
**STANDARD FORM OF AGREEMENT
BETWEEN
ENGINEER AND CONSULTANT
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT made as of March 16, 2009 between Quintanilla, Headley & Associates, Inc. (ENGINEER) and L&G Engineering Laboratory LLC. (CONSULTANT).

A. **ENGINEER** has made an agreement with Hidalgo County (OWNER), which is herein referred to as the Prime Agreement and which provides for ENGINEER performing professional services in connection with the Project described therein.

B. The professional services which ENGINEER has employed CONSULTANT to perform under this Agreement between ENGINEER and CONSULTANT are generally described as follows:

"The ENGINEER agrees to employ the CONSULTANT and the CONSULTANT agrees to provide consulting services in connection with the Project as identified in each work authorization issued and identified in Attachment B "Scope of Services" and as stated in Section 1 – "Basic Services of CONSULTANT" of this Agreement and for having rendered such services, the ENGINEER agrees to pay to the CONSULTANT compensation as stated in Section 5 of this Agreement "Payments to CONSULTANT".

ENGINEER and CONSULTANT agree as set forth below.

CONSULTANT shall perform services in accordance with the terms and conditions of this Agreement as ENGINEER'S independent CONSULTANT for this Part of the Project shall be responsible for the means and methods used in performing services under this Agreement and are not a joint-venture with ENGINEER. ENGINEER shall be the general administrator and coordinator of CONSULTANT's services for the Project, and shall facilitate the exchange of information among the independent professional associates and consultants employed by ENGINEER for the Project as necessary for the coordination of their services.

[The Remainder of this page was left blank intentionally]

ENGINEER and CONSULTANT hereby agree as set forth below:

SECTION 1 - BASIC SERVICES OF CONSULTANT

1.1 As this Agreement is of a Work Authorization format, CONSULTANT shall provide for ENGINEER the basic consulting services described in detail in each work authorization entitled "Services to be provided by the CONSULTANT". Basic Services will be paid for by ENGINEER as indicated in each work authorization, Section 5 hereof. The ENGINEER shall prepare and issue work authorizations to authorize the CONSULTANT to perform one or more work tasks. Each work authorization shall include a description of the work to be performed, including a description of the tasks and milestones, a work schedule and a lump sum amount agreed upon by the ENGINEER and the CONSULTANT. The lump sum payable for a work authorization shall be supported by the estimated cost of each work task as described in the work authorization. The work authorization will not waive the ENGINEER'S And the CONSULTANT 'S responsibilities and obligations established in this contract. The executed work authorizations(s) shall become part of this contract. The CONSULTANT shall at CONSULTANT's own expense obtain all data and information (other than that referred to in the work authorization) necessary for the performance of CONSULTANT's services. CONSULTANT is responsible to see that the documents prepared by CONSULTANT and the services CONSULTANT renders hereunder conform to the applicable laws, rules, regulations, ordinances, codes, orders and special requirements of the place where the Project is located. All of CONSULTANT's communications to or with ENGINEER's other independent professional associates and consultants will be through or with knowledge of ENGINEER.

Upon satisfactory completion of the work authorization, the CONSULTANT shall submit the deliverables as specified in the executed work authorization to the ENGINEER for review and acceptance.

SECTION 2 - ADDITIONAL SERVICES OF CONSULTANT

2.1 If authorized in writing by ENGINEER, CONSULTANT shall provide Additional Services which are not included as part of Basic Services. A fee schedule/proposal for additional services will be provided by CONSULTANT for such services.

SECTION 3 - ENGINEER'S RESPONSIBILITIES

ENGINEER shall do the following in a timely manner so as not to delay the services of CONSULTANT:

3.1 Provide all criteria and full information pertinent to CONSULTANT 's services hereunder as to OWNER'S and ENGINEER'S requirements for This Part of the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which OWNER and ENGINEER will require to be included in Drawings and Specifications to be furnished by CONSULTANT under this Agreement, if any. CONSULTANT shall request from ENGINEER such information required for performance of CONSULTANT's assignment(s).

