

AI-20898

4.

SMD Weir #4 Filling of Voids

DRAINAGE DISTRICT

Date: 04/27/2010
Submitted By: Jaime Salazar, DRAINAGE DISTRICT
Submitted For: Jaime Salazar
Department: DRAINAGE DISTRICT

Information

CAPTION

Discussion and approval regarding construction of filling voids on South Main Drain Weir 4.

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Erika Zamora	04/21/2010 01:51 PM	APRV
2	Perla Lopez	Perla Lopez	04/23/2010 04:12 PM	APRV
3	Final Approval		04/23/2010 04:17 PM	NEW

Form Started By: Jaime Salazar

Started On: 04/21/2010 01:15 PM

Final Approval Date: 04/23/2010

**D&B Suppl.WA Levee & DHS
DRAINAGE DISTRICT**

Date: 04/27/2010

Submitted By: Minerva Luna, DRAINAGE DISTRICT

Department: DRAINAGE DISTRICT

Information**CAPTION**

A. Request approval of Supplemental Work Authorizations for Professional Services to Dannenbaum Engineering-McAllen for interim project reconciliations as of 9-30-09 on the following DHS Segments:

1. DHS Segment 0-4A, DHS Segment 0-4C, and DHS Segment 0-4B Supplemental No. 18 to Work Authorization No. 3
2. DHS Segment 0-5 Supplemental No. 7 to Work Authorization No. 5
3. DHS Segment 0-6A Supplemental No. 9 to Work Authorization No. 12
4. DHS Segment 0-6BC Supplemental No. 8 to Work Authorization No. 13
5. DHS Segment 0-7 Supplemental No. 13 to Work Authorization No. 7 pending approval from Department of Homeland Security (DHS).

B. Request approval of Supplemental Work Authorizations for Professional Services to Dannenbaum Engineering-McAllen for additional fee for Construction Engineering during the Extended Contract Period on the following DHS Segments:

1. DHS Segment 0-4A and DHS 0-4C Supplemental No. 23A to Work Authorization No. 3
2. DHS Segment 0-5 Supplemental No. 10 to Work Authorization No. 5
3. DHS Segment 0-6A Supplemental No. 14 to Work Authorization No. 12 pending approval from Department of Homeland Security (DHS).

C. Request approval of Supplemental Work Authorizations for Professional Services to Dannenbaum Engineering-McAllen for additional fee for Site Representation (Inspection Services) during the Extended Contract Period on the following DHS Segments:

1. DHS Segment 0-4A and DHS 0-4C Supplemental No. 22A to Work Authorization No. 3
2. DHS Segment 0-5 Supplemental No. 9 to Work Authorization No. 5
3. DHS Segment 0-6A Supplemental No. 13 to Work Authorization No. 12
4. DHS Segment 0-6BC Supplemental No. 10 to Work Authorization No. 13
5. DHS Segment 0-7 Supplemental No. 15 to Work Authorization No. 7
6. DHS Segment 0-8 Supplemental No. 11 to Work Authorization No. 8
7. DHS Segment 0-9 PH I and DHS 0-9 PH II Supplemental No. 17 to Work Authorization No. 9
8. DHS Segment 0-10 Supplemental No. 15 to Work Authorization No. 10 pending approval from Department of Homeland Security (DHS).

D. Request approval of Supplemental Work Authorizations for Professional Services to Dannenbaum Engineering-McAllen for additional fee for Site Representation (Inspection Services) during the Contract Period on the following DHS Segments:

1. DHS Segment 0-6BC Supplemental No. 12 to Work Authorization No. 13
2. DHS Segment 0-7 Supplemental No. 17 to Work Authorization No. 7
3. DHS Segment 0-8 Supplemental No. 13 to Work Authorization No. 8
4. DHS Segment 0-9 PH I and DHS 0-9 PH II Supplemental No. 19 to Work Authorization No. 9
5. DHS Segment 0-10 Supplemental No. 17 to Work Authorization No. 10 pending approval from Department of Homeland Security (DHS).

E. Request approval of Supplemental Work Authorizations for Professional Services to Danennbaum Engineering-McAllen for interim project reconciliations as of 9-30-09 on the following:

1. Mission Levee PH I Banker Weir to Inspiration Rd. and Mission Levee PH II Inspiration Rd. to Abram Rd. Supplemental No. 18A to Work Authorization No. 3
2. Common Levee-Hidalgo Loop Levee to Anzalduas Dam Supplemental No. 8 to Work Authorization No. 4
3. North Banker Floodway Levee of Granjeno-2.9 miles E of DHS Segment 0-5 Supplemental No. 7 to Work Authorization No. 6

BACKGROUND

Fiscal Impact

Attachments

Link: [DHS 0-4A,0-4B,0-4C Proj Recon](#)

Link: [DHS 0-5 Proj Recon](#)

Link: [DHS 0-7 Proj Recon](#)

Link: [DHS 0-6A Proj Recon](#)

Link: [DHS 0-6BC Proj Recon](#)

Link: [DHS 0-4A and DHS 0-4C Cat. 3](#)

Link: [DHS 0-5 Cat. 3](#)

Link: [DHS 0-6A Cat. 3](#)

Link: [DHS 0-4A and DHS 0-4C Cat. 4](#)

Link: [DHS 0-5 Cat. 4](#)

Link: [DHS 0-6A Cat. 4](#)

Link: [DHS 0-6BC Cat. 4A](#)

Link: [DHS 0-7 Cat. 4A](#)

Link: [DHS 0-8 Cat. 4A](#)

Link: [DHS 0-9 PH I and DHS 0-9 PH II Cat. 4A](#)

Link: [DHS 0-10 Cat. 4A](#)

Link: [DHS 0-6BC Cat. 5A](#)

Link: [DHS 0-7 Cat. 5A](#)

Link: [DHS 0-8 Cat. 5A](#)

Link: [DHS 0-9 PH I and DHS 0-9 PH II Cat. 5A](#)

Link: [DHS 0-10 Cat. 5A](#)

Link: [Common Levee Proj Recon](#)

Link: [Banker Weir and Mission Levee Proj Recon](#)

Link: [2.9 miles Granjeno Proj Recon](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Erika Zamora	04/22/2010 03:40 PM	APRV
2	Perla Lopez	Perla Lopez	04/23/2010 03:37 PM	APRV
3	Final Approval		04/23/2010 04:17 PM	NEW

Form Started By: Minerva Luna
Started On: 04/20/2010 04:27 PM
Final Approval Date: 04/23/2010

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

March 2, 2010

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 18 (Revised 02/19/10) to Work Authorization No. 3
Project Interim Yearly Reconciliation of Work Authorizations No. 2 and No. 3**

Dear Mr. Garza,

Basic and Special Services for the following projects were provided under Work Authorizations No. No. 2 and No. 3. (Refer to Exhibit I)

Local / USIBWC and DHS Participation:

- Mission Levee Ph II Abrams Rd to Just East Side of Penitas Pump Station DHS Seg O-4A (3.87 Miles)
- Mission Levee Ph II Just West of Penitas Pump Station to Military Rd DHS Seg O-4C (0.44 Miles)
- Mission Levee Ph II South Option – Levee Intake Crossing (DHS Seg O-4B)

In order to provide a better clarification of the reconciliation of these projects, we are reconciling Work Authorizations No. No. 2 and No. 3 for DHS Projects under one supplemental agreement; being Supplemental Agreement No. 18 (Revised 02/19/10) to Work Authorization No. 3 as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects.

After verbal negotiations, Dannenbaum agreed to perform the **basic engineering fee** services for levee/walls for Mission Levee Ph II Abrams Rd to Just East Side of Penitas Pump Station DHS Seg O-4A (3.87 Miles); Mission Levee Ph II Just West of Penitas Pump Station to Military Rd DHS Seg O-4C (0.44 Miles); Mission Levee Ph II West End of DHS Seg O-4A Crossing Penitas Canal to East End of DHS Seg O-4C (DHS SEG O-4B)(849 LF/0.159 Miles) **for 90% of 7% or 6.3% of the final construction.**

Also as verbally agreed, certain construction management tasks will be reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 18 (Revised 02/19/10) to Work Authorization No. 3 also addresses these modifications.

As maintained by our Contract Agreement dated November 7, 2006 and Work Authorization No. 3 dated July 3, 2007 Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.

Hence, please refer to the **Main Contract, Article 7. Work Authorization.** The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1"— Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I of this correspondence for copies of applicable Sections of the Engineering contract.

On September 30, 2009 HCDD No. 1 Staff met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed the final construction cost for interim yearly reconciliation based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction* as of September 30, 2009 for the projects under this work authorization are as stated below:

	Proj No.	Project Description	Final for Reconciliation	Date
Orig Work Order	2	Mission Levee Ph II Inspiration Road to West Side of Military Road (Original 8.26 Miles)	N/A	N/A
Modified W.A. No. 2 (8.26 Miles) Divided into six (6) projects.	2D	(DHS Seg O-4A) Mission Levee Ph II Abrams Road to Just East Side of Penitas Pump Station	\$39,968,6434.64	September 30, 2009
	2E	(DHS Seg O-4C) - Mission Levee Ph II Just West of Penitas Pump Station to Military Road	\$4,398,313.24	September 30, 2009
	2F	(DHS SEG O-4B) - Mission Levee Ph II South Option – Levee Intake Crossing	\$7,767,670.00*	September 30, 2009

The preliminary fee before reconciliation for each project breaks down to the following:

Table II **Original Project No. 2** – Mission Levee Ph II Inspiration Rd to West Side of Military Rd (8.26 Miles)

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services (Original Basic Services = \$783,135.46, but part of it was distributed among Inspiration Road to Abram Road and DHS Segments O-4A and O-4C) (See Exhibit I)	\$370,919.50
Special Services (Surveying and Funding Liaison Amount for all projects under Work Authorization No. 3)	\$581,631.00
Total Estimated Fee	\$952,550.90

Table IV Modified Project 2D – DHS Seg O-4A – Mission Levee Ph II – Abrams Rd to Just East Side of Penitas Pump Station (3.87 Miles)

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services	\$902,904.37
Special Services	\$495,228.47
Total Estimated Fee	\$1,398,132.84

Table V Modified Project 2E – DHS Seg O-4C – Mission Levee Ph II Just West of Penitas Pump Station to Military Rd (0.44 Miles)

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services	\$101,865.74
Special Services	\$56,305.01
Total Estimated Fee	\$158,170.75

Table VI Project No. 2F – DHS SEG O-4B – Mission Levee Ph II
South Option – Levee Intake Crossing

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services	\$288,818.04
Special Services	\$48,136.34
Total Estimated Fee	\$336,954.38

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 2 and No. 3 thru the final design phase for the various projects listed above. There have been some construction change orders impacting the construction cost; therefore, final reconciliation will be based on the construction cost of each project as agreed upon by both HCDD No. 1 Staff and Dannenbaum Staff on September 30, 2009 and utilize the verbal agreement of providing the basic services for 90% of 7% of the final construction cost.

Based on the revised construction cost, our engineering fees are revised as follows:

Table II **Original Project No. 2** – Mission Levee Ph II
Inspiration Rd to West Side of Military Rd (8.26 Miles) (See Exhibit I)

Type of Service	Revised Fee (90% of 9% of CC)	Previously Approved Fee	Difference in Total Fee
Basic Services	\$0.00	\$370,919.50	\$0.00
Special Services	\$0.00	\$581,631.00	\$0.00
Net Increase/Decrease for WA No. 3		\$952,550.90	\$0.00

- **Special Services include surveying and funding liaison amount for the entire 8.26 Miles**
- **The above basic services fee of \$370,919.50 was for the portion of the final design cost that was expended before the project was changed to a DHS Levee/Wall and divided into six different projects, including Projects 2D thru 2F. As a result, this expended fee was no longer usable. However, the preliminary engineering fee and special services fee were usable.**

Original Amount	\$952,550.90
Plus Net Increase/Decrease due to Reconciliation	\$0.00
Total Amount (After Reconciliation)	<u>\$952,550.90</u>

Table IV Modified Project 2D – DHS Seg O-4A – Mission Levee Ph II –
Abrams Rd to Just East Side of Penitas Pump Station

Type of Service	Revised Fee (90% of 9% of CC)	Previously Approved Fee	Difference in Total Fee
Basic Services	\$2,518,023.98	\$902,904.37	\$1,615,119.61
Special Services	-	\$495,228.47	\$0.00
Net Increase for WA No. 3		\$1,398,132.84	\$1,615,119.61

Original Amount	\$1,398,132.84
Plus Net Increase due to Reconciliation	\$1,615,119.61
Total Amount (After Reconciliation)	<u>\$3,013,252.45</u>

Table V Modified Project 2E – DHS Seg O-4C – Mission Levee Ph II
Just West of Penitas Pump Station to Military Rd

Type of Service	Revised Fee (90% of 9% of CC)	Previously Approved Fee	Difference in Total Fee
Basic Services	\$277,093.73	\$101,865.74	\$175,227.99
Special Services	-	\$56,305.01	\$0.00
Net Increase for WA No. 3		\$158,170.75	\$175,227.99

Original Amount	\$158,170.75
Plus Net Increase due to Reconciliation	\$175,227.99
Total Amount (After Reconciliation)	\$333,398.74

Table VI Project No. 2F – DHS SEG O-4B – Mission Levee Ph II
South Option – Levee Intake Crossing

Type of Service	Fee Based on (Engr's Estimate)	Approved Fee	Difference in Total Fee
Basic Services	\$489,363.21	\$288,818.04	\$200,545.17
Special Services	-	\$48,136.34	\$0.00
Net Increase for WA No. 3		\$336,954.38	\$56,136.15*

Original Amount	\$336,954.38
Plus Net Increase/Decrease due to Reconciliation	\$56,136.15
Total Amount (After Reconciliation)	\$393,090.53

* Note the following for DHS SEG O-4B:

Total Amount (After Reconciliation)	
Total Fees Based on Revised Const Cost	\$489,363.21
Previously Approved Fee	\$288,818.04
Total Amount (After Reconciliation)	\$200,545.17
Less Credit Given for Prelim Engineering	(\$144,409.02)
Total Amount (After Reconciliation)	\$56,136.15

Work Authorizations No. No. 2 was straightforward, however, Work Authorization No. 3 became complex because of the various projects that the original 8.26 miles was divided into. However, Dannenbaum has presented our best effort to explain the various changes and explanation of how the engineering fees were dispersed based on the respective project limits for each project.

Please review our Supplemental Agreement No. 18 (Revised 02/19/10) to Work Authorization No. 3, which includes our **interim yearly reconciliation** of Work Authorization No. 2 and No. 3. Based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,

A handwritten signature in blue ink, appearing to read "L. Jones", written over the printed name.

Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

THE STATE OF TEXAS §

COUNTY OF HIDALGO §

EXHIBIT "F"
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 18 (Revised 02/19/10)
TO WORK AUTHORIZATION NO. 3
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

WITNESSETH

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the "Levee System Improvements within Hidalgo County, Texas" (hereinafter referred to as the "Project"); and executed Work Authorization No. 3 under said agreement on July 3, 2007 for preliminary engineering, final design and construction phase services for Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 3, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 18 (REV 02/19/10) to WA No. 3 – Project Reconciliation
"Levee System Improvements within Hidalgo County, Texas"

No. 3, Payment, establishes the method of payment for the proposed improvements for Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles); and,

WHEREAS, it has become necessary to amend Work Authorization No. 3 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 7% or 6.3% of the final construction cost for Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”; Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the Construction Cost of each respective Project is modified as referenced in Attachment “B” – Bid Tabulation and Construction Cost Estimates for the various projects under Work Authorization No. 3,

I. Work Authorization No. 3, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 3 for Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B., are updated in accordance with the **Main Contract, Article 7, Work Authorization; Article 5.1 and Exhibit “D-1”; Article 6, Section**

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 18 (REV 02/19/10) to WA No. 3 – Project Reconciliation
“Levee System Improvements within Hidalgo County, Texas”

6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements.

