) Controller Foundation standard sheet
 - h) Barricade and warning sign standard sheet and any special details for work zone traffic control for special conditions
 - i) General Traffic Signal Requirements
 - i) Contact local utility company
 - (1) Confirm power source
 - (2) Discuss route of aerial or underground interconnect cable (when applicable)
 - (3) Adjustment of overhead utility lines
 - ii) Prepare governing specifications and special provisions list
 - iii) Prepare traffic signal estimate
- 2) Signing and Pavement Marking Plans
- a) Signing and Pavement Marking Layouts, details include:
 - i) Roadway layout
 - ii) Center line with station numbering
 - iii) ROW lines
 - iv) Culverts and other structures that present a hazard to traffic
 - v) Approximate location of utilities
 - vi) Existing signs to remain, to be removed, to be relocated
 - vii) Proposed signs (illustrated and numbered)
 - viii) Proposed markings (illustrated and quantified) which include pavement markings, object markings and delineation
 - ix) Quantities of existing pavement markings to be removed
 - x) Proposed delineators and object markers
 - b) Determine quantities and prepare Summary of Small Signs Tabulation
 - c) Determine quantities and prepare Summary of Large Signs Tabulation including all Guide Signs
 - d) Sign Detail Sheets
 - i) All signs except route markers
 - ii) Design details for large guide signs
 - iii) Dimensions of letters, shields, borders, corner radii etc.
 - iv) Designation of shields attached to guide signs
 - v) Designation of arrow used on exit direction signs
 - e) Determine final pavement marking and delineation quantities and prepare Pavement Marking Summary sheet

MISCELLANEOUS (ROADWAY)

- 1) Retaining Walls
 - a) Prepare Retaining Walls Layouts and Details, possible wall types:
 - b) Retaining Wall Layouts (PLAN), include:
 - i) Designation of reference line
 - ii) Beginning and ending retaining wall stations
 - iii) Offset from reference line
 - iv) Horizontal curve data

- v) Total length of wall
 - vi) Indicate face of wall
 - vii) All wall dimensions and alignment relations (alignment data as necessary)
 - viii) Soil core hole locations
 - ix) uncontaminated, subsurface drainage details
 - c) Retaining Wall Layouts (ELEVATION), include:
 - i) Top of wall elevations at each joint or intervals
 - ii) Existing and finished ground line elevations
 - iii) Limits of measurement for payment
 - iv) Top and bottom of wall profiles and soil core hole data plotted at correct station and elevation. The plot shall be at the same scale as the wall profile. Ground water elevations and the observation date shall be shown.
 - v) Uncontaminated, subsurface drainage details
 - d) Foundation Studies shall be obtained at approximately 100 foot intervals along retaining wall alignments over soft or questionable ground. The core holes shall extend a minimum of 15 feet below the footing elevation or deeper (as soil conditions warrant). In no instance should the spacing of core holes exceed 500 feet.
 - e) Determine Retaining Wall Quantities and Estimate. Prepare Summary of Quantities sheet.
 - f) Typical Retaining Wall cross sections.
 - g) General Guidelines for Retaining Walls. For projects where total estimated retaining wall quantity exceeds 30,000 square feet, preliminary retaining wall layouts shall be submitted no later than 6 months prior to the Austin Division PS&E submission deadline.
- 2) Illumination
- a) Illumination Plan Layouts
 - i) Roadway layout noting pavement edges, shoulders, curbs, retaining walls, etc.
 - ii) Center line with station numbering.
 - iii) ROW lines.
 - iv) Symbol legend. Use department standard symbols for lighting and electrical.
 - v) Culverts and other structures that present a hazard to traffic.
 - vi) Location of underground utilities, if not shown on plan profile.
 - vii) Location of overhead electrical lines, both crossing and parallel to ROW.
 - viii) Existing sign lighting circuits and roadway illumination to remain or be removed.
 - ix) Existing service poles, electrical circuits, ground boxes, etc.
 - x) Contact electric utility for service pole locations, voltage characteristics.
 - xi) Location of proposed roadway illumination
 - xii) Proposed electrical circuits.
 - xiii) Tabulation of all quantities including proposed, existing to be relocated, existing to be removed. The layout sheet quantities and lighting summary shall be shown. Tabulations to include estimated quantity with a column for final quantities.
 - b) Prepare FAA forms and letters if required.
- 3) Determine if intersections at the frontage roads will require re-grading to meet ADA requirements across the accessible route.
 - 4) Widen the intersections for right turn lanes and left turn lanes as identified by the TxDOT Traffic Engineer.
 - 5) Develop Miscellaneous Roadway Details.
 - 6) Develop Driveway Details & Summaries. Determine and design driveways required for reconstruction to meet ADA requirements.
 - 7) Formulate and Prepare Traffic Control Plan, Detours and Sequence of Work Narrative. Develop Traffic Control Plan (TCP) for all phases of construction. A detailed TCP shall be developed when traffic handling during construction involves complications for which a feasible solution is not covered by the current Texas MUTCD, the current Barricade and Construction (BC) Standards or the current Traffic Control Plan Standards (TCP). For the purposes of this contract, the TCP will be developed according to the District's Guidelines for Traffic Handling. For the purposes of this contract, the traffic control plans (including temporary drainage, signing, striping and signalization) will be developed in conjunction with adjoining projects, and shall include Traffic Management System and Joint Bid Utility facilities. The Engineer shall interface and coordinate all phases of work, including the traffic control plans, with the State's consultant(s) preparing the PS&E of the proposed project immediately