3.2 Make available to CONSULTANT all materials from ENGINEER which are relevant to the project and associated to the services to be provided by the CONSULTANT (Roadway Maps, Traffic Volumes, Specifications, etc.) and other information, interpretations and data which were prepared by ENGINEER, or by others which ENGINEER knows are reasonably available to ENGINEER, and which ENGINEER and CONSULTANT consider pertinent to CONSULTANT 's responsibilities hereunder, all of which CONSULTANT may rely upon in performing services hereunder except as may be specifically

provided otherwise in writing. CONSULTANT assumes responsibility for improper use of this information.

3.3 Request ENGINEER to arrange for access to and make all provisions for CONSULTANT to enter upon public property as required for CONSULTANT to perform services under this Agreement.

3.4 Consult with CONSULTANT before issuing interpretations or clarifications of documents furnished by CONSULTANT, and obtain written consent of CONSULTANT before acting upon shop drawings, samples of other submittals of construction contractors or change orders affecting This Part of the Project, and assume full responsibility for any such action taken without such consultation or consent.

3.5 Prior to acceptance of any contractor or subcontractor proposed for This Part of the Project, consult with CONSULTANT to determine if CONSULTANT, after due investigation, has reasonable objection to any such contractor or subcontractor.

3.6 Furnish to CONSULTANT a copy of bidding documents and such other construction contract data as pertain to CONSULTANT's services.

3.7 Give prompt written notice to CONSULTANT whenever ENGINEER observes or otherwise becomes aware of any development that affects the scope or timing of CONSULTANT's services affecting This Part of the Project.

3.8 Advise CONSULTANT of the identity of other independent professional associates or consultants participating in the design of This Part of the Project and the scope of their services.

3.9 The information and services to be provided by ENGINEER under this Section 3 will be without cost to CONSULTANT.

3.10 Obtain all necessary approvals and signatures for CONSULTANT's work from utility companies.

SECTION 4 - PERIOD OF SERVICE

4.1 Time Period.

4.1.1 CONSULTANT recognizes that the services of ENGINEER and others involved in the Project are dependent upon the timely performance of CONSULTANT's services. Unless otherwise provided in Attachment B or elsewhere in the Agreement, CONSULTANT shall perform such services in the same character, timing and sequence as ENGINEER is required to perform services under Prime Agreement. If such periods of time or dates are exceeded through no fault of CONSULTANT, all rates, measures and amounts of compensation provided herein may be subject to equitable adjustment, subject to and in proportion to compensation, if any, ENGINEER receives from the OWNER for such. This contract shall terminate at the close of business on **March 16, 2010** unless extended by written supplemental agreement duly executed by the ENGINEER and CONSULTANT prior to the date of termination.

4.2 Time Extensions.

4.2.1 Upon written request of the CONSULTANT to the ENGINEER, time extensions will be allowed to the extent of any delays caused by factors beyond the control of the CONSULTANT or by the ENGINEER or by the OWNER or other agencies with whom the work must be coordinated. These time extensions are expressly contingent upon approval thereof by the ENGINEER and the OWNER.

4.3 CONSULTANT's schedule is contingent upon delivery of materials and information by ENGINEER as specified in Section 3 as well as in each work authorizations.

SECTION 5 - PAYMENTS TO CONSULTANT

5.1 Method of Payment.

5.1.1 ENGINEER shall pay CONSULTANT for Basic Services rendered under Section 1 more particularly described in each work authorization.

5.2 Future Adjustment.

5.2.1 If the general scope, extent or character of This Part of the Project is changed materially through no fault of CONSULTANT, the amount of compensation provided for herein may be subject to equitable adjustment.

5.3 Time of Payment.

5.3.1 CONSULTANT shall submit monthly invoices, no later than the 25th day of each month, for services rendered. The statements will reflect all allowable expenses charged to the work order as per the approved fee schedule, and shall be substantiated by all appropriate backup such as timesheets, allowable expense records, etc.

5.3.2 ENGINEER shall bill OWNER within fifteen (15) calendar days of CONSULTANT 's statement on account of CONSULTANT 's services and expenses and shall pay CONSULTANT within ten (10) calendar days of the time ENGINEER receives payment from OWNER on account thereof. It is intended that payments to CONSULTANT will be made as ENGINEER is paid by OWNER under the Prime Agreement and that ENGINEER shall exert reasonable and diligent efforts to collect prompt payment from OWNER. In no case will payment be made to CONSULTANT by ENGINEER unless and until said monies are received by ENGINEER from OWNER.