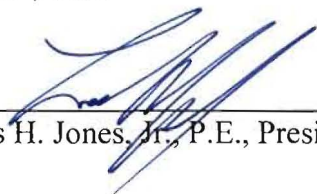
Total basic fee addition/reduction to the contract agreement under this work authorization

is outlined in Attachment A – Breakdown of Project Reconciliation:

- Mission Levee Ph II ~ DHS Segment O-4A	=	\$1,615,119.61
- Mission Levee Ph II ~ DHS Segment O-4C	=	\$175,227.99
- Mission Levee Ph II ~ DHS Segment O-4B (South Levee Intake Option)	=	\$56,136.15

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this Supplemental Agreement No. 18 (Revised 02/19/10) to be effective as of the ____ day of _____, 2010.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment “A” - Breakdown of Project Reconciliation
- Attachment “B” - Bid Tabulation and Approved Change Orders and/or Engineer’s Construction Cost Estimates for the Various Projects under Work Authorization No. 3
- Exhibit I - Basic and Special Services under Contract for Work Authorizations No. 2 and No. 3

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 18 (REV 02/19/10) to WA No. 3 – Project Reconciliation
“Levee System Improvements within Hidalgo County, Texas”

ATTACHMENT A

BREAKDOWN OF PROJECT RECONCILIATION
 SEPTEMBER 30, 2009
 HIDALGO COUNTY DRAINAGE DISTRICT NO. 1
 SUPPLEMENTAL AGREEMENT NO. 18 TO WORK AUTHORIZATION NO. 3
 (Includes the Reconciliation of Work Authorization No. 1, No. 2 and No. 3)

MISSION LEVEE PHASE II
 ABRAMS ROAD TO JUST EAST SIDE OF PENITAS PUMP STATION (DHS SEG O-4A)
 HCDD No. 1 CONTRACT NO. 08-023-09-30 / DEC PROJECT NO. 4287-03

SUMMARY OF ENGINEERING FEES BASED ON PERCENTAGE OF CONSTRUCTION COST

	Reconciled Engineering Fee based on	Contracted Engineering Fees (Actual)	
BASIC SERVICES ONLY	Final Constuction Cost Estimate September 30, 2009 \$39,968,634.64	SEE EXHIBIT NO. 1	DIFFERENCE IN ENGINEERING FEES
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost)	\$ 839,341.33	\$ 185,012.47	\$ 654,328.86
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 7% of Total Construction Cost)	\$ 1,678,682.65	\$ 717,891.90	\$ 960,790.75
TOTALS	\$ 2,518,023.98	\$ 902,904.37	\$ 1,615,119.61
(Percent of Construction Cost)	6.3%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 8			\$1,615,119.61

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 2,518,023.98
Previously Billed thru Final Design Phase	\$ 902,904.37
Amount Due After Project Reconciliation	\$ 1,615,119.61

ATTACHMENT A

BREAKDOWN OF PROJECT RECONCILIATION
 SEPTEMBER 30, 2009
 HIDALGO COUNTY DRAINAGE DISTRICT NO. 1
 SUPPLEMENTAL AGREEMENT NO. 18 TO WORK AUTHORIZATION NO. 3
 (Includes the Reconciliation of Work Authorization No. 1, No. 2 and No. 3)

MISSION LEVEE PHASE II
 JUST WEST OF PENITAS PUMP STATION TO MILITARY ROAD (DHS SEG O-4C)
 HCDD No. 1 CONTRACT NO. 08-024-09-30 / DEC PROJECT NO. 4287-03

SUMMARY OF ENGINEERING FEES BASED ON PERCENTAGE OF CONSTRUCTION COST

	Reconciled Engineering Fee based on	Contracted Engineering Fees (Actual)	
BASIC SERVICES ONLY	Final Constuction Cost Estimate September 30, 2009 \$4,398,313.24	SEE EXHIBIT NO. 1	DIFFERENCE IN ENGINEERING FEES
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost)	\$ 92,364.58	\$ 21,035.01	\$ 71,329.57
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 7% of Total Construction Cost)	\$ 184,729.16	\$ 80,830.73	\$ 103,898.43
TOTALS	\$ 277,093.73	\$ 101,865.74	\$ 175,227.99
(Percent of Construction Cost)	6.3%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 8			\$175,227.99

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 277,093.73
Previously Billed thru Final Design Phase	\$ 101,865.74
Amount Due After Project Reconciliation	\$ 175,227.99

ATTACHMENT A

BREAKDOWN OF PROJECT RECONCILIATION
 SEPTEMBER 30, 2009
 HIDALGO COUNTY DRAINAGE DISTRICT NO. 1
 SUPPLEMENTAL AGREEMENT NO. 18 TO WORK AUTHORIZATION NO. 3
 (Includes the Reconciliation of Work Authorization No. 1, No. 2 and No. 3)

MISSION LEVEE PHASE II
 DHS SEGMENT O-4B (SOUTH OPTION - LEVEE INTAKE CROSSING)
 HCDD No. 1 CONTRACT NO. (N/A) / DEC PROJECT NO. 4287-03

SUMMARY OF ENGINEERING FEES BASED ON PERCENTAGE OF CONSTRUCTION COST

	Reconciled Engineering Fee based on Final Constuction Cost Estimate September 30, 2009 \$7,767,670.00	Contracted Engineering Fees (Actual) SEE EXHIBIT NO. 1	
BASIC SERVICES ONLY			DIFFERENCE IN ENGINEERING FEES
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost)	\$ 163,121.07	\$ (144,409.02)	\$ 18,712.05
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 7% of Total Construction Cost)	\$ 326,242.14	\$ 288,818.04	\$ 37,424.10
* Credit given on Preliminary Engineering based on Original Constructio Cost of \$6,876,620.00 (<i>\$144,409.02</i>)			
TOTALS	\$ 489,363.21	\$ 288,818.04	\$ 56,136.15
(Percent of Construction Cost)	6.3%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 8			\$56,136.15
Amount due after Project Reconciliation			
Total Fees Based on Revised Const Cost	\$ 489,363.21		
Previously Billed thru Final Design Phase	\$ 288,818.04		
Amount Due After Project Reconciliation	\$ 200,545.17		
Less Credit Given for Prelim Engineering	\$ (144,409.02)		
Amount Due After Project Reconciliation	\$ 56,136.15		

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

October 5, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 5 -
Project Interim Yearly Reconciliation of DHS Segment O-5**

Dear Mr. Garza,

Enclosed please find two originals of Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 5 for DHS Segment No.O-5. Our Supplemental Agreement No. 7 (Revised 09/30/09) is in regards to project interim yearly reconciliation as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects.

After verbal negotiations, Dannenbaum agreed to perform the **basic engineering fee** services for 90% of 7% or 6.3% of the final construction with certain construction management tasks (i.e.; construction bidding) being reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 5 also addresses this modification.

As maintained by our Contract Agreement dated November 7, 2007 and Work Authorization No. 5 dated March 5, 2008, Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.

Hence, please refer to the **Main Contract, Article 7. Work Authorization**. The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1"-- Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I for copies of applicable Sections of the Engineering contract.

Below is Dannenbaum's contracted estimate of the engineering fees based on the preliminary estimated construction cost of \$9,236,132.00 dated March 5, 2008. The contracted engineering fee estimate breaks down to the following:

Table I

Type of Service	Total Contracted Engineering Fee Estimate for W.A. #5 (03/05/08)
Basic Services	\$581,876.00
Special Services	\$323,247.83
Total Estimated Fee	\$905,123.83

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 5 thru thru substantial/final completion of DHS Segment O-5. There have been construction change orders that have impacted the construction cost; therefore, on September 30, 2009 HCDD No. 1 Staff met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed on the final construction cost for each project as of September 30, 2009 based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction as of September 30, 2009.

Hence, we will use the construction cost of \$19,274,935.53 for **interim yearly reconciliation**, which includes the original bid and incorporated change orders thru September 30, 2009 for this project and utilizing the verbal agreement of providing the basic services for 90% of 7% of the final construction cost.

Based on the revised construction cost, the engineering fees are revised as follows:

Table II

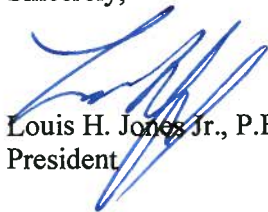
Type of Service	Revised Engineering Fee 09/30/09 (90% of 7% of CC)	Previously Approved Engineering Fee	Difference in Total Engineering Fee
Basic Services	\$1,214,320.94	\$581,876.00	\$632,444.94
Special Services	-	\$323,247.83	\$0.00
Net Increase for WA No. 5		\$905,123.83	\$632,444.94

Original Amount for Work Authorization No. 5	\$905,123.83
Plus Net Increase due to Reconciliation	\$632,444.94
Total Amount for W.A. No. 5 after Reconciliation	\$1,537,568.77

Please review our Supplemental Agreement No. 7 (Revised 09/30/09) for **interim yearly reconciliation** of Work Authorization No. 5 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

EXHIBIT "I"

Sections of Engineering Contract Referring to Reconciliation;
Basic Service Fee Percentage Change and Scope Classification Change

**Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1
defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements**

HIDALGO COUNTY
DEC 10 2009
DRAINAGE DISTRICT #1

EXHIBIT "II"

Two Partially Executed Originals of
Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 5
To Agreement for Professional Services

Interim Yearly Reconciliation

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 7 (Revised 09/30/09)
TO WORK AUTHORIZATION NO. 5
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 5 under said agreement on March 5, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 5, Estimated Cost , establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 1, Payment, establishes the method of payment for the proposed improvements for the

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 7 (Rev 09/30/09) to WA No.5–USIBWC/DHS Concrete Flood Protection Structure Segment 0-5 (1.76 Miles)
“Levee System Improvements within Hidalgo County, Texas”

USIBWC and DHS Concrete Flood Protection Structure - DHS Segment 0-5 within the Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas; and,

WHEREAS, it has become necessary to amend Work Authorization No. 5 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 7% or 6.3% of the final construction cost.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”, Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER and ENGINEER** agree the construction cost estimate of this project is modified as outlined in Attachment “B” – Construction Cost Tabulation, which includes the original bid tabulation with incorporated change orders for Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure for DHS Segment 0-5.

I. Work Authorization No. 5, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 5 for the Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure for

DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, are updated in accordance with the **Main Contract, Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements. Total basic fee added to the contract agreement under this work authorization is \$632,444.94. (See Attachment A – Breakdown of Project Reconciliation).**

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 7 (Revised 09/30/09) to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment "A" - Breakdown of Project Reconciliation
- Attachment "B" - Construction Cost Tabulation, including the Original Bid Tabulation with Incorporated Change Orders

ATTACHMENT "A"

**BREAKDOWN OF PROJECT RECONCILIATION
SEPTEMBER 30, 2009**

**Hidalgo County Drainage District No. 1
Supplemental Agreement No. 7 to Work Authorization No. 5
DHS Segment O-5
HCDD No. 1 Contract No. 08-008-07-01 / DEC Project No. 4410-01**

Summary of Engineering Fees Based on Percentage of Construction Cost

	Reconciled Engineering Fees based on Final Constuction Cost Estimate September 30, 2009 \$19,274,935.53	Contracted Engineering Fees (Actual) based on Constuction Cost Estimate March 5, 2008 \$9,236,132.00	
BASIC SERVICES ONLY			DIFFERENCE IN ENGINEERING FEES
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost)	\$ 404,773.65	\$ 193,959.00	\$ 210,814.65
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 7% of Total Construction Cost)	\$ 809,547.29	\$ 387,917.00	\$ 421,630.29
TOTALS	\$ 1,214,320.94	\$ 581,876.00	\$ 632,444.94
(Percent of Construction Cost)	6.3%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 5			\$632,444.94

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 1,214,320.94
Previously Billed thru Final Design Phase	\$ 581,876.00
Amount Due After Reconciliation	\$ 632,444.94

**Copies of Bid Tabulations
and Change Orders
and/or
Engineer's Probable Cost of Construction**

**HIDALGO COUNTY LEVEE REHABILITATION PROJECT
FINAL CONTRACT AMOUNT
BASED ON ORIGINAL BID AND INCORPORATED CHANGE ORDERS
AS OF SEPTEMBER 30, 2009**

DHS SEGMENT O-5	
Original Engineer's Estimate:	\$ 9,236,132.00
CONTRACTOR: BALLENGER CONSTRUCTION COMPANY	
Original Contract Amount (BID):	\$ 21,383,679.67
Approved Change Order's:	
CO #1 (Remove Bollards (Cut & Weld))	\$ (378,056.50)
CO #2 (Concrete Wall Change)	\$ (532,205.07)
CO #3 (Remove Bollards (5 ft))	\$ (257,720.74)
CO #4 (Reduce Aggregate / Add Sheet Drain)	\$ (100,097.52)
CO #9 (Change Date of Substantial Completion - 4 Days)	\$ -
CO #12 (Change Date of Substantial Completion #3)	\$ -
CO #13 (Contractor Wall Height Error)	\$ (882,806.54)
CO #14 (Concrete Rip Rap to Rock Rip Rap)	\$ (15,286.50)
CO #15 (Scour Protection Under Anzaldua's Bridge)	\$ 45,779.18
CO #16 (Raising of Gatewell Structure 258)	\$ 11,649.55
<i>Subtotal for Approved Change Orders</i>	
	\$ (2,108,744.14)
Anticipated Change Order's:	
<i>Subtotal for Anticipated Change Orders</i>	
	\$ -
Revised Contract Amount for Project Reconciliation	
	\$ 19,274,935.53

Prepared: September 30, 2009

ATTACHMENT "B"
 HCDD #1- Levee Improvement Project
 DHS Segment 0-5
 BID TABULATION Wednesday June, 25, 2008