adjacent to this project.

- a) Formulate overall Traffic Control concepts and construction sequence phases.
 - b) Develop Sequence of Work Narrative describing of all phases of the TCP that typically appears in the construction contract proposal. As such, the narrative is not required to appear on the individual TCP sheets.
 - c) Develop TCP Layouts and Details for all phases of construction. The following items are required on all TCP Layouts:
 - i) The sequence of construction and method of handling traffic during each phase.
 - ii) The existing and proposed traffic control devices that will be used to handle traffic during each construction sequence. Include temporary signals, regulatory signs, warning signs, construction warning signs, guide signs, route markers, construction pavement markings, channelizing devices, portable changeable message signs, flashing arrow boards, barricades, barriers, and temporary illumination.
 - iii) The proposed traffic control devices (stop signs, signals, flag person, etc.) at grade intersections during each construction sequence.
 - iv) Where detours are provided, typical and design cross sections shall be shown and/or provided.
 - v) Road construction work hours shall be directed by the State and specified for all phases of the TCP.
 - d) Develop TCP quantities and prepare Summary of Quantity sheets.
 - e) Develop CPM Construction Schedule utilizing Suretrack Software.
- 8) Prepare Title Sheet and Index sheets.
 - 9) Calculate project quantities and prepare quantity summary sheets.
 - 10) Prepare special specifications for non-standard items, if required, and a list of special provisions to be used. New specification book will be utilized on this project.
 - 11) Prepare general notes applicable to the project.
 - 12) Prepare list of TxDOT Standard Drawings to be included in the plans, provide mylar of each.
 - 13) Prepare list of right-of-way encroachments if needed.
 - 14) Assemble plans for project milestones. Three reproducible paper (11" x 17") copies of the plans shall be submitted to the TxDOT Contract Management Office at the 30%, 60%, 90% and 95% design completion stages.
 - 15) The 95% design completion submittal shall include those items listed in the Pharr District Checklist.
 - 16) Attend review meetings for project milestones and make necessary revisions to the plans.
 - 17) Upon completion of the District review of the plans, the Engineer shall assemble and furnish signed original Mylar (11" x 17") drawings which shall include all applicable standards.
 - 18) Assemble and furnish CADD files of all project files.
 - 19) Coordinate with County staff, TxDOT, local municipal agencies, utility companies, and subconsultants.
 - 20) Agreements - Prepare exhibits for Utility Agreements at 30%, 60%, and 90% project review milestones. This will consist of paper copies of Plan & Profile sheets, typical sections, cross sections, traffic signal and illumination foundation locations and the title sheet. Work does not include design of utility adjustments.