5.3.3 If ENGINEER has received an acceptable statement from CONSULTANT for services or expenses and if thereafter ENGINEER fails to pay CONSULTANT for the services and expenses covered by such statement within ten (10) calendar days after receipt of payment from OWNER for such services and expenses, then after said thirtieth day, (a) the amounts covered by such statement will be increased at the rate of 0.0333% per day from the date of receipt of payment by owner, and (b) CONSULTANT may, after giving seven days' written notice to ENGINEER, suspend services under this Agreement until payment in full of all amounts covered by CONSULTANT 's acceptable statements for services and expenses.

5.3.4 In the event of any termination, and if ENGINEER has received an acceptable statement from CONSULTANT, CONSULTANT will be paid on the basis shown in Attachment C of each work authorization for all unpaid Basic Services performed to the date of termination, and for the unpaid charges of ENGINEER approved independent professionals and consultants employed by CONSULTANT to render services on This Part of the Project to the date of termination. ENGINEER shall not be obligated to pay CONSULTANT any other termination expenses. As per paragraph 5.3.2, above, no payments will be made until monies are received by ENGINEER from OWNER.

5.4 Reproductions and Information.

5.4.1 CONSULTANT shall at CONSULTANT's expense furnish ENGINEER copies as stated in the scope of services of all progress reproductions and information required by ENGINEER for performance of ENGINEER's services under the Prime Agreement or for review of CONSULTANT's services while in progress.

5.4.2 ENGINEER shall at ENGINEER's expense furnish information and progress reproductions of ENGINEER's work and that of others assigned to the Project as may be required for the orderly performance of CONSULTANT's services.

SECTION 6 - GENERAL CONSIDERATIONS

6.1 Termination.

6.1.1 The obligation to provide further services under this Agreement may be terminated by CONSULTANT upon thirty days' written notice to ENGINEER in the event of substantial failure by ENGINEER to perform in accordance with the terms hereof through no fault of CONSULTANT. This Agreement may be terminated by ENGINEER with or without cause upon fifteen days' written notice to CONSULTANT.

6.1.2 Upon Notice of Termination, the CONSULTANT shall thereupon cease all work under this agreement to the extent required, and shall inform his employees to turn over to the ENGINEER all completed work and work in progress and upon the basis expressed in this Agreement, be compensated for all work performed to the date of termination.

6.1.3 CONSULTANT understands that failure to complete assignments within the established estimate and schedule will impact selection for additional work.

6.2 Reuse of Documents.

6.2.1 The CONSULTANT shall furnish to the ENGINEER all field notes, reports, the original tracings of all drawings and plans, maps, photographs and other materials (including, if requested by the ENGINEER, design computations, design sketches and review drawings) prepared pursuant to this contract (hereinafter collectively referred to as "documents") for delivery to the ENGINEER. The originals of such documents shall be and remain the property of the ENGINEER.

6.3 Records.

6.3.1 Fiscal records of CONSULTANT pertinent to CONSULTANT's compensation and payments under this Agreement will be kept in accordance with generally accepted accounting practices.

6.3.2 CONSULTANT shall maintain all records (fiscal and other) and design calculations on file in legible form. A copy of these shall be available to ENGINEER at CONSULTANT's expense and the originals shall not be disposed of by CONSULTANT until after sixty days' prior written notice to ENGINEER.

6.3.3 CONSULTANT's records and design calculations will be available for examination and audit if and as required by the Prime Agreement. CONSULTANT shall retain such records for not less than three (3) years after the cessation of the Prime Agreement.

6.4 Insurance.

6.4.1 CONSULTANT and any of CONSULTANT's subcontractors shall each procure and maintain insurance for the protection from claims under workers' compensation acts, claims for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims or damages because of injury to or destruction of property including loss of use resulting therefrom, and any other insurance prescribed by laws, rules regulations, ordinances, codes or orders, as well as insurance covering Professional Errors and Omissions. Certificates indicating that all such insurance is in effect will be provided to the ENGINEER by the CONSULTANT.