Description	Unit	Quantity	BALLENGER CONST. CO.		ZACHRY		KIEWIT/McALLEN CONST.		WILLIAMS BROTHERS	
			Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
TEMP EROSION CONTROL (FILTER FABRIC FENCE)	LF	9,353	\$2.75	\$25,720.75	\$2.75	\$25,720.75	\$5.00	\$46,765.00	\$5.00	\$46,765.00
TEMP EROSION CONTROL (CONST EXIT/ENTR)	EA	2	\$2,250.00	\$4,500.00	\$2,250.00	\$4,500.00	\$10,000.00	\$20,000.00	\$2,000.00	\$4,000.00
REMOVE / STOCKPILE (EXISTING CALICHE) (4-10 IN.)	CY	993	\$12.00	\$11,916.00	\$12.00	\$11,916.00	\$20.00	\$19,860.00	\$6.00	\$5,958.00
REMOVE / STOCKPILE (EXISTING TOPSOIL) (4-6 IN.)	CY	9,838	\$2.64	\$25,972.32	\$12.00	\$118,056.00	\$20.00	\$196,760.00	\$6.00	\$59,028.00
REMOVE / STOCKPILE (EXISTING EMBANKMENT)	CY	72,068	\$12.00	\$864,816.00	\$12.00	\$864,816.00	\$20.00	\$1,441,360.00	\$6.00	\$432,408.00
REMOVE / STOCKPILE (EXISTING STONE RIP RAP)	LS	1	\$100,000.00	\$100,000.00	\$12,000.00	\$12,000.00	\$50,000.00	\$50,000.00	\$75,000.00	\$75,000.00
RETAINING WALLS (CAST- IN-PLACE) (STEM)	CY	11,018	\$492.82	\$5,429,890.76	\$725.00	\$7,988,050.00	\$530.00	\$5,839,540.00	\$500.00	\$5,509,000.00
RETAINING WALLS (CAST- IN-PLACE) (FOOTING)	CY	17,021	\$306.54	\$5,217,617.34	\$420.00	\$7,148,820.00	\$530.00	\$9,021,130.00	\$755.00	\$12,850,855.00
RETAINING WALLS (CAST- IN-PLACE) (KEY)	CY	7,014	\$450.00	\$3,156,300.00	\$380.00	\$2,665,320.00	\$530.00	\$3,717,420.00	\$750.00	\$5,260,500.00
METAL BEAM GUARD RAIL	LF	4,450	\$20.50	\$91,225.00	\$28.00	\$124,600.00	\$21.00	\$93,450.00	\$19.00	\$84,550.00
PREPARATION RIGHT OF WAY	STA	94	\$137.49	\$12,924.06	\$31,246.00	\$2,937,124.00	\$5,500.00	\$517,000.00	\$30,000.00	\$2,820,000.00
REMOVE AND PLUG EXIT. PIPE (24 IN.) (RCP)	LS	1	\$3,322.09	\$3,322.09	\$15,000.00	\$15,000.00	\$9,500.00	\$9,500.00	\$5,000.00	\$5,000.00
CONC. RIP RAP CL-B (SLOPE PROTECTION)	CY	183	\$310.00	\$56,730.00	\$350.00	\$64,050.00	\$500.00	\$91,500.00	\$350.00	\$64,050.00
CONC. RIP RAP CL-B (SCOUR PROTECTION)	CY	3,332	\$310.00	\$1,032,920.00	\$400.00	\$1,332,800.00	\$300.00	\$999,600.00	\$350.00	\$1,166,200.00
STONE RIP RAP (NEW) TYPE F (24 IN. DEPTH)	CY	2,038	\$37.25	\$75,915.50	\$65.00	\$132,470.00	\$150.00	\$305,700.00	\$100.00	\$203,800.00
TOPSOIL (NEW)	CY	7,865	\$10.38	\$81,638.70	\$25.00	\$196,625.00	\$15.00	\$117,975.00	\$10.00	\$78,650.00
FLEXBASE (NEW)(CALICHE) (TY D GR 6 CL 4) (6 IN.)	CY	7,812	\$20.87	\$163,036.44	\$19.00	\$148,428.00	\$34.00	\$265,608.00	\$30.00	\$234,360.00
HYDRO MULCH	SY	79,873	\$0.20	\$15,974.60	\$0.80	\$63,898.40	\$1.12	\$89,457.76	\$0.15	\$11,980.95
BOLLARD (CUT TO PLAN DIMENSIONS)	EA	8,894	\$12.25	\$108,951.50	\$50.00	\$444,700.00	\$90.00	\$800,460.00	\$15.00	\$133,410.00
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS)	EA	8,894	\$13.21	\$117,489.74	\$105.00	\$933,870.00	\$60.00	\$533,640.00	\$30.00	\$266,820.00
BOLLARD (SUPPLY, CUT& WELD ANGLE IRON SUPPORTS)(4 IN.X 4 IN. X 1/4 IN. 8-FT.)	LF	9,100	\$8.77	\$79,807.00	\$50.00	\$455,000.00	\$12.00	\$109,200.00	\$15.00	\$136,500.00
BOLLARD (SUPPLY & WELD) (1/2 IN. X 4 IN. STEEL BAR)	LF	9,100	\$6.64	\$60,424.00	\$25.00	\$227,500.00	\$10.00	\$91,000.00	\$15.00	\$136,500.00
BOLLARD (INSTALL & WELD CAPS)	EA	8,894	\$20.00	\$177,880.00	\$50.00	\$444,700.00	\$1.00	\$8,894.00	\$60.00	\$533,640.00
TRENCH EXCAV. PROTECTION (24 IN. RCP)	LF	135	\$8.17	\$1,102.95	\$8.00	\$1,080.00	\$1.00	\$135.00	\$1.00	\$135.00
TRENCH EXCAV. PROTECTION (RET.WALL KEY)	LF	6,950	\$25.00	\$173,750.00	\$8.00	\$55,600.00	\$200.00	\$1,390,000.00	\$1.00	\$6,950.00
TEMPORARY SPECIAL SHORING (RET. WALL)	SF	150,400	\$17.43	\$2,621,472.00	\$8.00	\$1,203,200.00	\$20.00	\$3,008,000.00	\$1.00	\$150,400.00
FLAP GATES W/ WALL PIPE & TEE (6 IN. D.I.)	EA	18	\$1,849.70	\$33,294.60	\$3,000.00	\$54,000.00	\$250.00	\$4,500.00	\$2,000.00	\$36,000.00
AGGREGATE DRAIN MATERIAL	CY	13,631	\$38.82	\$529,155.42	\$65.00	\$886,015.00	\$50.00	\$681,550.00	\$40.00	\$545,240.00
PVC UNDERDRAIN PIPE (6 IN.)	LF	9,100	\$9.67	\$87,997.00	\$20.00	\$182,000.00	\$5.00	\$45,500.00	\$15.00	\$136,500.00
DEWATERING	LS	1	\$1,015,473.50	\$1,015,473.50	\$1,165,000.00	\$1,165,000.00	\$1,000,000.00	\$1,000,000.00	\$1.00	\$1.00
2 FT. CONC. SHOULDER (4 IN. THICK)	LF	40	\$161.56	\$6,462.40	\$65.00	\$2,600.00	\$20.00	\$800.00	\$100.00	\$4,000.00
Base Bid				\$21,383,679.67		\$29,909,459.15		\$30,516,304.76		\$30,998,200.95

EXHIBIT "III"

Construction Cost Estimates as of September 30, 2009

**(Agreed to between HCDD No. 1 Staff and Dannenbaum Staff
at the meeting held on September 30, 2009)**

**Hidalgo County Levee Rehabilitation Project
USIBWC Earthen Levee Projects and DHS Levee/Wall Projects
Construction Cost Estimates as of September 30, 2009
(Based on the meeting held between HCDD No. 1 Staff and Dannenbaum Staff on September 30, 2009)**

Final construction cost based on the following criteria respectively:

- 1) Used the amount of all the actual change orders approved by Commissioner's Court
- 2) If there were change orders approved by Commissioner's Court and DHS issued a PF225; however, change order amount and PF225 amount differ, the amount of the change order was used.
- 3) If there were change orders that had not been approved by Commissioner's Court and DHS issued a PF225, then the amount of the PF225 was used.
- 4) If DHS issued a PF225, but no change order had been developed, the amount of the PF225 was used.
- 5) If a change order was sent to DHS for approval, but DHS had not issued a PF 225, the amount of the change order was used.

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/CO	Difference
DHS 0-6BC	SER Construction	Original Contract	\$ 14,197,729.40			PF225/CO	Difference
Pending Change Orders:						(116,115.04)	\$ (20.06)
		1	(116,135.10)	58	9/2/2008		
		2	(80,484.75)	59	1/28/2009		
		5	(123,300.00)	60	1/28/2009		
		6	-	41	1/28/2009		
		7A	16,505.80	61	2/17/2009		
		10A	(79,647.00)	62	2/17/2009		
		11A	-	63	2/17/2009		
		15	14,250.00	64	3/3/2009		14,500.00 \$
		17A	(3,386.80)	73	4/28/2009		8,517.20 \$
		18B	26,340.00	74	4/28/2009		
		19A	(123,960.00)	75	4/28/2009		
		21	199,952.10	51	4/28/2009		275,000.00 \$
		22	24,844.16	94	5/26/2009		27,252.16 \$
		23	(14,231.91)	95	6/8/2009		(78,483.30) \$
		24	(0.01)		6/22/2009	*6-15-09 Approved by Scott	
		25	428,271.65	49	7/7/2009		
		26	381,710.34	77	6/15/2009		
		28	92,955.88	123	7/7/2009		
		29	14,813.68	122	6/30/2009		
		27	254,299.64	129	8/25/2009		
		30	341,665.00	128	8/25/2009		
		33A	9,396.05	142	8/25/2009		
		34	212,776.56	141	8/25/2009		
			<u>15,674,364.69</u>				
HCDD#1 Est.	\$ 15,674,364.69						(250.00)
#35-Encasing Bollards	\$ 499,781.20						(11,904.00)
authorization not given yet							
DHS 0-7	SER Construction	Original Contract	\$ 11,980,892.00				
Pending Change Orders:							
		1	(230,295.00)	12	7/1/2008		
		2	(414,996.00)	13	9/9/2008		
		3	(885,175.01)	14	9/9/2008		
		4	(67,560.00)	15	9/30/2008		
		5	(31,655.32)	16	9/30/2008		
		8	-	42	1/28/2009		
		9A	20,000.00	65	3/3/2009		
		10A	7,848.00	66	3/3/2009		
		11	17,808.00	67	3/3/2009		
		12	8,700.00	83	6/2/2009		
		13	-	102	6/2/2009		
		14	6,173.71	114	6/30/2009		
		15	(887.19)	96	6/8/2009		
			<u>10,410,853.19</u>				
#16-Levee Access	\$ (80,000.00)	9/22					
#17-Reinforcing Steel	\$ 321,973.61	9/29					
#18-Rip Rap DHS 0-8	\$ -	***					
#19-Anti-Climb Fence	\$ -	***					
HCDD#1 Est.	\$ 10,652,826.80						
#18-Rip Rap DHS 0-8	\$ 23,925.00	*					
#19-Anti-Climb Fence	\$ 131,526.00	*					
*authorization not given yet							
DHS 0-8	Zachry Construction	Original Contract	\$ 21,908,762.00				
Pending Change Orders:							
		1	(1,354,758.15)	29	7/8/2008		
		2	(250,397.41)	19	9/30/2008		
		3	(210,584.50)	20	9/30/2008		
		4	(127,188.42)	21	10/14/2008		
		7	-	43	1/28/2009		
		10A	-	79	3/3/2009		
		15	10,032.00	84	6/2/2009		8,700.00 \$
		16	3,084.00		6/2/2009		
		17	13,425.43	97	6/2/2009		
		18	-	104	6/2/2009		
			<u>19,992,374.95</u>				
#20-Proj. Recon	\$ 46,938.40						
#21-Equip. Standby	\$ 73,964.61						
*authorization not given yet							
*authorization not given yet							
HCDD#1 Est.	\$ 19,722,252.80						1,332.00
*5-21-09 Approved by Scott							

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/CO	Difference
DHS 0-9 Phase I	Williams Bros.	Original Contract	\$ 20,253,897.40			7/8/2008	
Pending Change Orders:						9/30/2008	
#8A-Wall penetration	\$ 74,517.68	9/22	(1,206,600.00)	18		9/30/2008	
#14-Stem qty	\$ (109,400.51)	*	(2,524,024.11)	23		9/30/2008	(0.11)
#15-Proj. Recon		***	1,121,450.00	24		11/12/2008	
HCDD#1 Est.	\$ 17,459,098.83		(113,076.63)	30		11/12/2008	
			(22,500.00)	31		7/14/2009	
				108		7/28/2009	*7-17-09 Approved by Scott
			(15,165.00)	134		8/25/2009	
			\$ 17,493,981.66				
DHS 0-9 Phase II	McAllen Const.	Original Contract	\$ 13,425,119.85			9/2/2008	
Pending Change Orders:						1/6/2009	
			(62,904.68)	68		1/28/2009	
			(77,036.45)	69		1/28/2009	
			45,047.80	70		1/28/2009	
				45		1/28/2009	
			(11,680.00)	71		1/28/2009	
			(7,997.20)	72		1/28/2009	
			82,656.18	80		3/3/2009	
			(25,762.99)	81		4/7/2009	
				78		4/7/2009	
			150,996.13	50		4/7/2009	
			2,258.30	107		6/2/2009	
			7,727.50	100		6/2/2009	
			89,507.62	118		6/15/2009	
			5,195.64	119		6/15/2009	
				138		8/25/2009	
			6,636.00	139		8/25/2009	
			\$ 13,629,763.70				
							(128,533.44) \$ 136,260.94
DHS 0-10	Williams Bros	Original Contract	\$ 18,763,215.00			7/8/2008	
Pending Change Orders:						9/30/2008	
			(593,346.00)	25		9/30/2008	
			1,034,700.00	26		11/12/2008	
			(87,737.90)	32		11/12/2008	
			(27,900.00)	33		11/12/2008	
				109		7/14/2009	
			(21,948.00)	132		8/25/2009	
			\$ 19,066,983.10				

DHS Segment Contractor Change Order No. Amount 225 BOD PF225/CO Difference

Banker Weir

Pending Change Orders:

#3-Purch. Topsoil	\$ 37,120.00	9/15	1	\$ 6,351,808.19	4/29/2008
#4-Proj. Recon	\$ -	***	2	5,563.14	7/21/2009
HCDD#1 Est.	\$ 6,407,351.95			12,860.62	9/1/2009
				<u>6,370,231.95</u>	

Common Levee

Ballenger

Original Contract

#5-Rock Rip Rap	\$ 103,468.44	9/15	1	\$ 7,593,164.28	5/7/2008
#7-Proj. Recon	\$ (61,637.52)	***	2	(72,067.98)	7/14/2009
HCDD#1 Est.	\$ 7,477,380.36		3	(92,407.80)	7/14/2009
			6	3,620.94	8/25/2009
			4	<u>3,240.00</u>	9/1/2009
				<u>7,435,549.44</u>	

Mission Levee

Longhorn Excavators

Original Contract

HCDD#1 Est.	\$ 4,839,139.01		1	\$ 4,869,979.64	7/24/2008
			2A	(17,911.16)	4/21/2009
			3A	(14,684.51)	4/21/2009
				<u>1,755.04</u>	4/21/2009
				<u>4,839,139.01</u>	

* Have PF225 no Co
 ** Have CO no PF225
 *** Have not rec'd CO
 **** PF225/CO do not match

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

November 2, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

Re: Supplemental Agreement No. 13 (Revised 11/02/09) to Work Authorization No. 7 - Project Interim Yearly Reconciliation of DHS Segment O-7 (Not including DHS Segment O-7A)

Dear Mr. Garza,

Enclosed please find two originals of Supplemental Agreement No. 13 (Revised 11/02/09) to Work Authorization No. 7 for DHS Segment No. O-7. As stated in our previous submittal, our Supplemental Agreement No. 13 (Revised 11/02/09) is in regards to project **interim yearly reconciliation** as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects. **Please note this supplemental agreement does not include DHS Segment O-7A.**

After verbal negotiations, Dannenbaum agreed to perform the **basic engineering fee** services for 90% of 7% or 6.3% of the final construction with certain construction management tasks (i.e.; construction bidding) being reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 13 (Revised 11/02/09) to Work Authorization No. 7 also addresses this modification.

As maintained by our Contract Agreement dated November 7, 2006 and Work Authorization No. 7 dated March 5, 2008, Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.

Hence, please refer to the **Main Contract, Article 7. Work Authorization**. The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1"-- Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I for copies of applicable Sections of the Engineering contract.

HIDALGO COUNTY
NOV 16 2009
DRAINAGE DISTRICT #.

Below is Dannenbaum's contracted estimate of the engineering fees based on the preliminary estimated construction cost of \$3,863,560.37 dated May 16, 2008. The contracted engineering fee estimate breaks down to the following:

Table I

Type of Service	Total Contracted Engineering Fee Estimate for W.A. #7 (05/16/08)
Basic Services	\$243,404.29
Special Services	\$188,588.25
Total Estimated Fee	\$431,992.54

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 7 thru substantial/final completion of DHS Segment O-7. There have been construction change orders that have impacted the construction cost; therefore, on September 30, 2009 HCDD No. 1 Staff met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed on the final construction cost for each project as of September 30, 2009 based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction as of September 30, 2009.

However, on October 29, 2009, Dannenbaum met with HCDD No. 1 to further discuss the construction cost of this project and a question arose regarding Change Order No. 17 for an increase in the quantify of steel to be used in retaining wall footing design. At the direction of their Legal Counsel, HCDD No. 1 requested this item be removed from the list. Therefore, this Change Order is removed pending Client resolution.

Hence, we will use the construction cost of \$10,330,853.19 for interim yearly reconciliation, which includes the original bid and incorporated change orders thru November 2, 2009 for this project and utilizing the verbal agreement of providing the basic services for 90% of 7% of the final construction cost.

Based on the revised construction cost, the engineering fees are revised as follows:

Table II

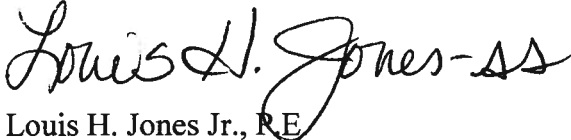
Type of Service	Revised Engineering Fee September 30, 2009 (90% of 7% of CC)	Previously Approved Engineering Fee	Difference in Total Engineering Fee
Basic Services	\$650,843.75	\$243,404.29	\$407,439.46
Special Services	-	\$188,588.25	\$0.00
Net Increase for WA No. 7		\$431,992.54	\$407,439.46

Original Amount for Work Authorization No. 7	\$431,992.54
Plus Net Increase due to Reconciliation	\$407,439.46
Total Amount for W.A. No. 7 after Reconciliation	\$839,432.00

Please review our Supplemental Agreement No. 13 (Revised 11/02/09) for **interim yearly reconciliation** of Work Authorization No. 7 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,

A handwritten signature in black ink that reads "Louis H. Jones Jr." followed by a stylized flourish.

Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

EXHIBIT "I"

Sections of Engineering Contract Referring to Reconciliation;
Basic Service Fee Percentage Change and Scope Classification Change

**Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1
defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements**

HIDALGO COUNTY

DEC 10 2009

DRAINAGE DISTRICT #1

EXHIBIT "II"

Two Partially Executed Originals of
Supplemental Agreement No. 13 (Revised 11/02/09) to Work Authorization No. 7
To Agreement for Professional Services

Interim Yearly Reconciliation

HIDALGO COUNTY

NOV 03 2009

THE STATE OF TEXAS §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 13 (Revised 11/02/09)
TO WORK AUTHORIZATION NO. 7
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 7 under said agreement on March 5, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 7, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 1, Payment, establishes the method of payment for the proposed improvements for the

USIBWC and DHS Concrete Flood Protection Structure - DHS Segment 0-7 for a distance of 0.9 miles; and,

WHEREAS, it has become necessary to amend Work Authorization No. 7 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 7% or 6.3% of the final construction cost.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”, Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER and ENGINEER agree the construction cost estimate of this project is modified as outlined in Attachment “B” – Construction Cost Tabulation, which includes the original bid tabulation with incorporated change orders for USIBWC and DHS Concrete Flood Protection Structure Segment 0-7.**

I. Work Authorization No. 7, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 7 for the Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure

Segment 0-7, a total distance of 0.90 miles, are updated in accordance with the Main Contract, Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements. Total basic fee added to the contract agreement under this work authorization is \$407,439.46. (See Attachment A – Breakdown of Project Reconciliation).

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 13 (Revised 11/02/09) to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment "A" - Breakdown of Project Reconciliation (Rev 11/02/09)
- Attachment "B" - Construction Cost Tabulation, including the Original Bid Tabulation with Incorporated Change Orders (Rev 11/02/09)

ATTACHMENT "A"

BREAKDOWN OF PROJECT RECONCILIATION

REVISED NOVEMBER 02, 2009

Hidalgo County Drainage District No. 1
 Supplemental Agreement No. 13 to Work Authorization No. 7
 Levee / Wall DHS Segment O-7
 HCDD No. 1 Contract No. 08-009-07-01 / DEC Project No. 4410-02

Summary of Engineering Fees Based on Percentage of Construction Cost

	Reconciled Engineering Fees based on Final Constuction Cost Estimate November 2, 2009 \$10,330,853.19	Contracted Engineering Fees (Actual) based on Constuction Cost Estimate May 16, 2008 \$3,863,560.37	DIFFERENCE IN ENGINEERING FEES
BASIC SERVICES ONLY			
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost)	\$ 216,947.92	\$ 81,134.75	\$ 135,813.17
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 7% of Total Construction Cost)	\$ 433,895.83	\$ 162,269.54	\$ 271,626.29
TOTALS	\$ 650,843.75	\$ 243,404.29	\$ 407,439.46
(Percent of Construction Cost)	6.3%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT no. 13			\$407,439.46

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 650,843.75
Previously Billed thru Final Design Phase	\$ 243,404.29
Amount Due After Reconciliation	\$ 407,439.46

NOTE:

Construction Cost Revised on November 02, 2009 to Remove Change Order No. 17 Regarding Reinforcing Steel.
 Change Order No. 17 in the Amount of \$321,973.61 is pending Client Resolution.

HIDALGO COUNTY
NOV 03 2009
DRAINAGE DISTRICT #1

HCDD #1- Levee Improvement Project
DHS SEGMENT 0-7 (0.9 MILES)
BID TABULATION Wednesday June 25, 2008

Description	Unit	Quantity	SER CONSTRUCTION PARTNERS, LTD.		BALLENGER CONSTRUCTION COMPANY		KIEWITT / MCALLEN CONSTRUCTION		ZACHRY CONSTRUCTION CORP.	
			Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
TEMP EROSION CONTROL (FILTER FABRIC FENCE)	LF	10,000	\$2.00	\$20,000.00	\$3.22	\$32,200.00	\$5.00	\$50,000.00	\$2.75	\$27,500.00
TEMP EROSION CONTROL (CONST EXIT/ENTR)	EA	2	\$2,000.00	\$4,000.00	\$2,633.92	\$5,267.84	\$10,000.00	\$20,000.00	\$2,250.00	\$4,500.00
REMOVE / STOCKPILE (EXIST FLEX BASE) (CALICHE) (4-10 IN.)	CY	750	\$15.00	\$11,250.00	\$6.22	\$4,665.00	\$20.00	\$15,000.00	\$15.00	\$11,250.00
REMOVE / STOCKPILE (EXIST TOPSOIL) (4-6 IN)	CY	2,450	\$7.00	\$17,150.00	\$5.37	\$13,156.50	\$20.00	\$49,000.00	\$15.00	\$36,750.00
REMOVE / STOCKPILE (EXIST EMBANKMENT)	CY	13,438	\$7.00	\$94,066.00	\$23.41	\$314,583.58	\$20.00	\$268,760.00	\$15.00	\$201,570.00
RETAINING WALL (CAST- IN-PLACE) (STEM)	CY	4,752	\$600.00	\$2,851,200.00	\$828.98	\$3,939,312.96	\$575.00	\$2,732,400.00	\$825.00	\$3,920,400.00
RETAINING WALL (CAST- IN-PLACE) (FOOTING)	CY	8,393	\$600.00	\$5,035,800.00	\$475.00	\$3,986,675.00	\$575.00	\$4,825,975.00	\$513.00	\$4,305,609.00
RETAINING WALL (CAST- IN-PLACE)(KEY)	CY	2,287	\$540.00	\$1,234,980.00	\$717.04	\$1,639,870.48	\$575.00	\$1,315,025.00	\$502.00	\$1,148,074.00
METAL BEAM GUARD FENCE	LF	4,695	\$23.00	\$107,985.00	\$24.70	\$115,966.50	\$21.00	\$98,595.00	\$28.00	\$131,460.00
PVC UNDERDRAIN PIPE (6 IN)	LF	4,650	\$15.00	\$69,750.00	\$21.69	\$100,858.50	\$5.00	\$23,250.00	\$20.00	\$93,000.00
AGGREGATE DRAIN MATERIAL	CY	5,280	\$60.00	\$315,600.00	\$40.13	\$211,083.80	\$50.00	\$263,000.00	\$65.00	\$341,900.00
PREPARATION RIGHT OF WAY	STA	48	\$10,000.00	\$480,000.00	\$751.56	\$36,074.88	\$15,115.00	\$725,520.00	\$32,800.00	\$1,579,200.00
EMBANKMENT (NEW)	CY	39,543	\$10.00	\$395,430.00	\$10.72	\$423,900.96	\$20.00	\$790,860.00	\$8.00	\$316,344.00
CONC. RIP RAP CL-B (SLOPE PROTECTION)	CY	550	\$400.00	\$220,000.00	\$369.86	\$203,423.00	\$500.00	\$275,000.00	\$400.00	\$220,000.00
CONC. BOLLARD (6 IN.) TYP 2	EA	6	\$500.00	\$3,000.00	\$697.86	\$4,187.16	\$315.00	\$1,890.00	\$2,500.00	\$15,000.00
CONC. PAD (4 FT X 4 FT) (6 IN)	EA	6	\$900.00	\$5,400.00	\$279.15	\$1,674.90	\$500.00	\$3,000.00	\$2,500.00	\$15,000.00
TOPSOIL (STOCKPILED MATERIAL)	CY	1,250	\$9.00	\$11,250.00	\$3.14	\$3,925.00	\$15.00	\$18,750.00	\$15.00	\$18,750.00
FLEXBASE (NEW) TXDOT (TY D GR 6 CL 4- CALICHE) (6 IN.)	CY	3,865	\$30.00	\$115,950.00	\$25.84	\$99,871.60	\$34.00	\$131,410.00	\$35.00	\$135,275.00
HYDRO MULCH	SY	31,000	\$0.60	\$18,600.00	\$0.23	\$7,130.00	\$1.12	\$34,720.00	\$1.00	\$31,000.00
BOLLARD (CUT TO PLAN DIMENSIONS)	EA	4,530	\$15.00	\$67,950.00	\$13.49	\$61,109.70	\$90.00	\$407,700.00	\$60.00	\$271,800.00
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (6 FT.)	EA	4,203	\$78.00	\$327,834.00	\$15.14	\$63,633.42	\$60.00	\$252,180.00	\$100.00	\$420,300.00
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (20 FT.)	EA	327	\$400.00	\$130,800.00	\$15.14	\$4,950.78	\$60.00	\$19,620.00	\$165.00	\$53,955.00
BOLLARD (SUPPLY, CUT & WELD ANGLE IRON SUPPORTS) (4 IN.X 4 IN .X 1/4 IN. 8 FT.)	LF	4,953	\$12.00	\$59,436.00	\$11.28	\$55,869.84	\$12.00	\$59,436.00	\$65.00	\$321,945.00
BOLLARD (SUPPLY & WELD) (1/2 in.X 4 in STEEL BAR)	LF	4,621	\$6.00	\$27,726.00	\$8.22	\$37,984.62	\$10.00	\$46,210.00	\$35.00	\$161,735.00
BOLLARD (INSTALL & WELD CAPS)	EA	4,530	\$12.00	\$54,360.00	\$29.62	\$134,178.60	\$1.00	\$4,530.00	\$70.00	\$317,100.00
REMOVE EXISTING GATE WELL STRUCTURES AND SALVAGE SLUICE GATE ASSEMBLIES	EA	3	\$3,500.00	\$10,500.00	\$4,121.58	\$12,364.74	\$8,000.00	\$24,000.00	\$25,000.00	\$75,000.00
REMOVE PIPE (12 IN) (RCP)	LF	45	\$30.00	\$1,350.00	\$54.48	\$2,451.60	\$60.00	\$2,700.00	\$200.00	\$9,000.00
REMOVE PIPE (18 IN) (RCP)	LF	202	\$36.00	\$7,272.00	\$40.46	\$8,172.92	\$60.00	\$12,120.00	\$150.00	\$30,300.00
REMOVE PIPE (24 IN) (RCP)	LF	105	\$40.00	\$4,200.00	\$38.92	\$4,086.60	\$60.00	\$6,300.00	\$150.00	\$15,750.00
REMOVE PIPE (24 IN) (STAND PIPE)	EA	1	\$1,000.00	\$1,000.00	\$2,451.85	\$2,451.85	\$1,000.00	\$1,000.00	\$7,000.00	\$7,000.00
REMOVE CONC. COLLAR (6 IN)	EA	4	\$700.00	\$2,800.00	\$1,021.61	\$4,086.44	\$500.00	\$2,000.00	\$4,000.00	\$16,000.00
REMOVE CONC. HEADWALL	EA	1	\$1,000.00	\$1,000.00	\$2,043.22	\$2,043.22	\$2,000.00	\$2,000.00	\$5,000.00	\$5,000.00
RCP (18 IN.) (CL V)	LF	260	\$69.00	\$17,940.00	\$63.78	\$16,582.80	\$150.00	\$39,000.00	\$100.00	\$26,000.00
RCP (24 IN.) (CL V)	LF	83	\$90.00	\$7,470.00	\$87.89	\$7,294.87	\$160.00	\$13,280.00	\$150.00	\$12,450.00
18 AND 24 IN CONCRETE COLLAR	EA	3	\$700.00	\$2,100.00	\$968.67	\$2,906.01	\$1,500.00	\$4,500.00	\$5,200.00	\$15,600.00
CONC. HEADWALL (18 IN.) (CAST IN PLACE)	EA	2	\$3,500.00	\$7,000.00	\$5,343.86	\$10,687.72	\$4,000.00	\$8,000.00	\$6,000.00	\$12,000.00
CONC. HEADWALL (24 IN.) (CAST IN PLACE)	EA	1	\$4,000.00	\$4,000.00	\$4,719.44	\$4,719.44	\$4,000.00	\$4,000.00	\$9,200.00	\$9,200.00
REMOVE / SALVAGE (EXIST SLUICE GATE VALVE)	EA	2	\$1,500.00	\$3,000.00	\$127.57	\$255.14	\$2,000.00	\$4,000.00	\$9,000.00	\$18,000.00
FLAP GATES W/ WALL PIPE & TEE (6 IN. D.I.)	EA	6	\$2,000.00	\$12,000.00	\$2,159.68	\$12,958.08	\$500.00	\$3,000.00	\$3,100.00	\$18,600.00
REMOVE EXIST SIGN FENCE MOUNTED FISH & WILD LIFE .	EA	3	\$300.00	\$900.00	\$1,755.95	\$5,267.85	\$500.00	\$1,500.00	\$1,500.00	\$4,500.00
TRENCH EXCAV. PROTECTION (RET. WALL KEY)	LF	4700	\$1.00	\$4,700.00	\$7.68	\$36,096.00	\$200.00	\$940,000.00	\$8.00	\$37,600.00
TRENCH EXCAV. PROTECTION (STRUCTURES)	LF	343	\$1.00	\$343.00	\$8.02	\$2,750.86	\$5.00	\$1,715.00	\$8.00	\$2,744.00
TEMPORARY SPECIAL SHORING	SF	80,400	\$0.25	\$20,100.00	\$18.16	\$1,460,064.00	\$20.00	\$1,608,000.00	\$8.00	\$643,200.00
DEWATERING	LS	1	\$24,000.00	\$24,000.00	\$463,155.01	\$463,155.01	\$1.00	\$1.00	\$790,000.00	\$790,000.00
NEW SLUICE GATE (24 IN.)	EA	1	\$5,000.00	\$5,000.00	\$11,604.20	\$11,604.20	\$10,000.00	\$10,000.00	\$8,500.00	\$8,500.00
INSTALL LEVEE ACCESS GATE (NEW)	EA	1	\$4,000.00	\$4,000.00	\$8,166.10	\$8,166.10	\$2,100.00	\$2,100.00	\$9,500.00	\$9,500.00
REMOVE EXISTING LEVEE ACCESS GATE	EA	1	\$700.00	\$700.00	\$1,970.20	\$1,970.20	\$1,000.00	\$1,000.00	\$10,000.00	\$10,000.00
NEW GATE WELL NO. 233, (RISER,INSTALL NEW SLUICE GATE , LADDER,HATCH,ETC.)	LS	1	\$50,000.00	\$50,000.00	\$46,436.71	\$46,436.71	\$35,000.00	\$35,000.00	\$50,000.00	\$50,000.00
NEW GATE WELL NO. 234, (RISER, INSTALL SLUICE GATE, LADDER, HATCH, ETC.	LS	1	\$50,000.00	\$50,000.00	\$46,436.71	\$46,436.71	\$35,000.00	\$35,000.00	\$45,000.00	\$45,000.00
NEW GATE WELL NO. 235, (RISER, INSTALL SLUICE GATE, LADDER, HATCH, ETC.)	LS	1	\$60,000.00	\$60,000.00	\$46,499.83	\$46,499.83	\$35,000.00	\$35,000.00	\$60,000.00	\$60,000.00
Base Bid				\$11,980,892.00		\$13,721,063.52		\$15,227,047.00		\$18,030,361.00

**HIDALGO COUNTY LEVEE REHABILITATION PROJECT
FINAL CONTRACT AMOUNT
BASED ON ORIGINAL BID AND INCORPORATED CHANGE ORDERS
AS OF NOVEMBER 2, 2009**

DHS SEGMENT O-7	
Original Engineer's Estimate:	\$ 3,863,560.37
CONTRACTOR: SER CONSTRUCTION COMPANY	
Original Contract Amount (BID):	\$ 11,980,892.00
Approved Change Order's:	
CO #1 (Remove Bollards (Cut & Weld))	\$ (230,295.00)
CO #2 (Remove Bollards (5 ft))	\$ (414,996.00)
CO #3 (Concrete Wall Change)	\$ (885,175.01)
CO #4 (Reduce Aggregate / Add Sheet Drain)	\$ (67,560.00)
CO #5 (Waterstop Changes)	\$ (31,655.32)
CO #8 (Change Date of Final Completion - 5 Days)	\$ -
CO #9A (Anti-Climbing Fence Addition)	\$ 20,000.00
CO #10A (Angle Iron Reconciliation)	\$ 7,848.00
CO #11 (Bollard Rectification)	\$ 17,808.00
CO #12 (Flap Gate Quantities)	\$ 8,700.00
CO #13 (Change Date of Final Completion - 63 Days)	\$ -
CO #14 (Reconnect Irrigation Line at Structure 234)	\$ 6,173.71
CO #15 (Stem Quantity Reduction due to Bollards)	\$ (887.19)
CO #16 (Remove Levee Access Gate)	\$ (80,000.00)
<i>Subtotal for Approved Change Orders</i>	
	\$ (1,650,038.81)
Anticipated Change Order's:	
CO #17 (Reinforcing Steel) = \$321,973.61	
(This item is pending Client resolution)	
<i>Subtotal for Anticipated Change Orders</i>	
	\$
HIDALGO COUNTY	
NOV 03 2009	
DRAINAGE DISTRICT #1	
Revised Contract Amount for Project Reconciliation	
	\$ 10,330,853.19

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

November 18, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 9 (Revised 11/18/09) to Work Authorization No. 12
Project Interim Yearly Reconciliation of DHS Segment O-6A
(Not including Reconciliation of DHS Segment O-6A Wall Extensions)**

Dear Mr. Garza,

Enclosed please find two originals of Supplemental Agreement No. 9 (Revised 11/18/09) to Work Authorization No. 12 for DHS Segment No. O-6A. Our Supplemental Agreement No. 9 (Revised 11/18/09) is in regards to project **interim yearly reconciliation** as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects. **Please note this does not include reconciliation of DHS Segment O-6A Wall Extensions 1 or 2.**

After verbal negotiations on November 18, 2009, Dannenbaum agreed to perform the **basic engineering fee** services for 90% of 7% or 6.3% of the final construction with certain construction management tasks (i.e.; construction bidding) being reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 9 (Revised 11/18/09) to Work Authorization No. 12 also addresses this modification.