BRIDGE DESIGN

- 1) Preparation of Structural Details
 - a) New Structures
 - b) Replacement Structures and Widening
 - c) Bridge Classification Culverts
 - i) New Bridge Class structures as required
 - ii) Modification/extension of existing structures as required
- 2) Preparation of Bridge Layouts (each bridge)
 - a) Bridge Layouts (PLAN)
 - i) Horizontal curve information or bearing of centerline.
 - ii) Including horizontal, vertical, and template information of all roadways or railroads crossed.
 - iii) Bearing of center line or reference line.
 - iv) Skew angle(s).
 - v) Slope for header banks and approach fills.
 - vi) Control stations at beginning and ending of bridge (with deck elevation), intersections, etc.
 - vii) Approach pavement and crown width.

- viii) Bridge roadway width and curbs, face of rail, shoulders, or sidewalks.
 - ix) Bridge end treatments (cement stabilized backfill details, etc.)
 - x) Limits and type of riprap.
 - xi) Proposed features under structure.
 - xii) Location of profile grade line.
 - xiii) North arrow.
 - xiv) Typical bridge roadway section including preliminary proposed beam types and spacings.
 - xv) Cross slope and superelevation data.
 - xvi) Minimum horizontal clearances will be calculated and indicated (dimensioned) to controlling features, when applicable.
 - xvii) Location of soil core holes (station and offset), shown on layout.
 - xviii) Bent stations and bearings.
 - xix) Retaining wall locations.
 - xx) Traffic flow directional arrows.
 - xxi) Railing types shown (use single slope railing unless otherwise directed).
 - xxii) Joint types and seal size, if used.
 - xxiii) Beam line numbers consistent with span details.
 - xxiv) Critical horizontal clearances (location of railroad tracks, nearby structures and utilities).
 - xxv) Bearings of utilities.
 - xxvi) Overhead sign bridge locations, if applicable
- b) Bridge Layouts (ELEVATION)
- i) Type of foundation.
 - ii) Finished grade elevations at beginning and end of bridge,
 - iii) Overall length of structure.
 - iv) Length, type of spans and units.
 - v) Type of railing.
 - vi) Minimum calculated vertical clearance(s).
 - vii) Existing and proposed ground lines clearly marked.
 - viii) Grid elevations and stations.
 - ix) Bent numbers encircled.
 - x) Stationing of bridge compatible with grid stations.
 - xi) Standard title.
 - xii) Profile grade data.
 - xiii) Type of riprap.
 - xiv) Soil Core Hole information with penetrometer test data shall be shown on the bridge layout at correct station, elevation and scale.
 - xv) Dowel locations at all bents.
 - xvi) Column "H" heights.
 - xvii) Number, size and length of foundations.
 - xviii) Overhead sign bridge locations.
- c) Additional layout requirements for waterway structures and bridge classification culverts.
- i) Design and 100-year peak discharges.
 - ii) Design and 100-year high water (HW). (Recorded HW and date if available.)
 - iii) Natural and through-bridge velocities for design and 100-year floods.
 - iv) Calculated backwater for design and 100-year floods.
 - v) Direction of flow for waterway crossings.
 - vi) Contours for water crossing.
- 3) Bridge Classification Culvert, Estimate, Quantities, and Specifications (each bridge)
- 4) The minimum number of soil core holes shall be determined in accordance with Section 1-301 of the Bridges and Structures Foundation Exploration and Design Manual. Soil core holes shall be obtained at approximately 200 foot intervals along bridge alignments. Texas cone penetrometer (TCP) tests shall be conducted in all soil types encountered at a maximum of 10 foot

intervals. If single column bents with single drilled shafts are planned, TCP values should be taken at closer intervals in the upper 15 feet.