The following insurance limits shall be provided:

- (a) Worker's Compensation and Employer's Liability Insurance as required under laws applicable to the work which shall cover all the CONSULTANT's employees engaged in the work.
 - \$500,000 each accident
 - \$500,000 each employee for disease
 - \$500,000 policy limit for disease
- (b) Commercial General Liability Insurance coverage with limits not less than \$1,000,000 general aggregate and \$1,000,000 per occurrence, with coverage extended for:
 - (i) Premises-Operations Liability;
 - (ii) Contractual Liability covering the CONSULTANT's indemnification obligation contained herein;
 - (iii) Personal Injury Liability extending to claims arising from employees of CONSULTANT .
- (c) Business Automobile Liability Insurance covering all owned, hired, and non-owned automobiles used in connection with the work, with limits not less than \$1,000,000 combined single limit.
- (d) Professional Errors and Omissions Insurance, with a limit of not less than \$1,000,000.
- (e) Waiver of subrogation in favor of **Hidalgo County and Engineer** except for (d).
- (f) **Engineer and Hidalgo County** to be named as additional insured, except for (a) & (d).

Certificates evidencing such insurance coverage shall be delivered to the ENGINEER prior to commencement of any work under this Agreement. Such certificates shall contain a provision that coverage under such policies will not be canceled until at least thirty (30) days' prior written notice has been given to the ENGINEER.

6.5 Indemnity.

6.5.1 The CONSULTANT shall indemnify and hold harmless the ENGINEER from and against all liabilities, expenses and costs (including attorney's fees) incurred in connection with claim asserted against the ENGINEER by action in court or otherwise, by reason of or in connection with any negligent act on the part of any copyright or patent rights arising out of the use or adoption of any designs or specifications furnished by the CONSULTANT.

6.5.2 It is understood and agreed that the CONSULTANT is not an agent of the ENGINEER, but instead is an independent contractor with full control over all details of work undertaken by the CONSULTANT.

6.5.3 CONSULTANT shall defend, indemnify, and hold harmless the ENGINEER, its officers, managers, directors, employees and agents, from and against claims, demands or causes of action, losses, damages, or liabilities, (including but not limited to costs, expenses or reasonable attorneys' fees incurred by ENGINEER, its officers, managers, directors, employees and agents) which may be made or asserted by CONSULTANT, CONSULTANT's officers, directors, employees or agents or which may be made by

any third party (including but not limited to ENGINEER's managers, officers, directors, employees or agents), on account of personal injury, death or property damage caused by arising out of, or in any way incidental to or in connection with negligence in the performance of the work hereunder, including but not limited to, those situations where personal injury, death or property damage (or liability therefor) was caused by the negligence or misconduct of the CONSULTANT, CONSULTANT's suppliers (or any of their respective employees and agents). However, CONSULTANT shall not indemnify or hold harmless ENGINEER, its officers, managers, directors, employees and agents from any claims, demands or causes of action caused by sole negligence or misconduct by ENGINEER.

6.5.4 Where personal injury, death, or loss of or damage to property referred to in the immediately preceding paragraph is the result of the joint negligence or misconduct of ENGINEER and CONSULTANT, then each party's duty of indemnification and responsibility for defense costs shall be in proportion to its allocable share of such joint negligence or misconduct.

6.6 Controlling Law.

6.6.1 This Agreement is to be governed by the law of the principal place of business of ENGINEER.

6.7 Successors and Assigns.

6.7.1 ENGINEER and CONSULTANT each is hereby bound, and the partners, successors, executors, administrators, and legal representatives of each, to the extent permitted by paragraph 6.7.2. The assigns of ENGINEER and CONSULTANT are hereby bound, to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

6.7.2 Neither ENGINEER nor CONSULTANT shall assign, sublet or transfer any rights under or interest in this Agreement (including, but without limitation, moneys that may become due or moneys that are due) without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

6.7.3 Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than ENGINEER and CONSULTANT and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole benefit of ENGINEER and CONSULTANT and not for the benefit of any other party.

6.8 Delegation of Duties.

6.8.1 CONSULTANT may employ such other independent professional associates and consultants as CONSULTANT may deem appropriate to assist in the performance of services hereunder with the prior written consent of ENGINEER.