~~As maintained by our Contract Agreement dated November 7, 2007 and Work~~
Authorization No. 12 dated May 16, 2008, **Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.**

Hence, please refer to the **Main Contract, Article 7. Work Authorization**. The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1"— Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I for copies of applicable Sections of the Engineering contract.

Below is Dannenbaum's contracted estimate of the engineering fees based on the preliminary estimated construction cost of \$13,530,015.00 dated May 16, 2008. The contracted engineering fee estimate breaks down to the following:

Table I

Type of Service	Total Contracted Engineering Fee Estimate for W.A. #12 (May 16, 2008)
Basic Services	\$1,095,931.21
Special Services	\$473,955.44
Total Estimated Fee	\$1,569,886.65

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 12 thru substantial/final completion for DHS Segment O-6A. There have been construction change orders that have impacted the construction cost; therefore, on September 30, 2009 HCDD No. 1 Staff met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed on the final construction cost for each project as of September 30, 2009 based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction as of September 30, 2009.

Hence, we will use the construction cost of \$26,992,491.38 for **interim yearly reconciliation**, which includes the original bid and incorporated change orders thru September 30, 2009 for this project and utilizing the verbal agreement of providing the **basic services for 90% of 7% of the final construction cost**. Supplemental Agreement No. 9 to Work Authorization No. 12 for DHS Segment O-6A is calculated using 90% of 7% of the construction cost for basic services.

Based on the revised construction cost, the engineering fees are revised as follows:

Table II

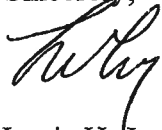
Type of Service	Revised Engineering Fee Nov. 18, 2009 (90% of 7% of CC)	Previously Approved Engineering Fee	Difference in Total Engineering Fee
Basic Services	\$1,700,526.96	\$1,095,931.21	\$604,595.75
Special Services	-	\$473,955.44	\$0.00
Net Increase for WA No.12		\$1,569,886.65	\$604,595.75

Original Amount for Work Authorization No. 12	\$1,569,886.65
Plus Net Increase due to Reconciliation	\$604,595.75
Total Amount for W.A. No. 12 after Reconciliation	\$2,174,482.40

Please review our Supplemental Agreement No. 9 (Revised 11/18/09) for **interim yearly reconciliation** of Work Authorization No. 12 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

EXHIBIT "I"

Sections of Engineering Contract Referring to Reconciliation;
Basic Service Fee Percentage Change and Scope Classification Change

**Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1
defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements**

HIDALGO COUNTY

DEC 10 2009

DRAINAGE DISTRICT #1

EXHIBIT "II"

Two Partially Executed Originals of
Supplemental Agreement No. 9 (Revised 11/18/09) to Work Authorization No. 12
To Agreement for Professional Services

Interim Yearly Reconciliation

THE STATE OF TEXAS §
COUNTY OF HIDALGO §

EXHIBIT "F"
Supplemental Agreement Form

**SUPPLEMENTAL AGREEMENT NO. 9 (Revised 11/18/09)
TO WORK AUTHORIZATION NO. 12
TO AGREEMENT FOR PROFESSIONAL SERVICES**

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the "Levee System Improvements within Hidalgo County, Texas" (hereinafter referred to as the "Project"); and executed Work Authorization No. 12 under said agreement on May 16, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 12, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 1, Payment, establishes the method of payment for the proposed improvements for the USIBWC and DHS Concrete Flood Protection Structure - DHS Segment 0-6A; and,

WHEREAS, it has become necessary to amend Work Authorization No. 12 to reconcile

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
S.A. No. 9 (Revised 11/18/09) to WA No. 12–USIBWC/DHS Concrete Flood Protection Structure Segment 0-6A
"Levee System Improvements within Hidalgo County, Texas"

HIDALGO COUNTY
DEC 10 2009
DRAINAGE DISTRICT #1

the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 7% or 6.3% of the final construction cost.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”, Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER and ENGINEER** agree the construction cost estimate of this project is modified as outlined in Attachment “B” – Construction Cost Tabulation, which includes the original bid tabulation with incorporated change orders for Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure for DHS Segment O-6A.

I. Work Authorization No. 12, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 12 for the Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure for DHS Segment 0-6A (2.59 Miles) are updated in accordance with the **Main Contract, Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit “D1”; Article 6, Section 6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements.**

BREAKDOWN OF PROJECT RECONCILIATION
NOVEMBER 18, 2009

Hidalgo County Drainage District No. 1
Supplemental Agreement No. 9 to Work Authorization No. 12
Levee / Wall DHS Segment O-6A
HCDD No. 1 Contract No. 08-016-0-02 / DEC Project No. 4410-07

Summary of Engineering Fees Based on Percentage of Construction Cost

BASIC SERVICES ONLY	Reconciled Engineering Fees based on	Contracted Engineering Fees (Actual) based on	DIFFERENCE IN ENGINEERING FEES
	Final Constuction Cost Estimate September 30, 2009 \$26,992,491.38	Constuction Cost Estimate May 16, 2008 \$13,530,015.00	
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost) <i>(NOTE: Prelim Eng reverted back to 7% - Fee based on 30% of 7% of Total Construction Cost)</i>	\$ 566,842.32	\$ 365,310.40	\$ 201,531.92
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 9% of Total Construction Cost) <i>(NOTE: Final Design reverted back to 7% - Fee based on 30% of 7% of Total Construction Cost)</i>	\$ 1,133,684.64	\$ 730,620.81	\$ 403,063.83
TOTALS	\$ 1,700,526.96	\$ 1,095,931.21	\$ 604,595.75
(Percent of Construction Cost)		6.3%	
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 9			\$604,595.75

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 1,700,526.96
Previously Billed thru Final Design Phase	\$ 1,095,931.21
Amount Due After Reconciliation	\$ 604,595.75

EXHIBIT "III"

Construction Cost Estimates as of September 30, 2009

**(Agreed to between HCDD No. 1 Staff and Dannenbaum Staff
at the meeting held on September 30, 2009)**

**Hidalgo County Levee Rehabilitation Project
USIBWC Earthen Levee Projects and DHS Levee/Wall Projects
Construction Cost Estimates as of September 30, 2009
(Based on the meeting held between HCDD No. 1 Staff and Dannenbaum Staff on September 30, 2009)**

Final construction cost based on the following criteria respectively:

- 1) Used the amount of all the actual change orders approved by Commissioner's Court
- 2) If there were change orders approved by Commissioner's Court and DHS issued a PF225; however, change order amount and PF225 amount differ, the amount of the change order was used.
- 3) If there were change orders that had not been approved by Commissioner's Court and DHS issued a PF225, then the amount of the PF225 was used.
- 4) If DHS issued a PF225, but no change order had been developed, the amount of the PF225 was used.
- 5) If a change order was sent to DHS for approval, but DHS had not issued a PF 225, the amount of the change order was used.

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/ICO	Difference
DHS 0-4A	Ballenger	Original Contract	\$ 39,809,630.95		9/30/2008		
Pending Change Orders:							
#4A-Revised Beg.wall	\$ (139,908.78)	*	38,571.45	37	1/28/2009		
#9-Wall Stem qty	\$ (30,291.71)	9/29	292,500.00	85	6/15/2009		
#11-Dewatering		***	26,267.39	87	6/30/2009		
HCDD#1 Est.	\$ 39,968,634.64		(17,556.40)	88	6/30/2009		
			1,972.31	110	6/30/2009		
			(15,211.32)	89	6/30/2009		(664.32)
			2,660.75	111	7/14/2009		
			<u>40,138,835.13</u>		BOD Approved		
DHS 0-4C	Ballenger	Original Contract	\$ 4,403,851.15		9/30/2008		
Pending Change Orders:							
#3-Wall Stem qty	\$ (5,726.31)	9/29	188.40	38	1/28/2009		
#4-Dewatering		***	4,404,039.55	76	3/17/2009		
HCDD#1 Est.	\$ 4,398,313.24						
DHS 0-5	Ballenger	Original Contract	\$ 21,383,679.67		7/1/2008		
Pending Change Orders:							
#12-extension of time	\$ -	9/22	(378,056.50)	8	8/19/2008		
#16-gatewell structure	\$ 11,649.55	9/29	(532,205.07)	9	8/19/2008		
HCDD#1 Est.	\$ 19,274,935.53		(257,720.74)	10	8/19/2008		
			(100,097.52)	11	9/30/2008		
				39	1/28/2009		
			(15,286.50)	113	6/30/2009		
			45,779.18	124	8/25/2009		
			(882,806.54)	130	9/1/2009		
			<u>19,263,285.98</u>				
DHS 0-6A	Ballenger	Original Contract	\$ 28,553,870.93		9/2/2008		
Pending Change Orders:							
#13B-Wall Realignment		***	(530,085.28)	55	1/28/2009	(530,114.26)	28.98
#14-Rerouting irr.line	\$ 22,896.11	9/22	(86,888.03)	56	1/28/2009	(86,894.09)	6.06
#16-Deletion of contract		***	(781,964.42)	57	1/28/2009		
#17-rev. wall beg. Stn.		***		40	1/28/2009		
#18-Stem qty	\$ (18,330.70)	***	6,115.25	112	7/14/2009	6118.24	(2.99)
#20-Boilards		***	109,492.12	127	8/25/2009		
#21-Proj. Recon		***	14,007.09	125	8/25/2009		
HCDD#1 Est.	\$ 26,992,491.38	***	(296,621.69)	131	9/1/2009		
			26,987,925.97				

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/CO	Difference
DHS 0-6BC	SER Construction	Original Contract	\$ 14,197,729.40			PF225/CO	Difference
Pending Change Orders:						(116,115.04)	\$ (20.06)
		1	\$ (116,135.10)	58	9/2/2008		
		2	\$ (80,484.75)	59	1/28/2009		
		5	\$ (123,300.00)	60	1/28/2009		
		6	\$ -	41	1/28/2009		
		7A	\$ 16,505.80	61	2/17/2009		
		10A	\$ (79,647.00)	62	2/17/2009		
		11A	\$ -	63	2/17/2009		
		15	\$ 14,250.00	64	3/3/2009	14,500.00	\$ (250.00)
		17A	\$ (3,386.80)	73	4/28/2009	8,517.20	\$ (11,904.00)
		18B	\$ 26,340.00	74	4/28/2009		
		19A	\$ (123,960.00)	75	4/28/2009		
		21	\$ 199,952.10	51	4/28/2009	275,000.00	\$ (75,047.90)
		22	\$ 24,844.16	94	5/26/2009	27,252.16	\$ (2,408.00)
		23	\$ (14,231.91)	95	6/8/2009	(78,483.30)	\$ 64,251.39
		24	\$ (0.01)		6/22/2009	*6-15-09 Approved by Scott	
		25	\$ 428,271.65	49	7/7/2009		
		26	\$ 381,710.34	77	6/15/2009		
		28	\$ 92,955.88	123	7/7/2009		
		29	\$ 14,813.68	122	6/30/2009		
		27	\$ 254,299.64	129	8/25/2009		
		30	\$ 341,665.00	128	8/25/2009		
		33A	\$ 9,396.05	142	8/25/2009		
		34	\$ 212,776.56	141	8/25/2009		
			\$ 15,674,364.69				
HCDD#1 Est.	\$ 15,674,364.69						
#35-Encasing Bollards authorization not given yet	\$ 499,781.20						
DHS 0-7	SER Construction	Original Contract	\$ 11,980,892.00				
Pending Change Orders:							
		1	\$ (230,295.00)	12	7/1/2008		
		2	\$ (414,996.00)	13	9/9/2008		
		3	\$ (885,175.01)	14	9/9/2008		
		4	\$ (67,560.00)	15	9/30/2008		
		5	\$ (31,655.32)	16	9/30/2008		
		8	\$ -	42	1/28/2009		
		9A	\$ 20,000.00	65	3/3/2009		
		10A	\$ 7,848.00	66	3/3/2009		
		11	\$ 17,808.00	67	3/3/2009		
		12	\$ 8,700.00	83	6/2/2009		
		13	\$ -	102	6/2/2009		
		14	\$ 6,173.71	114	6/30/2009		
		15	\$ (887.19)	96	6/8/2009		
			\$ 10,410,853.19				
HCDD#1 Est.	\$ 10,652,826.80						
#18-Rip Rap DHS 0-8	\$ 23,925.00	*					
#19-Anti-Climb Fence	\$ 131,526.00	*					
*authorization not given yet							
DHS 0-8	Zachry Construction	Original Contract	\$ 21,908,762.00				
Pending Change Orders:							
		1	\$ (1,354,758.15)	29	7/8/2008		
		2	\$ (250,397.41)	19	9/30/2008		
		3	\$ (210,584.50)	20	9/30/2008		
		4	\$ (127,188.42)	21	10/14/2008		
		7	\$ -	43	1/28/2009		
		10A	\$ -	79	3/3/2009		
		15	\$ 10,032.00	84	6/2/2009	8,700.00	\$ 1,332.00
		16	\$ 3,084.00		6/2/2009	*5-21-09 Approved by Scott	
		17	\$ 13,425.43	97	6/2/2009		
		18	\$ -	104	6/2/2009		
			\$ 19,992,374.95				
HCDD#1 Est.	\$ 19,722,252.80						
#20-Proj. Recon	\$ 46,938.40						
#21-Equip. Standby	\$ 73,964.61						
*authorization not given yet							

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/CO	Difference
DHS 0-9 Phase I	Williams Bros.	Original Contract	\$ 20,253,897.40			7/8/2008	
Pending Change Orders:							
#8A-Wall penetration	\$ 74,517.68	9/22	(1,206,600.00)	18		9/30/2008	
#14-Stem qty	\$ (109,400.51)	*	(2,524,024.11)	23		9/30/2008	(0.11)
#15-Proj. Recon		***	1,121,450.00	24		9/30/2008	
HCDD#1 Est.	\$ 17,459,098.83		(113,076.63)	30		11/12/2008	
			(22,500.00)	31		11/12/2008	
			-	108		7/14/2009	
			(15,165.00)	134		7/28/2009	*7-17-09 Approved by Scott
			\$ 17,493,981.66			8/25/2009	
DHS 0-9 Phase II	McAllen Const.	Original Contract	\$ 13,425,119.85			9/2/2008	
Pending Change Orders:							
#25-Stem Qty		***	(62,904.68)	68		1/6/2009	
#18-Add'l Silt Fence	\$ 11,115.00	9/29	(77,036.45)	69		1/28/2009	
#19-Fabricated Boll.	\$ 37,922.88	9/29	45,047.80	70		1/28/2009	
#22-Reinforcing Steel	\$ 331,695.88	9/29	-	45		1/28/2009	
#26-Add'l Silt Fence	\$ 10,435.75	9/22	(11,680.00)	71		1/28/2009	
HCDD#1 Est.	\$ 14,020,933.21		(7,997.20)	72		1/28/2009	
			82,656.18	80		3/3/2009	
			(25,762.99)	81		4/7/2009	
			-	78		4/7/2009	
			150,996.13	50		4/7/2009	
			2,258.30	107		6/2/2009	
			7,727.50	100		6/2/2009	
			89,507.62	118		6/15/2009	
			5,195.64	119		6/15/2009	
			-	138		8/25/2009	
			6,636.00	139		8/25/2009	
			\$ 13,629,763.70				(128,533.44) \$ 136,260.94
DHS 0-10	Williams Bros	Original Contract	\$ 18,763,215.00			7/8/2008	
Pending Change Orders:							
#7A-Wall Penetration	\$ 17,961.60	9/22	(593,346.00)	25		9/30/2008	
#14-Stem Qty	\$ (134,877.72)	*	1,034,700.00	26		9/30/2008	
#15-Proj. Recon		***	(87,737.90)	32		11/12/2008	
HCDD#1 Est.	\$ 18,950,066.98		(27,900.00)	33		11/12/2008	
			(21,948.00)	109		7/14/2009	
			19,066,983.10	132		8/25/2009	