- 5) Bridge Total Quantities, Cost Estimates, and Summary Sheets (each bridge)
- 6) Bridge Special Provisions and Specifications (each bridge)
- 7) Bearing seat elevations for each beam or girder. Top of cap elevations for non-beam type structures.
- 8) General Guidelines for Bridge Design - The Engineer shall prepare a bridge layout of each bridge structure for the District's review and approval. The bridge layout shall be in conformance with the Bridges and Structures, Operation and Planning Manual and the Bridges and Structures, Detailing Manual. Soil core hole data is not required for submission of the preliminary bridge layout. No bridge design work is to be performed until the State has given the Engineer written approval of the preliminary bridge layout. Several months may be required after the preliminary bridge layout is submitted for the District to obtain approval and/or permits from the following: TxDOT Design Division, FHWA, US Army Corps of Engineers, Texas Parks and Wildlife. Consequently, the Engineer's design contract schedule should reflect all bridge layouts being submitted at the earliest possible date, and generous review times should be associated with the submittals.
- 9) General Bridge Design Considerations
 - a) Consider use of integral abutment in conjunction with cantilever drilled shaft wall.
 - b) Provide structural evaluation for the possibility of using existing bridge drilled shafts and/or columns if the bridge is replaced.
 - c) Provide recommendations for the possibility of using pre-cast caps or columns.

EXHIBIT "C"
WORK SCHEDULE

EXHIBIT "C"
Work Schedule

A detailed work schedule for each **Work Authorization**, identified and more particularly described in Article 7 of this Agreement, shall be prepared by the **Engineer** to be submitted and approved by the Owner in writing for each **Work Authorization**. The work schedule will provide specific work sequence and definite review times by the **Owner** and the **Engineer** of the work performed.

The **Engineer** will diligently pursue the completion of each **Work Authorization** as defined by the milestones and deliverable due dates outlined in each **Work Authorization's** associated work schedule.

The **Engineer** will inform the **Owner** (in reasonable advance of the delay) should the **Engineer** encounter delays that would prevent the performance of all work in accordance with the established work schedule.

EXHIBIT "D"
FEE SCHEDULE

Exhibit D
Engineer's Contract Rate Schedule

LABOR

JOB DESCRIPTION	* TxDOT BASE RATE
Engineering	
Sr. Project Manager	\$69.91
Project Manager	\$58.07
Sr. Engineer	\$50.63
Project Engineer	\$45.09
Engineer	\$34.26
Sr. Engineer Designer	\$38.65
Engineering Designer	\$33.88
CADD Operator	\$31.88
Secretary	\$19.35

*** Contract Rate to be TxDOT Base Rate time standard multiplier with profit.**

DIRECT EXPENSES:***

Mileage	\$ Current GSA Travel Rate/Mi.
Car Rental	\$ At Cost
Lodging (in state)	\$ Current GSA Per Diem Rate
Meals	\$ Current GSA Per Diem Rate
Air Travel	at cost
Overnight Carrier cost	\$40/letter
GPS Equipment	\$500/day
Copies (8 ½ x 11)	\$0.10/ea
Color Copies (8 ½ x 11)	\$1.00/ea
Copies (11 x 17)	\$0.20/ea
Color Copies (11 x 17)	\$2.00/ea
Mylar (11 x 17) Plots	\$3.50/ea
Color Mylar (11 x 17) Plots	\$7.00/ea
Bond Plots	\$1.00/sq. ft.
Color Bond Plots	\$2.50/sq. ft.
Mylar Plots	\$2.50/sq. ft.
Color Mylar Plots	\$5.00/sq. ft.
Photo Quality Color Plots	\$12.00/sq. ft.