SECTION 7 - SPECIAL PROVISIONS, EXHIBITS AND SCHEDULES

7.1 Special Provisions.

7.1.1 This Agreement is subject to the following special provisions.

7.2 Notice to Proceed.

7.2.1 **No professional services of any nature shall be undertaken by the CONSULTANT under this Agreement until a written Notice to Proceed is issued by the ENGINEER.**

7.3 Coordination with the ENGINEER.

7.3.1 The CONSULTANT shall hold periodic conferences with the ENGINEER to the end that this Part of the Project, as perfected, shall have full benefit of the ENGINEER's experience and knowledge of existing needs and facilities and be consistent with the Owner's current policies and construction standards. To implement this coordination, the ENGINEER shall make available as necessary to the CONSULTANT for use in planning this part of the Project, any information relative to the performance of this Part of the Project.

7.3.2 The ENGINEER may require interim submittals of CONSULTANT's work on an "as needed" or monthly basis to monitor progress of this Part of the Project.

7.4 Hold Harmless Clause.

7.4.1 The CONSULTANT shall assume liability for its Professional Services and indemnify and hold harmless the ENGINEER and the OWNER arising out of the negligent acts, error or omissions of the CONSULTANT as follows:

1. The CONSULTANT shall be responsible for the professional quality, technical accuracy, timely completion and the coordination of all service furnished by the CONSULTANT under this Agreement.
2. The CONSULTANT shall perform such professional services as may be necessary to accomplish the work required to be performed under this Agreement, in accordance with this Agreement and applicable OWNER/ENGINEER requirements.

7.5. This Agreement (consisting of pages 1 to 8 inclusive) together with the Exhibits identified above constitute the entire agreement between ENGINEER and CONSULTANT and supersede all prior written or oral understandings. This Agreement and said Exhibits and Schedules may only be amended, supplemented, modified or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

ENGINEER:
QUINTANILLA, HEADLEY & ASSOCIATES INC.

By: 

Alfonso Quintanilla P.E.
Typed or Printed Name

President
Title

Date: 3-16-09

Address for Giving Notices:

124 E. Stubbs
Edinburg, Texas 78539

CONSULTANT:
L&G ENGINEERING LABORATORY LLC

By: 

Jacinto Garza P.E.
Typed or Printed Name

President
Title

Date: 3-16-09

Address for Giving Notices:

2100 West Expressway 83
Mercedes, Texas 78570

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/13/09

PRODUCER Willis of Texas, Inc. (956)682-9423 FAX(956)687-1286 1400 N McColl Rd Suite 105 McAllen, TX 78501	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.	
	INSURERS AFFORDING COVERAGE	NAIC #
INSURED L & G Consulting Engineers Inc dba L & G Engineering 2100 W Expressway 83 Mercedes, TX 78570	INSURER A: Fidelity & Guaranty Insurance Compan	35385
	INSURER B: SOUTHERN VANGUARD INSURANCE COMPANY	
	INSURER C: Ace American Insurance Company	22667
	INSURER D:	
	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.

INSR ADD'L LTR INSRD	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 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	PACP2822L500TLC08	07/19/08	07/19/09	EACH OCCURRENCE \$2,000,000			
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000							
	MED EXP (Any one person) \$5,000							
	PERSONAL & ADV INJURY \$2,000,000							
	GENERAL AGGREGATE \$4,000,000							
	PRODUCTS - COMP/OP AGG \$4,000,000							
A	AUTOMOBILE LIABILITY <input 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	PACP2822L500TLC08	07/19/08	07/19/09	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 \$
B	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	TSV000268001	07/23/08	07/23/09	EACH OCCURRENCE \$			
					AGGREGATE \$			
					\$			
					\$			
					\$			
					\$			
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	EONG2363384A002	07/20/08	07/20/09	<input type="checkbox"/> WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER			
	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	EONG2363384A002	07/20/08	07/20/09	\$1,000,000 ea. claim \$1,000,000 Aggregate \$15,000 ded. ea. Claim			

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
**** Supplemental Name ****
 First Supplemental Name applies to all policies - L & G Consulting Engineers Inc; San Jacinto Enterprises, LLC
 (See Attached Descriptions)

CERTIFICATE HOLDER Quintanilla, Headley & Associates, Inc. 124 E. Stubbs 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 <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE <i>Brian E Lewis</i>

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

DESCRIPTIONS (Continued from Page 1)

A Waiver of subrogation in favor of Hidalgo County & Quintanilla, Headley & Associates, Inc. applies on all policies except on Professional Liability policy. Quintanilla Headley & Associates, Inc and Hidalgo County are named as additional insured under the General Liability, & Business Auto policies.