DHS Segment	Contractor	Change Order No.	Amount	BOD	PF225/CO	Difference
Banker Weir	Ballenger	Original Contract	\$ 6,351,808.19		4/29/2008	
Pending Change Orders:						
#3-Purch. Topsoil	\$ 37,120.00	9/15	\$ 5,563.14		7/21/2009	
#4-Proj. Recon	-	***	\$ 12,860.62		9/1/2009	
HCDD#1 Est.	\$ 6,407,351.95		\$ 6,370,231.95			
Common Levee	Ballenger	Original Contract	\$ 7,593,164.28		5/7/2008	
Pending Change Orders:						
#5-Rock Rip Rap	\$ 103,468.44	9/15	(72,067.98)		7/14/2009	
#7-Proj. Recon	(61,637.52)	***	(92,407.80)		7/14/2009	
HCDD#1 Est.	\$ 7,477,380.36		\$ 7,435,549.44		8/25/2009	
					9/1/2009	
Mission Levee	Longhorn Excavators	Original Contract	\$ 4,869,979.64		7/24/2008	
Pending Change Orders:						
HCDD#1 Est.	\$ 4,839,139.01		\$ (17,911.16)		4/21/2009	
			\$ (14,684.51)		4/21/2009	
			\$ 1,755.04		4/21/2009	
			\$ 4,839,139.01			
	Have PF225 no Co	*				
	Have CO no PF225	**				
	Have not rec'd CO	***				
	PF225/CO do not match	****				

Description	BALLENGER		ZACHRY	
	Unit	Quantity	Unit Price	Total
TEMP EROSION CONTROL (FILTER FABRIC FENCE)	LF	14,075	\$3.00	\$ 42,225.00
TEMP EROSION CONTROL (CONST EXIT / ENTR)	EA	3	\$1,900.00	\$ 5,700.00
REMOVE/STOCKPILE EXIST EMBANKMENT	CY	35,676	\$12.00	\$ 428,112.00
TRENCH EXCAVATION PROTECTION	LF	120	\$10.99	\$ 1,318.80
TEMPORARY SPECIAL SHORING CONC. COLLAR (48 IN)	SF	97,194	\$18.00	\$ 1,749,492.00
CONC. COLLAR (54 IN)	EA	2	\$1,311.48	\$ 2,622.96
CONSTRUCT GATE WELL STRUCTURE W/ SLUICE GATE, GRATE & LADDER. (4 ft x 5 ft)	EA	2	\$1,646.24	\$ 3,292.48
CONSTRUCT GATE WELL STRUCTURE W/ SLUICE GATE, GRATE & LADDER. (6 ft x 6 ft)	EA	2	\$103,036.05	\$ 206,072.10
RETAINING WALL (CAST-IN-PLACE) (STEM)	EA	1	\$117,803.98	\$ 117,803.98
RETAINING WALL (CAST-IN-PLACE) (FOOTING)	CY	10,279	\$679.20	\$ 6,981,496.80
RETAINING WALL (CAST-IN-PLACE) (KEY)	CY	16,270	\$349.28	\$ 5,682,785.60
AGGREGATE DRAIN MATERIAL	CY	3,051	\$754.85	\$ 2,303,047.35
PERFORATED UNDERDRAIN PIPE (6 IN.)(PVC)	CY	12,628	\$50.00	\$ 631,400.00
PREPARATION RIGHT OF WAY REMOVE EXIST. GATEWELL (3 FT X 3 FT)	LF	13,383	\$13.45	\$ 180,001.35
REMOVE EXIST. PIPE (12 IN.) PVC	STA	137	\$16,673.79	\$ 2,284,309.23
REMOVE EXIST. PIPE (15 IN.)	EA	5	\$4,699.15	\$ 23,495.75
REMOVE EXIST. PIPE (24 IN.)	EA	1	\$3,268.42	\$ 3,268.42
REMOVE EXIST. PIPE (48 IN.)	EA	2	\$1,634.21	\$ 3,268.42
REMOVE EXIST. PIPE (54 IN.)	EA	2	\$1,971.17	\$ 3,942.34
REMOVE EXIST. PIPE (60 IN.)	EA	2	\$1,680.40	\$ 3,360.80
REMOVE EXIST. HEADWALL (15 IN.)	EA	1	\$3,360.79	\$ 3,360.79
REMOVE EXIST. HEADWALL (15 IN.)	EA	1	\$3,885.05	\$ 3,885.05
REMOVE EXIST. HEADWALL (15 IN.)	EA	1	\$768.87	\$ 768.87
REMOVE EXIST. HEADWALL (15 IN.)	EA	2	\$2,715.41	\$ 5,430.82
REMOVE /SALVAGED (EXIST SLUICE GATE & APPURTENANCES) (18 IN) (RCP)	EA	6	\$563.07	\$ 3,378.42
EMBANKMENT	CY	147658	\$10.45	\$ 1,543,026.10
CONC. RIPRAP (CL-B) (SLOPE PROTECTION)	CY	164	\$497.25	\$ 81,549.00
CONCRETE PAD (4 FT x 4 FT)	EA	25	\$540.34	\$ 13,508.50
CONCRETE SHOULDER (2 FT)	LF	70	\$11.22	\$ 785.40
CONCRETE HEADER (2FT X 3 FT)	LF	96	\$140.79	\$ 13,515.84
FURNISHING & PLACING TOPSOIL (SALVAGED MATERIAL)	STA	108	\$760.14	\$ 82,095.12
FURNISHING & PLACING TOPSOIL (NEW)	STA	29	\$910.70	\$ 26,410.30
FLEXBASE (SALVAGED MATERIAL) (CALICHE) (TY D GR 6) (6 IN)	CY	2,097	\$9.00	\$ 18,873.00
FLEXBASE (NEW) (CALICHE) (TY D GR 6) (6 IN)	CY	7,993	\$26.31	\$ 210,295.83
FLEXBASE (NEW) (CALICHE) (TY D GR 6) (8 IN)	CY	983	\$26.31	\$ 25,862.73
HYDRO MULCH	SY	93,825	\$0.47	\$ 44,097.75
PLUG REINF CONC PIPE (15 IN)	EA	1	\$377.63	\$ 377.63
PLUG REINF CONC PIPE (24 IN)	EA	1	\$448.18	\$ 448.18
PVC PIPE (12 IN)	LF	130	\$51.70	\$ 6,721.00
PVC COUPLER (12 IN)	EA	2	\$640.90	\$ 1,281.80
REINF. CONC. PIPE (24 IN) (CL V)	LF	95	\$155.12	\$ 14,736.40
REINF. CONC. PIPE (48 IN) (CL V)	LF	56	\$258.83	\$ 14,494.48
REINF. CONC. PIPE (54 IN) (CL V)	EA	55	\$289.80	\$ 15,939.00
REINF. CONC. BOX (5 FT X 5 FT)	LF	72	\$263.35	\$ 18,961.20
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (5 FT)	EA	5,627	\$103.01	\$ 579,637.27
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (6 FT)	EA	3,431	\$96.73	\$ 331,880.63
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (8FT)	EA	3400	\$96.73	\$ 328,882.00
BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (20FT)	EA	865	\$132.02	\$ 114,197.30
BOLLARD (SUPPLY, CUT & WELD ANGLE IRON SUPPORTS) (4 IN X 4 IN X 1/4 IN 8 FT)	LF	14,248	\$53.65	\$ 764,405.20
CAT OPENING	EA	8	\$500.00	\$ 4,000.00
ANTI CLIMBING FENCE	EA	8	\$7,800.00	\$ 62,400.00
FLAP GATES W/WALL PIPE & TEE (6 IN)	EA	25	\$1,300.86	\$ 32,521.50
DEWATERING	LS	1	\$509,621.07	\$ 509,621.07
TRAFFIC CONTROL PLAN	LS	1	\$4,500.00	\$ 4,500.00
CANAL BYPASS 80CFS	LS	1	\$188,174.13	\$ 188,174.13
MOBILIZATION INSURANCE & BONDS	LS	1	\$2,826,833.24	\$ 2,826,833.24
Base Bid				\$28,553,870.93
				\$34,038,588.25

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

November 18, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 8 (Revised 11/18/09) to Work Authorization No. 13 -
Project Interim Yearly Reconciliation of DHS Segment O-6B/O-6C
(Excluding Wall Extensions O-6A Ext 1, O-6A Ext. 2 and O-10A)
(Includes Reconciliation of Work Authorization No. 13 and No. 14)**

Dear Mr. Garza,

Enclosed please find two originals of Supplemental Agreement No. 8 (Revised 11/18/09) to Work Authorization No. 13 for DHS Segment No. O-6B/O-6C. Our Supplemental Agreement No. 8 (Revised 11/18/09) is in regards to project **interim yearly reconciliation** as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects. Please note engineering and construction phase services for this project are under Work Authorizations No. 13 and No. 14; however, the project will be reconciled under Supplemental Agreement No. 8 (Revised 11/18/09) to Work Authorization No. 13. **Wall Extensions O-6A Ext 1, O-6A Ext. 2 and O-10A are not included in this reconciliation.**

After verbal negotiations on November 18, 2009, Dannenbaum agreed to perform the basic engineering fee services for 90% of 7% or 6.3% of the final construction with certain construction management tasks (i.e.; construction bidding) being reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 8 (Revised 11/18/09) to Work Authorization No. 13 also addresses this modification.

As maintained by our Contract Agreement dated November 7, 2007 and Work Authorization No. 13 and Work Authorization No. 14 both dated May 16, 2008, Dannenbaum would like to reconcile our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed.

Hence, please refer to the **Main Contract, Article 7. Work Authorization**. The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1" - Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I for copies of applicable Sections of the Engineering contract.

Below is Dannenbaum's contracted estimate of the engineering fees based on the preliminary estimated construction cost of \$2,759,701 (O-6B) and \$5,276,183.00 (O-6C) a combined total of \$8,035,884.00 for (O-6B/O-6C) dated May 16, 2008. The contracted engineering fee estimate breaks down to the following:

Table I

Type of Service	Total Contracted Engineering Fee Estimate for W.A. #13/#14 (05/16/08)
Basic Services	\$549,353.09
Special Services	\$273,045.64
Total Estimated Fee	\$822,398.73

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 13 and Supplemental Agreement No. 14 thru substantial/final completion for DHS Segment O-6B/O-6C. There have been construction change orders that have impacted the construction cost; therefore, on September 30, 2009 HCDD No. 1 Staff met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed on the final construction cost for each project as of September 30, 2009 based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction as of September 30, 2009.

However, on November 3, 2009, Dannenbaum met with HCDD No. 1 to further discuss the construction cost of this project and questions arose regarding Change Order Nos. 21A, 22, 24, 25, 26, 27 and 34. At the direction of HCDD No. 1, these Change Orders were removed from the list.

Hence, we will use the construction cost of \$14,554,220.59 for interim yearly reconciliation, which includes the original bid and incorporated change orders as agreed on November 3, 2009 for this project. Supplemental Agreement No. 8 (Revised 11/18/09) to Work Authorization No. 13 for DHS Segment O-6B/C will be calculated utilizing the verbal agreement of providing the **basic services for 90% of 7% of the final construction cost.**

Based on the revised construction cost, our engineering fees are revised as follows:

Table II

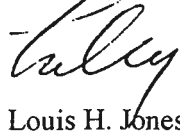
Type of Service	Revised Engineering Fee November 18, 2009 (90% of 7% of CC)	Previously Approved Engineering Fee	Difference in Total Engineering Fee
Basic Services	\$892,868.15	\$549,353.09	\$343,515.06
Special Services	-	\$273,045.64	\$0.00
Net Increase for WA No. 13		\$822,398.73	\$343,515.06

Original Combined Amount for Work Authorization No. 13 and No. 14	\$822,398.73
Plus Net Increase due to Reconciliation	\$343,515.06
Total Amount for W.A. No. 13 after Reconciliation	<u>\$1,165,913.79</u>

Please review our Supplemental Agreement No. 8 (Revised 11/18/09) for interim yearly reconciliation of Work Authorization No. 13 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

EXHIBIT "I"

Sections of Engineering Contract Referring to Reconciliation;
Basic Service Fee Percentage Change and Scope Classification Change

**Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1
defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements**

EXHIBIT "II"

Two Partially Executed Originals of
Supplemental Agreement No. 8 (Revised 11/18/09) to Work Authorization No. 13
To Agreement for Professional Services

Interim Yearly Reconciliation

THE STATE OF TEXAS §
COUNTY OF HIDALGO §

EXHIBIT "F"
Supplemental Agreement Form

**SUPPLEMENTAL AGREEMENT NO. 8 (Revised 11/18/09)
TO WORK AUTHORIZATION NO. 13
TO AGREEMENT FOR PROFESSIONAL SERVICES**

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the "Levee System Improvements within Hidalgo County, Texas" (hereinafter referred to as the "Project"); and executed Work Authorization No. 13 under said agreement on May 16, 2008 for final design; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 12, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 1, Payment, establishes the method of payment for the proposed improvements for the USIBWC and DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C; and,

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 8 (Revised 11/18/09) to WA No. 13–USIBWC/DHS Concrete Flood Protection Structure Segment O-6B/O-6C
HIDALGO COUNTY "Levee System Improvements within Hidalgo County, Texas"

DEC 10 2009

DRAINAGE DISTRICT #1

EXHIBIT "F"
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WHEREAS, it has become necessary to amend Work Authorization No. 13 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 7% or 6.3% of the final construction cost.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”, Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER and ENGINEER** agree the construction cost estimate of this project is modified as outlined in Attachment “B” – Construction Cost Tabulation, which includes the original bid tabulation with incorporated change orders for Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure for DHS Segment 0-6B/O-6C.

I. Work Authorization No. 13, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 13 for the Levee System Improvements for the USIBWC and DHS Concrete Flood Protection Structure for DHS Segment O-6B/O-6C are updated in accordance with the **Main Contract, Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit “D1”; Article 6, Section 6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements. Total basic**

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 8 (Revised 11/18/09) to WA No. 13–USIBWC/DHS Concrete Flood Protection Structure Segment O-6B/O-6C
HIDALGO COUNTY “Levee System Improvements within Hidalgo County, Texas”

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DRAINAGE DISTRICT #1

EXHIBIT “F”
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fee added to the contract agreement under this work authorization is \$343,515.06. (See Attachment A – Breakdown of Project Reconciliation).