*** These are the anticipated non-labor rates to be used to negotiate purchase orders for special or excluded services, and/or additional work; and may be re-negotiated on a yearly basis. Other non-labor rates may be determined at time of negotiation. At the rates authorized by Hidalgo County for County Official

EXHIBIT “E”
WORK AUTHORIZATION

EXHIBIT "E"
Work Authorization Form

WORK AUTHORIZATION NO. _____

THIS WORK AUTHORIZATION is made pursuant to the terms and conditions of Article 7 of the **Agreement** made by and between the **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **TEDSI Infrastructure Group, Inc.** professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

PART 1. Scope of Work. The purpose of this Work Authorization is to provide services as indicated below:
The scope of services to be provided by the **Owner** is identified in **ATTACHMENT "A" –Scope of Services to be Provided by the Owner** attached hereto.

The scope of services to be provided by the **Engineer** is identified in **ATTACHMENT "B" –Scope of Services to be Provided by the Engineer** attached hereto.

PART 2. Estimated Cost. The estimated cost for services under this Work Authorization is \$_____. This amount is based upon the costs outlined in the *Estimated Cost Proposal* attached hereto as **ATTACHMENT "D"**.

PART 3. Payment. Compensation and payment to the **Engineer** for the services established under this Work Authorization shall be made in accordance with Articles 5, 6, and 7 of the **Agreement**.

PART 4. Funding. This Work Authorization No. _____ shall be funded through funding source:
Account No. _____
Requisition Number _____ (**MUST BE INCLUDED AFTER CC APPROVAL Period of Service.**)

PART 5. Period of Service. This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and all work associated with this Work Authorization shall be performed within the time period identified in the *Work Schedule* attached hereto as **ATTACHMENT "C"**.

PART 6. Responsibilities and Obligations. This Work Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 7. Acceptance and Acknowledgement. This Work Authorization is hereby accepted and acknowledged as indicated below and effective as of _____ day of _____, 2009.

HIDALGO COUNTY COMMISSIONER/PCT. 1

BY: _____

PART 8. ACCEPTANCE AND APPROVAL

This Work Authorization is hereby accepted, approved by Hidalgo County Commissioners' Court as indicated below and effective as of _____ day of _____, 2009.

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP, INC.

BY: _____
Jesse Salinas, (Principal)

THE OWNER:
HIDALGO COUNTY

BY: _____
Juan D. Salinas, III (County Judge)

LIST OF ATTACHMENTS

- | | | |
|-----------------------|---|---|
| ATTACHMENT "A" | - | Services to be provided by the Owner |
| ATTACHMENT "B" | - | Services to be provided by the Engineer |
| ATTACHMENT "C" | - | Work Schedule |
| ATTACHMENT "D" | - | Estimated Cost Proposal |

EXHIBIT “F”
SUPPLEMENTAL AGREEMENT

EXHIBIT "F"
Supplemental Agreement Form

WORK AUTHORIZATION NO. _____
SUPPLEMENTAL AGREEMENT NO. _____

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Article 8 of the **Agreement** made by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **TEDSI INFRASTRUCTURE GROUP, INC.** professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

PART 1. Scope of Work. The purpose of this Work Authorization is to provide services as indicated below: The scope of services to be provided by the **Owner** is identified in **ATTACHMENT "A" –Scope of Services to be Provided by the Owner** attached hereto.

The scope of services to be provided by the **Engineer** is identified in **ATTACHMENT "B" –Scope of Services to be Provided by the Engineer** attached hereto.

PART 2. Estimated Cost. The estimated cost for services under this Work Authorization is \$: _____ This amount is based upon the costs outlined in the **Estimated Cost Proposal** attached hereto as **ATTACHMENT "D"**.

PART 3. Payment. Compensation and payment to the **Engineer** for the services established under this Work Authorization shall be made in accordance with Articles 5, 6, and 7 of the **Agreement**.

PART 4. Period of Services. This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and all work associated with this Work Authorization shall be performed within the time period identified in the **Work Schedule** attached hereto as **ATTACHMENT "C"**.

PART 5. Responsibilities and Obligations. This Work Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 6. Acceptance and Acknowledgement. This Work Authorization is hereby accepted and acknowledged as indicated below and effective as of _____ day of _____, 2009

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP, INC.