WORK AUTHORIZATION NO. 1

THIS WORK AUTHORIZATION is made pursuant to the terms and conditions of Contract Agreement, executed on MARCH 24, 2009 hereinafter identified as the "Contract", entered into by and between **Quintanilla, Headley & Associates, Inc** ("Engineer"), and **L&G Engineering Laboratory LLC.**, ("Consultant").

PART 1. The Consultant will perform the following consulting and related services for the

The scope of work for consulting services identified in the Exhibit B "Services to be provided by the Consultant"

PART 2. The maximum amount payable for services under this Work Authorization is \$62,900.00. This amount is based upon the following budget: *See Exhibit "D" – Fee Schedule*

PART 3. Payment to the Consultant for the services established under this Work Authorization shall be made in accordance with the terms and conditions of the subject Contract Agreement.

PART 4. This Work Authorization shall become effective on the date of final acceptance of the parties hereto and shall terminate upon completion of project unless extended by a Supplemental Work Authorization as provided in the Contract.

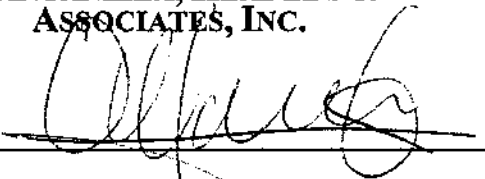
PART 5. This Work Authorization does not waive the parties' responsibilities and obligations provided under the Contract.

PART 6. This Work Authorization is hereby accepted and acknowledged below.

QUINTANILLA, HEADLEY & ASSOCIATES, INC.

L&G Engineering Laboratory LLC.

By: _____



By: _____



Alfonso Quintanilla, P.E.

Jacinto Garza P.E.

Typed or Printed Name

Typed or Printed Name

Project Manager

President

Title

Title

3-24-09

3-24-09

Date

Date

LIST OF EXHIBITS

Exhibit A "Services to be Provided by the Engineer" OMITTED

Exhibit B "Services to be provided by the Consultant

Exhibit C "Project Schedule" OMITTED

Exhibit D "Fee Schedule"

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 *to provide Geotechnical Engineering Services for the San Carlos Drain Project*.

OMITTED

L&G Engineering Laboratory, LLC
Quintanilla, Headley & Associates

WORK AUTHORIZATION NO. 1 -EXHIBIT "A"
Page 1 of 1

EXHIBIT "B"

Services to be Provided by the Laboratory

The work to be furnished by the **Laboratory** under this work authorization is *to provide Geotechnical Engineering services for the San Carlos Drain Project* in Hidalgo County, Texas, known as the **Project**.

The **Laboratory** shall furnish all equipment, materials, supplies, and incidentals as needed to perform the services required by this Work Authorization, except as otherwise specified to be provided by the **Owner**.

The **Laboratory** will develop/submit a work schedule (as required in ARTICLE 2.3 of the Agreement) that identifies milestone activities and/or deliverables, and that is conformable to the schedule outlined in ATTACHMENT "C".

Specific activities to be performed by the **Laboratory** include the following:

I. Drilling Services

Based on a meeting with the Owner, and correspondence from **Quintanilla, Headley and Associates**, the project will consist of drilling and sampling subsurface materials for a total of thirty-seven (37) twenty foot (20') borings within the proposed project.

Upon receipt of a vicinity map indicating the general site locations, the boring locations the **Owner** will stake the boring locations and provide utility clearances prior to performing the field exploration portion of the project. The **Owner** will be responsible to provide any necessary permits or authorization to egress areas (right of entry) where the borings are to be drilled. All borings will be located in the field by a representative of the **Owner**.