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 8 (Revised 11/18/09) to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
J.D. Salinas, County Judge

ATTACHMENTS:

Attachment "A" - Breakdown of Project Reconciliation
Attachment "B" - Construction Cost Tabulation, including the Original Bid Tabulation with Incorporated Change Orders

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 8 (Revised 11/18/09) to WA No. 13–USIBWC/DHS Concrete Flood Protection Structure Segment O-6B/O-6C
HIDALGO COUNTY "Levee System Improvements within Hidalgo County, Texas"

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EXHIBIT "F"
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ATTACHMENT "A"

**BREAKDOWN OF PROJECT RECONCILIATION
NOVEMBER 18, 2009**

**Hidalgo County Drainage District No. 1
Supplemental Agreement No. 8 to Work Authorization No. 13
Includes the Reconciliation of Work Authorization No. 13 and No. 14 for
Levee / Wall DHS Segment O-6B /6C (Excluding Wall Extensions O-6A - Ext 1; O-6A - Ext 2; and O-10A)
HCDD No. 1 Contract No. 08-017-09-02 / DEC Project Nos. 4410-08 and 4410-09**

Summary of Engineering Fees Based on Percentage of Construction Cost

BASIC SERVICES ONLY	Reconciled Engineering Fees based on	Contracted Engineering Fees (Actual) based on	DIFFERENCE IN ENGINEERING FEES
	Final Constuction Cost Estimate November 4, 2009 \$14,172,510.25	Constuction Cost Estimate May 16, 2008 \$8,035,884.00	
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 7% of Total Construction Cost) <i>(NOTE: Prelim Eng fee based on 30% of 7% of Total Construction Cost)</i>	\$ 297,622.72	\$ 183,117.70	\$ 114,505.02
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 7% of Total Construction Cost) <i>(NOTE: Final Design fee based on 30% of 7% of Total Construction Cost)</i>	\$ 595,245.43	\$ 366,235.39	\$ 229,010.04
<i>(NOTE: Construction Cost Excludes All Wall Extensions)</i>			
TOTALS	\$ 892,868.15	\$ 549,353.09	\$ 343,515.06
(Percent of Construction Cost)	6.3%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 8			\$343,515.06

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 892,868.15
Previously Billed thru Final Design Phase	\$ 549,353.09
Amount Due After Reconciliation	\$ 343,515.06

EXHIBIT "III"

Construction Cost Estimate as of November 3, 2009

**(Less Change Order Nos. 21A, 22, 24, 25, 26, 27 and 34 as agreed to between
HCDD No. 1 Staff and Dannenbaum Staff at the meeting held on November 3, 2009)**

**HIDALGO COUNTY LEVEE REHABILITATION PROJECT
FINAL CONTRACT AMOUNT
BASED ON ORIGINAL BID AND INCORPORATED CHANGE ORDERS
AS OF NOVEMBER 4, 2009**

DHS SEGMENT O-6B & O-6C	
Original Engineer's Estimate:	\$ 8,035,884.00
CONTRACTOR: SER CONSTRUCTION COMPANY	
Original Contract Amount (BID):	\$ 14,197,729.40
Approved Change Order's:	
CO #1 (Waterstop Changes)	\$ (116,135.10)
CO #2 (Reduce Aggregate / Add Sheet Drain)	\$ (80,484.75)
CO #5 (Remove Metal Beam Guard Fence)	\$ (123,300.00)
CO #6 (Change Date of Substantial Compltion - 47 Days)	\$ -
CO #7A (Advance Fee for AEP (Light Relocation))	\$ 16,505.80
CO #10A (Bollard Height Adjustment Quantities)	\$ (79,647.00)
CO #11A (Change Date of Substantial Compltion - 21 Days)	\$ -
CO #15 (Intake Channel Work)	\$ 14,250.00
CO #17A (Bollard Height Revisions)	\$ (3,386.80)
CO #18B (Widening of Perimeter Road)	\$ 26,340.00
CO #19A (Slope Protection)	\$ (123,960.00)
CO #23 (Stem Quantity Adjustment due to Bollards)	\$ (14,231.91)
CO #28 (Bollard Foundation)	\$ 92,955.88
CO #29 (Additional Bollard Foundation)	\$ 14,813.68
CO #30 (Embankment Quantity Adjustment)	\$ 341,665.00
CO #33A (Weld 10 ft bollards and install salvaged anti-climb fence)	\$ 9,396.05
<i>Subtotal for Approved Change Orders</i>	\$ (25,219.15)
Anticipated Change Order's:	
<i>Subtotal for Anticipated Change Orders</i>	\$ -
<i>Revised Contract Amount for Project Reconciliation</i>	\$ 14,172,510.25

HCDD #1- Levee Improvement Project

DHS Segment
0-6B 0-6C
BID TABULATION Friday, August 1, 2008

Description	Unit	Quantity	SER		L&G CONC CONST INC.		KIEWIT/McALLEN CONST.		BALLENGER		ZACHRY	
			Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1 TEMP EROSION CONTROL (FILTER FABRIC FENCE)	LF	14,600	\$3.00	\$43,800.00	\$3.00	\$43,800.00	\$2.89	\$42,194.00	\$5.00	\$73,000.00	\$3.00	\$43,800.00
2 MOBILIZATION	LS	1	\$1,100,000.00	\$1,100,000.00	\$300,000.00	\$300,000.00	\$1,778,000.00	\$1,778,000.00	\$2,081,454.20	\$2,081,454.20	\$4,717,000.00	\$4,717,000.00
3 TEMP EROSION CONTROL (CONST EXIT / ENTER)	EA	2	\$2,000.00	\$4,000.00	\$1,200.00	\$2,400.00	\$5,000.00	\$10,000.00	\$950.00	\$1,900.00	\$1,000.00	\$2,000.00
4 REMOVE/STOCKPILE EXIST EMBANKMENT	CY	11,500	\$10.00	\$115,000.00	\$8.00	\$92,000.00	\$10.00	\$115,000.00	\$4.00	\$46,000.00	\$25.00	\$287,500.00
5 RETAINING WALL (CAST-IN-PLACE)(STEM)	CY	5,260	\$600.00	\$3,156,000.00	\$875.00	\$4,602,500.00	\$500.00	\$2,630,000.00	\$972.53	\$5,115,507.80	\$825.00	\$4,339,500.00
6 RETAINING WALL (CAST-IN-PLACE) (FOOTING)	CY	6,715	\$550.00	\$3,693,250.00	\$460.00	\$3,088,900.00	\$704.00	\$4,727,360.00	\$593.76	\$3,987,098.40	\$390.00	\$2,618,850.00
7 RETAINING WALL (CAST-IN-PLACE) (KEY)	CY	938	\$500.00	\$469,000.00	\$630.00	\$590,940.00	\$1,300.00	\$1,219,400.00	\$2,260.84	\$2,120,667.92	\$345.00	\$323,610.00
8 TRENCH EXCAVATION PROTECTION	LF	7,300	\$1.00	\$7,300.00	\$5.00	\$36,500.00	\$0.01	\$73.00	\$15.00	\$109,500.00	\$5.00	\$36,500.00
9 TEMPORARY SPECIAL SHORING	SF	2,700	\$2.00	\$5,400.00	\$10.00	\$27,000.00	\$15.00	\$40,500.00	\$325.76	\$879,552.00	\$350.00	\$945,000.00
10 CONSTRUCT GATE WELL STRUCTURE W/ SLUICE GATE, HATCH, LADDER & APPURTENANCES. (9 ft x 10 ft)	EA	1	\$120,000.00	\$120,000.00	\$125,000.00	\$125,000.00	\$118,500.00	\$118,500.00	\$150,000.00	\$150,000.00	\$800,000.00	\$800,000.00
11 PERFORATED UNDERDRAIN PIPE (6 IN.)(PVC)	LF	7,300	\$17.00	\$124,100.00	\$20.00	\$146,000.00	\$8.00	\$58,400.00	\$20.00	\$146,000.00	\$50.00	\$365,000.00
12 AGGREGATE DRAIN MATERIAL	CY	5,877	\$60.00	\$352,620.00	\$48.00	\$282,096.00	\$100.00	\$587,700.00	\$40.00	\$235,080.00	\$80.00	\$470,160.00
13 METAL BEAM GUARD FENCE	LF	6,165	\$20.00	\$123,300.00	\$25.00	\$154,125.00	\$30.00	\$184,950.00	\$25.00	\$154,125.00	\$21.00	\$129,465.00
14 PREPARATION RIGHT OF WAY	STA	73	\$10.00	\$730.00	\$10,000.00	\$730,000.00	\$550.00	\$40,150.00	\$26,721.18	\$1,950,646.14	\$55,000.00	\$4,015,000.00
15 REMOVE EXIST. CONCRETE CURB (6 IN)	LF	5,072	\$1.00	\$5,072.00	\$5.00	\$25,360.00	\$4.00	\$20,288.00	\$6.00	\$30,432.00	\$5.00	\$25,360.00
16 REMOVED EXIST ASPHALT	SY	5,057	\$7.00	\$35,399.00	\$9.00	\$45,513.00	\$9.61	\$48,597.77	\$7.00	\$35,399.00	\$6.50	\$32,870.50
17 REMOVE EXIST STRUCTURES	EA	1	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00	\$10,000.00	\$10,000.00	\$5,000.00	\$5,000.00	\$250,000.00	\$250,000.00
18 EMBANKMENT	CY	81,640	\$20.00	\$1,632,800.00	\$10.00	\$816,400.00	\$28.00	\$2,285,920.00	\$25.52	\$2,083,452.80	\$15.00	\$1,224,600.00
19 EMBANKMENT (BORROW SITE)	CY	75,000	\$15.00	\$1,125,000.00	\$12.50	\$937,500.00	\$9.00	\$675,000.00	\$15.74	\$1,180,500.00	\$14.00	\$1,050,000.00
20 CONC. RIP RAP CL-B (SLOPE PROTECTION)	CY	2,000	\$240.00	\$480,000.00	\$350.00	\$700,000.00	\$150.00	\$300,000.00	\$500.00	\$1,000,000.00	\$550.00	\$1,100,000.00
21 CONC. PAD (4 FT X 4 FT)	EA	14	\$400.00	\$5,600.00	\$300.00	\$4,200.00	\$1,000.00	\$14,000.00	\$288.20	\$4,034.80	\$7,500.00	\$105,000.00
22 HOT MIX ASPHALT (2 IN)	SY	4,958	\$17.00	\$84,286.00	\$11.35	\$56,273.30	\$15.00	\$74,370.00	\$25.00	\$123,950.00	\$15.00	\$74,370.00
23 PRIME OIL (MC-30)	GAL	992	\$7.00	\$6,944.00	\$5.00	\$4,960.00	\$6.00	\$5,952.00	\$6.00	\$5,952.00	\$4.00	\$3,968.00
24 PAVEMENT MARKING	LS	1	\$6,000.00	\$6,000.00	\$7,500.00	\$7,500.00	\$6,000.00	\$6,000.00	\$10,000.00	\$10,000.00	\$45,000.00	\$45,000.00
25 FURNISHING & PLACING TOPSOIL (SALVAGED MATERIAL)	STA	20	\$1,500.00	\$30,000.00	\$300.00	\$6,000.00	\$500.00	\$10,000.00	\$280.00	\$5,600.00	\$2,500.00	\$50,000.00
26 FURNISHING & PLACING TOPSOIL (NEW)	STA	53	\$1,700.00	\$90,100.00	\$1,500.00	\$79,500.00	\$500.00	\$26,500.00	\$900.00	\$47,700.00	\$1,315.00	\$69,695.00
27 FLEXBASE (SALVAGED MATERIAL) (CALICHE) (TY D GR 6) (6 IN)	CY	1,082	\$9.00	\$9,738.00	\$8.50	\$9,197.00	\$33.50	\$36,247.00	\$20.00	\$21,640.00	\$18.00	\$19,476.00
28 FLEXBASE (NEW) (CALICHE) (TY D GR 6) (6 IN)	CY	4,040	\$30.00	\$121,200.00	\$17.00	\$68,680.00	\$56.00	\$226,240.00	\$55.00	\$222,200.00	\$50.00	\$202,000.00
29 PROP. CONC. CURB (6 IN)	LF	4,850	\$6.00	\$29,100.00	\$8.50	\$41,225.00	\$35.00	\$169,750.00	\$15.00	\$72,750.00	\$11.00	\$53,350.00
30 HYDRO MULCH	SY	52,723	\$0.80	\$42,178.40	\$0.65	\$34,269.95	\$1.25	\$65,903.75	\$0.60	\$31,633.80	\$1.00	\$52,723.00
31 REINF. CONC. PIPE (72 IN) (CL V)	LF	310	\$350.00	\$108,500.00	\$450.00	\$139,500.00	\$700.00	\$217,000.00	\$275.00	\$85,250.00	\$450.00	\$139,500.00
32 CONC. HEADWALL (72 IN)	EA	2	\$12,000.00	\$24,000.00	\$10,200.00	\$20,400.00	\$30,000.00	\$60,000.00	\$15,000.00	\$30,000.00	\$92,000.00	\$184,000.00
33 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (5 FT.)	EA	1,079	\$59.00	\$63,661.00	\$198.00	\$213,642.00	\$200.00	\$215,800.00	\$51.00	\$55,029.00	\$230.00	\$248,170.00
34 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (6 FT.)	EA	442	\$62.00	\$27,404.00	\$198.00	\$87,516.00	\$200.00	\$88,400.00	\$51.00	\$22,542.00	\$240.00	\$106,080.00
35 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (7 FT.)	EA	196	\$74.00	\$14,504.00	\$198.00	\$38,808.00	\$200.00	\$39,200.00	\$51.00	\$9,996.00	\$250.00	\$49,000.00
36 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (8 FT.)	EA	687	\$87.00	\$59,789.00	\$198.00	\$136,026.00	\$200.00	\$137,400.00	\$51.00	\$35,037.00	\$260.00	\$178,620.00
37 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (9 FT.)	EA	1,128	\$100.00	\$112,800.00	\$198.00	\$223,344.00	\$200.00	\$225,600.00	\$51.00	\$57,528.00	\$270.00	\$304,560.00
38 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (10 FT.)	EA	2,961	\$102.00	\$302,022.00	\$198.00	\$586,278.00	\$200.00	\$592,200.00	\$51.00	\$151,011.00	\$280.00	\$829,080.00
39 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (12FT.)	EA	456	\$110.00	\$50,160.00	\$198.00	\$90,288.00	\$200.00	\$91,200.00	\$51.00	\$23,256.00	\$320.00	\$145,920.00
40 BOLLARD (TRANSPORT FROM STAGING AREA & INSTALL PER PLANS) (20FT.)	EA	554	\$276.00	\$152,904.00	\$228.00	\$126,312.00	\$200.00	\$110,800.00	\$59.51	\$32,968.54	\$500.00	\$277,000.00
41 BOLLARD (SUPPLY, CUT & WELD ANGLE IRON SUPORTS) (4 IN X 4 IN X 1/4 IN 8 FT)	LF	8,207	\$24.00	\$196,968.00	\$13.20	\$108,332.40	\$12.00	\$98,484.00	\$55.00	\$451,385.00	\$3.00	\$24,621.00
42 SIGN (REMOVE & REPLACE)	EA	5	\$240.00	\$1,200.00	\$400.00	\$2,000.00	\$525.00	\$2,625.00	\$1,500.00	\$7,500.00	\$4,000.00	\$20,000.00
43 SIGN (REMOVE & RELOCATE)	EA	22	\$360.00	\$7,920.00	\$300.00	\$6,600.00	\$525.00	\$11,550.00	\$750.00	\$16,500.00	\$3,000.00	\$96,000.00
44 FLAP GATES W/ WALL PIPE & TEE (6 IN.)	EA	14	\$2,000.00	\$28,000.00	\$3,300.00	\$46,200.00	\$2,000.00	\$28,000.00	\$1,500.00	\$21,000.00	\$5,000.00	\$70,000.00
45 CAT OPENING	EA	2	\$500.00	\$1,000.00	\$26.40	\$52.80	\$1,000.00	\$2,000.00	\$500.00	\$1,000.00	\$1,200.00	\$2,400.00
46 ANTI CLIMBING FENCE	EA	2	\$10,000.00	\$20,000.00	\$4,570.80	\$9,141.60	\$4,000.00	\$8,000.00	\$8,000.00	\$16,000.00	\$8,000.00	\$16,000.00
47 48" STAND PIPE (TO BE CAPPED IN PLACE)	EA	1	\$6,000.00	\$6,000.00	\$2,500.00	\$2,500.00	\$4,000.00	\$4,000.00	\$2,000.00	\$2,000.00	\$5,000.00	\$5,000.00
				\$14,197,729.40		\$14,897,280.05		\$17,459,254.52		\$22,948,778.40		\$26,117,748.50

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

September 15, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 23A (REV 1 – 09/11/09) to Work Authorization No. 3
Compensation of Out of Scope Manhour Effort for Construction Engineering Services Expended
during the Contractor's Extended Construction Contract Period**

Dear Mr. Garza,

Dannenbaum previously submitted Supplemental Agreement No. 23A to Work Authorization No. 3 on September 1, 2009 for compensation of out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period (Submittal No. 1). In Submittal No. 1 we calculated the additional fees associated with this task on a daily rate schedule based on the amount of contractual engineering fees (less inspection) divided by the number of days in the Contractor's contract. However, after further review and consideration, Dannenbaum has reassessed the associated fees with this task and determined it is best to calculate the fee based on **actual manhours** spent during the extended construction contract period multiplied by the labor rate for each employee classification.