BY: _____
Jesse Salinas, (Principal)

THE OWNER:
HIDALGO COUNTY

BY: _____
Juan D. Salinas, III (County Judge)

LIST OF ATTACHMENTS

- ATTACHMENT "A"** - Services to be Provided by the Owner
- ATTACHMENT "B"** - Services to be Provided by the Engineer
- ATTACHMENT "C"** - Work Schedule
- ATTACHMENT "D"** - Estimated Cost Proposal

EXHIBIT "G"
CERTIFICATE OF INSURANCE

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/11/2008

PRODUCER 713-463-4550 FAX 713-463-4590
Bell Insurance Group
4544 Post Oak Place, Suite 320
Houston, TX 77027
Sherry Henderson

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED TEDSI Infrastructure Group, Inc.
10260 Westheimer
Suite 460
Houston, TX 77042

INSURERS AFFORDING COVERAGE

INSURER	NAIC #
INSURER A: American Cas. Co. of Reading PA	20427
INSURER B: National Fire Insurance	20478
INSURER C: Continental Casualty Company	20443
INSURER D: Transportation Insurance Company	20494
INSURER E:	

COVERAGES

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

SR ADD'L TR. INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab. GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	1075066054	09/11/2008	09/11/2009	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea. occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	2097261054	09/11/2008	09/11/2009	COMBINED SINGLE LIMIT (Ea. accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
C	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	2090503299	09/11/2008	09/11/2009	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$ \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC268980107	09/11/2008	09/11/2009	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	OTHER Professional Liability	AEH113771047	09/11/2008	09/11/2009	Each claim \$2,000,000 Aggregate \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 County of Hidalgo is named as additional insured with respects to general liability and automobile policies, but only the specific risk and liabilities assumed under written contract with the named insured and subject to policy conditions. A blanket Additional Insured endorsement is attached to the automobile liability and general liability policies (SB-146968-A).

CERTIFICATE HOLDER

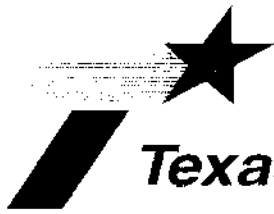
County of Hidalgo
 Attn: Ms. Martha L. Salazar
 100 E. Cano
 5th Floor Adm. Bldg.
 Edinburg, TX 78539

CANCELLATION

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

AUTHORIZED REPRESENTATIVE
 Byron Johnson/SHERRY





Texas Department of Transportation

PO BOX 1717 • PHARR TEXAS 78577-1717 • (956) 702-6100

January 28, 2009

PROJECT: Mile 6 W.
COUNTY: HIDALGO
DISTRICT: PHARR

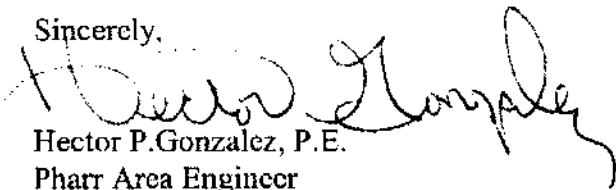
Hidalgo County Department of Budget & Management-Budget Division
100 E. Cano, 2nd Floor, Administrative Building
Edinburg, TX 78539
ATTN: Mr. Sergio Cruz

Dear Mr. Cruz:

We have reviewed the scope and fees for the aforementioned project. We concur with the scope and fees. We recommend endorsement of contract.

If you have any questions or if we may be of any assistance, please call Jesus A. Noriega at 702-6264.

Sincerely,



Hector P. Gonzalez, P.E.
Pharr Area Engineer

THE TEXAS PLAN
REDUCE CONGESTION • ENHANCE SAFETY • EXPAND ECONOMIC OPPORTUNITY • IMPROVE AIR QUALITY
INCREASE THE VALUE OF OUR TRANSPORTATION ASSETS

An Equal Opportunity Employer