The borings will be advanced to the depth noted above and the in-situ soil testing will be performed in general accordance with ASTM Standards. The soil will be sampled as needed to verify subsurface materials and strata changes. Final drilling depths and elevations will be based on topographic conditions at the time of drilling operations.

All samples will be removed from the sample apparatus during drilling operations. The **Laboratory** will conduct various field tests on the recovered samples, visually classify the samples, and record the appropriate data on a field boring log. The samples will be appropriately packaged to minimize loss of their natural moisture content and to reduce the possibility of damage during transportation to the **Laboratory's** soils laboratory.

Drilling services will include a 24-hour water level reading at each boring location. Following completion of drilling, sampling, all boreholes will be backfilled with soil cuttings from the completed borings. If there are not enough soil cuttings available, clean sand will be used to backfill the completed boreholes.

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WORK AUTHORIZATION NO. 1-EXHIBIT "B"

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This proposal does not include activities and corresponding costs that may be associated with the following:

- Providing an ATV mounted drill rig, dozer or special equipment to clear areas of vegetation and debris or to regrade the site to gain access to the boring locations;
- Regrading the site or portions of the site after drilling activities are completed;
- its safety meetings that may be required; or
- Encountering hazardous or contaminated soils or substances during our field activities.

The **Laboratory** will notify the Owner should these services become necessary to complete field exploration activities, and if approved by the Owner, additional negotiated fee and scope will be incorporated through Supplemental Work Authorization.

II. Laboratory Testing Services

Geotechnical engineering laboratory tests will be performed on the samples recovered during the field study to evaluate their physical and engineering properties. Testing shall include several of the following test procedures:

- (1) Atterberg Limits (ASTM D4318). This procedure will be used to aid in the classifying of the soil and to provide information on the potential vertical rise and contraction of the soil. Test data furnished will include Liquid Limit, Plasticity Index, and Linear Shrinkage test results.
- (2) Gradation (ASTM D422) This procedure will be used to aid in the classifying of the soil. Testing will be dependent of the type of soil and can vary from a single sieve to a nest of sieves. A No. 200 sieve will be used for fine grained material as well as for cohesive soils.
- (3) Hydrometer Analysis. This procedure will be utilized to determine the grain size distribution for particles smaller than 0.075mm (No. 200) by the use of a Hydrometer (ASTM D422) L&G will provide D50 material sizes for Scour Analysis.
- (4) Unconfined Compression (ASTM D2166). This procedure covers the determination of the unconfined compressive strength of cohesive soil in the undisturbed, remolded, or compacted condition, using strain controlled application of the axial load and will provide an indication of the soil strength and compressibility. This procedure also determines the natural density of the soil which will be used in soils classification and evaluation of the soil consistency and strength.
- (5) Laboratory Determination of Water (moisture) in Soil and Rock by Mass (ASTM D2216). This procedure will aid in determining the in-situ moisture of the soil to be able to evaluate the potential vertical rise and contraction of the soil.
- (6) One Dimensional Consolidation Properties of Soil (ASTM D 2435) (Method A). This procedure will identify the magnitude and rate of consolidation of soil when it is restrained laterally and drained axially while subjected to controlled stress loading.

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III. Engineering Services

Engineering analyses will be conducted after reviewing the results of both the field and laboratory phases of our study. The findings and conclusions derived from the Engineer's analyses will be presented in a written engineering report (three (3) copies), which will be prepared by a Texas-licensed engineer, who specialize in geotechnical engineering and is familiar with the local conditions. The report will include a boring location plan, boring logs with visual classifications of recovered soil samples and subsurface water conditions encountered. The report will provide engineering recommendations for:

- Foundation capacity curves; and
- Soil parameters that may be used in designing the planned drainage structures.
- Recommendations for foundations sizes
- Construction Issues and Recommendations

The Engineer's report will provide general comments and applicable recommendations regarding construction methods, sequences, and potential difficulties that may arise during overall construction as it relates to the soil and foundation aspects of this project. This information may serve to guide foundation selection and design and assist in the preparation of specifications for the project.

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EXHIBIT "C"
Work Schedule

The **Laboratory** will provide the deliverables for this work authorization as follows:

OMITTED

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Quintanilla, Headley & Associates

**“Exhibit D”
SCHEDULE OF FEES FOR
GEOTECHNICAL SERVICES**

Soil Classification Testing

Moisture Content Determination	\$9.00 / Ea.
Determination of Liquid Limit of Soils	\$45.00 / Ea.
Determination of Plastic Limit of Soils	\$45.00 / Ea.
Atterberg Limits of Soils	\$65.00 / Ea.
Bar Linear Shrinkage of Soils	\$60.00 / Ea.

Sieve Analysis

Through # 200 Sieve	\$55.00 / Ea.
Finer #200 Sieve	\$60.00 / Ea.
Unit Dry Weight	\$35.00 / Ea.
Specific Gravity	\$75.00 / Ea.

Strength / Volume Change Laboratory Testing

Unconfined Compression-Soil Shelby Tube Specimen	\$50.00 / Ea.
Unconfined Compression-Rock Core Specimen	\$55.00 / Ea.
Swell Test-Pressure Method	\$285.00 / Ea.
Swell Test-Free Swell	\$175.00 / Ea.
Consolidation Test	\$475.00 / Ea.
Hydraulic Conductivity	\$395.00 / Ea.

Geotechnical Field Services

Mobilization	\$400.00 / Day
Stand-By Time	\$175.00 / Hr.
Soil Boring / Solid Stem	\$ 18.00 / Lf.
Soil Boring / Hollow Stem	\$ 27.00 / Lf.
Soil Boring / Mud Rotary	\$ 27.00 / Lf.
Support Truck	\$ 2.00 / Mi.
Peizometer / Monitoring Well	By Quote

L&G Engineering Laboratory provides Technical and Engineering services at the rates listed below.

<u>Personnel:</u>	Engineer (Principal).....	\$145.00 / hour
	Engineer (Staff).....	\$125.00 / hour
	Engineering Specialist.....	\$90.00 /hour
	Technician (Logger).....	\$42.00 / hour
	Technician (Concrete).....	\$47.50 /hour
	Technician (Asphalt).....	\$47.50 / hour
	Technician (CAD).....	\$37.50 / hour

<u>Expenses:</u>	Mileage.....	50 cents/mile
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Any project specific, third-party costs will be charged at cost plus 10 percent. Invoices will be submitted monthly for work in progress in our standard format. They are due and payable upon receipt and become past due 30 days after the billing date. Past due invoices may be subject to late charges at the rate of 1 ½ percent per month (18 percent per annum). In the event that the State of Texas legislates a sales tax on Professional Services, the amount of the tax will be added to the appropriate service rate charged. Our invoices are due and payable upon receipt at 2100 W. Expressway 83, Mercedes, Texas 78570.

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Quintanilla, Headley & Associates

WORK AUTHORIZATION NO. 1 – Exhibit “D”

- Municipal Projects
- Subdivisions
- Surveys



Alfonso Quintanilla, P.E., R.P.L.S.
Eulalio Ramirez, P.E.

124 E. Stubbs, Edinburg, Texas 78539 . Phone: (956) 381-6480 Fax: (956) 381-0527

March 26, 2009

Ms. Leticia H. Saenz
CPPB/Contracts Manager
Hidalgo County Purchasing Department
2812 S. Business Hwy. 281
Edinburg, Texas 78539

**Re: San Carlos Drainage Improvements
Contract # C-08-477-12-09**

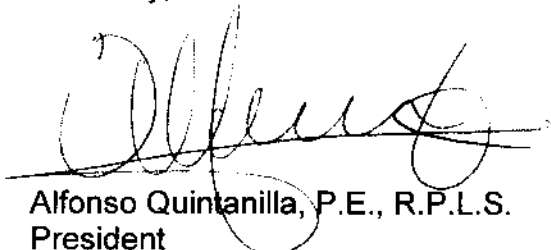
Dear Ms. Saenz:

In order for us to finalize the design of the holding ponds for this project, we need some geotechnical work done. I have subcontracted L & G Engineering Laboratory, L.L.C. to perform this work. Attached is consultant agreement.

Please present this contract to the Hidalgo County Commissioners' Court for their consideration and approval.

Should you have any questions, please feel free to call me at (956) 381-6480

Sincerely,



Alfonso Quintanilla, P.E., R.P.L.S.
President