Dannenbaum hereby respectfully submits Supplemental Agreement No. 23A (REV 1 – 09/11/09) to Work Authorization No. 3 to replace the previously submitted supplemental agreement (Submittal No. 1) for your review and approval. Supplemental Agreement No. 23 is in reference to compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following projects:

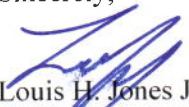
Local, USIBWC and DHS Participation:

- DHS Seg O-4A Mission Levee Ph II Abrams Road to Just East Side of Penitas Pump Station (3.87 Miles)
- DHS Seg O-4C Mission Levee Ph II Just West of Penitas Pump Station to Military Road (0.44 Miles)

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for each of the respective projects. Please review our Supplemental Agreement No. 23A (REV 1 – 09/11/09) to Work Authorization No. 3 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 23A (REV 1 – 09/11/09) to Work Authorization No. 3
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Construction Engineering Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT "F"
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 23A (REV 1 – 09/11/09)
TO WORK AUTHORIZATION NO. 3
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the "Levee System Improvements within Hidalgo County, Texas" (hereinafter referred to as the "Project"); and executed Work Authorization No. 3 under said agreement on July 3, 2007 for preliminary engineering, final design and construction phase services for Mission Levee Phase II DHS Segments O-4A and O-4C; and relative supplemental agreements thereafter; and,

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
S.A. No. 23A to WA No. 3 – Out of Scope Mhrs for Const Eng during the Ext Contract Period - DHS Segments
"Levee System Improvements within Hidalgo County, Texas"

WHEREAS, Section Part 1 of Work Authorization No. 3, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement projects, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 3 for Mission Levee Phase II DHS Segments O-4A and O-4C to include out of scope manhour effort for construction engineering services expended during the Contractor’s extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 3, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 3, Payment, establishes the method of payment for the proposed improvements for Mission Levee Phase II DHS Segments O-4A and O-4C; and,

WHEREAS, it has become necessary to amend Work Authorization No. 3 to allow for compensation for out of scope manhour effort for construction engineering services expended during the Contractor’s extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Mission Levee Phase II DHS Segments O-4A and O-4C; and,

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for the various projects under Work Authorization No. 3,

I. Work Authorization No. 3, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 3 for Mission Levee Phase II DHS Segments O-4A and O-4C are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract**

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
S.A. No. 23A to WA No. 3 – Out of Scope Mhrs for Const Eng during the Ext Contract Period - DHS Segments
"Levee System Improvements within Hidalgo County, Texas"

agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor’s Extended Construction Contract Period is as follows:

- Mission Levee Ph II ~ DHS Segment O-4A = \$113,540.77
- Mission Levee Ph II ~ DHS Segment O-4C = \$12,615.64

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 23A (REV 1 – 09/11/09)** to be effective as of the ____ day of _____, 2009.

**ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC**

BY: 
Louis H. Jones, Jr., P.E., President

**OWNER:
HIDALGO COUNTY**

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment “A” - Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor’s Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment “B” - Supporting Documentation

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
S.A. No. 23A to WA No. 3 – Out of Scope Mhrs for Const Eng during the Ext Contract Period - DHS Segments
“Levee System Improvements within Hidalgo County, Texas”

Attachment "A"

Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
S.A. No. 23A to WA No. 3 – Out of Scope Mhrs for Const Eng during the Ext Contract Period - DHS Segments
"Levee System Improvements within Hidalgo County, Texas"

ATTACHMENT "A"
FEE BUDGET ESTIMATE FOR OUT OF SCOPE MANHOURLY EFFORT
FOR CONSTRUCTION ENGINEERING SERVICES
EXPENDED DURING THE CONTRACTOR'S EXTENDED CONSTRUCTION CONTRACT PERIOD

				DHS Segment O-4A	
EXTENDED CONTRACT PERIOD =				05/01/09 thru 07/31/09	
Employee	Company	Classification	Contractual Hourly Rate (Loaded)	Total Manhours	Project Cost
Adolph Morris Jr.	Dannenbaum Engineering	Engineer I	\$ 186.02	0.00	\$ -
Bernardo Elizondo	Dannenbaum Engineering	Engineer IV	\$ 192.34	10.80	\$ 2,077.27
Brian O'neall	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Carlos Aguilar	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Claudia Garza	Dannenbaum Engineering	Secretary II	\$ 83.60	0.00	\$ -
Cynthia Luera	Dannenbaum Engineering	Secretary I	\$ 83.60	4.50	\$ 376.20
David Cortez	Dannenbaum Engineering	Designer II	\$ 132.10	28.80	\$ 3,804.48
Eric Davila	Dannenbaum Engineering	Engineer III	\$ 192.34	3.60	\$ 692.42
Evelyn Basaldua	DOS Logistics	Designer II	\$ 132.10	0.00	\$ -
Gary Fisher	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Gloria J. Rodriguez	Dannenbaum Engineering	Secretary II	\$ 83.60	78.53	\$ 6,564.69
Hector Vargas	Dannenbaum Engineering	Designer I	\$ 132.10	2.70	\$ 356.67
Hugo P. Gonzalez, Jr.	DOS Logistics	Engineer IV	\$ 192.34	7.20	\$ 1,384.85
Hugo Rodriguez	Dannenbaum Engineering	Designer II	\$ 132.10	18.00	\$ 2,377.80
Jaime Farias	Dannenbaum Engineering	Engineer III	\$ 192.34	17.10	\$ 3,289.01
Jesse Villegas Jr.	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Jesus Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
Jesus J. Jimenez	DOS Logistics	Engineer II	\$ 186.02	0.00	\$ -
Joel Mata	DOS Logistics	Designer III	\$ 154.11	42.75	\$ 6,588.20
John J. Rodriguez Jr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	35.10	\$ 3,256.93
John Joe Rodriguez Sr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
John Kime	Dannenbaum Engineering	Engineer IV	\$ 192.34	3.60	\$ 692.42
John Newbegin	DOS Logistics	Designer I	\$ 132.10	18.00	\$ 2,377.80
Jose Reyes	DOS Logistics	Engineer III	\$ 192.34	58.95	\$ 11,338.44
Juan Avila	Dannenbaum Engineering	Designer I	\$ 132.10	0.00	\$ -
Juan Reyes	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Larry Marr	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Louis Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
Louis H. Jones	Dannenbaum Engineering	Engineer VIII	\$ 369.99	4.50	\$ 1,664.96
Louis Lopez	Dannenbaum Engineering	Construction Rep	\$ 96.36	48.60	\$ 4,683.10
Maria Elena Rodriguez	DOS Logistics	Secretary III	\$ 83.60	0.00	\$ -
Matias Ramos	Dannenbaum Engineering	Designer II	\$ 132.10	3.15	\$ 416.12
Matthew Williams	Dannenbaum Engineering	Engineer III	\$ 192.34	14.63	\$ 2,812.97
Michel Maksoud	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Nathaniel Olivarez	Dannenbaum Engineering	Designer I	\$ 132.10	46.80	\$ 6,182.28
Norma Molina	Dannenbaum Engineering	Secretary I	\$ 83.60	0.00	\$ -
Omar Anzaldua	Dannenbaum Engineering	Engineer IV	\$ 192.34	13.95	\$ 2,683.14
Philip D. Waldron	DOS Logistics	Environmental Eng	\$ 140.71	0.00	\$ -
Rafael Macias	DOS Logistics	Designer II	\$ 132.10	24.30	\$ 3,210.03
Ramiro Alejandro	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Richard Seitz	Dannenbaum Engineering	Engineer VI	\$ 236.11	99.68	\$ 23,534.26
Sandra Spence	Dannenbaum Engineering	Secretary IV	\$ 83.60	25.65	\$ 2,144.34
Steve McGarraugh	Dannenbaum Engineering	Engineer IV	\$ 192.34	94.95	\$ 18,262.68
William Scott Wemple	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Wilson Chan	Dannenbaum Engineering	Engineer III	\$ 192.34	14.40	\$ 2,769.70
GRAND TOTALS				720.23	\$ 113,540.77

ATTACHMENT "A"
FEE BUDGET ESTIMATE FOR OUT OF SCOPE MANHOOR EFFORT
FOR CONSTRUCTION ENGINEERING SERVICES
EXPENDED DURING THE CONTRACTOR'S EXTENDED CONSTRUCTION CONTRACT PERIOD

				DHS Segment O-4C	
EXTENDED CONTRACT PERIOD =				05/01/09 thru 07/31/09	
Employee	Company	Classification	Contractual Hourly Rate (Loaded)	Total Manhours	Project Cost
Adolph Morris Jr.	Dannenbaum Engineering	Engineer I	\$ 186.02	0.00	\$ -
Bernardo Elizondo	Dannenbaum Engineering	Engineer IV	\$ 192.34	1.20	\$ 230.81
Brian O'neall	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Carlos Aguilar	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Claudia Garza	Dannenbaum Engineering	Secretary II	\$ 83.60	0.00	\$ -
Cynthia Luera	Dannenbaum Engineering	Secretary I	\$ 83.60	0.50	\$ 41.80
David Cortez	Dannenbaum Engineering	Designer II	\$ 132.10	3.20	\$ 422.72
Eric Davila	Dannenbaum Engineering	Engineer III	\$ 192.34	0.40	\$ 76.94
Evelyn Basaldua	DOS Logistics	Designer II	\$ 132.10	0.00	\$ -
Gary Fisher	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Gloria J. Rodriguez	Dannenbaum Engineering	Secretary II	\$ 83.60	8.73	\$ 729.41
Hector Vargas	Dannenbaum Engineering	Designer I	\$ 132.10	0.30	\$ 39.63
Hugo P. Gonzalez, Jr.	DOS Logistics	Engineer IV	\$ 192.34	0.80	\$ 153.87
Hugo Rodriguez	Dannenbaum Engineering	Designer II	\$ 132.10	2.00	\$ 264.20
Jaime Farias	Dannenbaum Engineering	Engineer III	\$ 192.34	1.90	\$ 365.45
Jesse Villegas Jr.	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Jesus Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
Jesus J. Jimenez	DOS Logistics	Engineer II	\$ 186.02	0.00	\$ -
Joel Mata	DOS Logistics	Designer III	\$ 154.11	4.75	\$ 732.02
John J. Rodriguez Jr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	3.90	\$ 361.88
John Joe Rodriguez Sr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
John Kime	Dannenbaum Engineering	Engineer IV	\$ 192.34	0.40	\$ 76.94
John Newbegin	DOS Logistics	Designer I	\$ 132.10	2.00	\$ 264.20
Jose Reyes	DOS Logistics	Engineer III	\$ 192.34	6.55	\$ 1,259.83
Juan Avila	Dannenbaum Engineering	Designer I	\$ 132.10	0.00	\$ -
Juan Reyes	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Larry Marr	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Louis Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
Louis H. Jones	Dannenbaum Engineering	Engineer VIII	\$ 369.99	0.50	\$ 185.00
Louis Lopez	Dannenbaum Engineering	Construction Rep	\$ 96.36	5.40	\$ 520.34
Maria Elena Rodriguez	DOS Logistics	Secretary III	\$ 83.60	0.00	\$ -
Matias Ramos	Dannenbaum Engineering	Designer II	\$ 132.10	0.35	\$ 46.24
Matthew Williams	Dannenbaum Engineering	Engineer III	\$ 192.34	1.63	\$ 312.55
Michel Maksoud	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Nathaniel Olivarez	Dannenbaum Engineering	Designer I	\$ 132.10	5.20	\$ 686.92
Norma Molina	Dannenbaum Engineering	Secretary I	\$ 83.60	0.00	\$ -
Omar Anzaldua	Dannenbaum Engineering	Engineer IV	\$ 192.34	1.55	\$ 298.13
Philip D. Waldron	DOS Logistics	Environmental Eng	\$ 140.71	0.00	\$ -
Rafael Macias	DOS Logistics	Designer II	\$ 132.10	2.70	\$ 356.67
Ramiro Alejandro	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Richard Seitz	Dannenbaum Engineering	Engineer VI	\$ 236.11	11.08	\$ 2,614.92
Sandra Spence	Dannenbaum Engineering	Secretary IV	\$ 83.60	2.85	\$ 238.26
Steve McGarraugh	Dannenbaum Engineering	Engineer IV	\$ 192.34	10.55	\$ 2,029.19
William Scott Wemple	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Wilson Chan	Dannenbaum Engineering	Engineer III	\$ 192.34	1.60	\$ 307.74
GRAND TOTALS				80.03	\$ 12,615.64

Attachment "B"

***Supporting Documentation for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor
such as Utility Relocation Delays***

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
S.A. No. 23A to WA No. 3 – Out of Scope Mhrs for Const Eng during the Ext Contract Period - DHS Segments
"Levee System Improvements within Hidalgo County, Texas"

EXHIBIT "F"
Page 6 of 6

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

September 15, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 10 (REV 1 - 09/11/09) to Work Authorization No. 5
Compensation of Out of Scope Manhour Effort for Construction Engineering Services Expended
during the Contractor's Extended Construction Contract Period**

Dear Mr. Garza,

Dannenbaum previously submitted Supplemental Agreement No. 10 to Work Authorization No. 5 on September 1, 2009 for compensation of out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period (Submittal No. 1). In Submittal No. 1 we calculated the additional fees associated with this task on a daily rate schedule based on the amount of contractual engineering fees (less inspection) divided by the number of days in the Contractor's contract. However, after further review and consideration, Dannenbaum has reassessed the associated fees with this task and determined it is best to calculate the fee based on *actual manhours* spent during the extended construction contract period multiplied by the labor rate for each employee classification.

Dannenbaum hereby respectfully submits Supplemental Agreement No. 10 (REV 1 - 09/11/09) to Work Authorization No. 5 to replace the previously submitted supplemental agreement (Submittal No. 1) for your review and approval. Supplemental Agreement No. 10 (REV 1 - 09/11/09) is in reference to compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

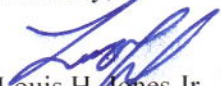
Local and USIBWC Participation:

- **DHS Levee/Wall Improvement Project – DHS Segment O-5 (1.76 Miles)**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project. Please review our Supplemental Agreement No. 10 (REV 1 - 09/11/09) to Work Authorization No. 5 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 10 (REV 1 - 09/11/09) to Work Authorization No. 5
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Construction Engineering Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT "F"
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 10 (REV 1 - 09/11/09)
TO WORK AUTHORIZATION NO. 5
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the "Levee System Improvements within Hidalgo County, Texas" (hereinafter referred to as the "Project"); and executed Work Authorization No. 5 under said agreement on the 20th day of February 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 5, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend "Exhibit B" of Work Authorization No. 5 (Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, to include out of scope manhour effort for construction engineering services expended during the Contractor's

*Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 10 (REV 1 - 09/11/09) to WA No.5 / DHS Segment 0-5 (1.76 Miles)
"Levee System Improvements within Hidalgo County, Texas"*

EXHIBIT "F"

Page 1 of 6

extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 5, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 5, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles; and

WHEREAS, it has become necessary to amend Work Authorization No. 5 to allow for compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC and

Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, under Work Authorization No. 5,

I. Work Authorization No. 5, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 5 for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work,**

stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work.

Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor’s Extended Construction Contract Period is as follows:

- DHS Segment O-5 = \$71,645.64

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 10 (REV 1 - 09/11/09) to be effective as of the ____ day of _____, 2009.

**ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC**

BY: _____
Louis H. Jones, Jr., P.E., President

**OWNER:
HIDALGO COUNTY**

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment “A” - Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor’s Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment “B” - Supporting Documentation

Attachment "A"

***Fee Budget Estimate for Out of Scope Manhour Effort for Construction
Engineering Services Expended During the Contractor's Extended Construction
Contract Period due to Unforeseen Conditions, Contractor Attributed Delays,
and Delays Beyond the Control of the Contractor
such as Utility Relocation Delays***

ATTACHMENT "A"
FEE BUDGET ESTIMATE FOR OUT OF SCOPE MANHOURLY EFFORT
FOR CONSTRUCTION ENGINEERING SERVICES
EXPENDED DURING THE CONTRACTOR'S EXTENDED CONSTRUCTION CONTRACT PERIOD

				DHS Seg O-5	
EXTENDED CONTRACT PERIOD =				03/31/09 thru 07/31/09	
Employee	Company	Classification	Contractual Hourly Rate (Loaded)	Total Manhours	Project Cost
Adolph Morris Jr.	Dannenbaum Engineering	Engineer I	\$ 186.02	0.00	\$ -
Bernardo Elizondo	Dannenbaum Engineering	Engineer IV	\$ 192.34	20.00	\$ 3,846.80
Brian O'neall	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Carlos Aguilar	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Claudia Garza	Dannenbaum Engineering	Secretary II	\$ 83.60	0.00	\$ -
Cynthia Luera	Dannenbaum Engineering	Secretary I	\$ 83.60	8.00	\$ 668.80
David Cortez	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Eric Davila	Dannenbaum Engineering	Engineer III	\$ 192.34	4.00	\$ 769.36
Evelyn Basaldua	DOS Logistics	Designer II	\$ 132.10	0.00	\$ -
Gary Fisher	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Gloria J. Rodriguez	Dannenbaum Engineering	Secretary II	\$ 83.60	49.25	\$ 4,117.30
Hector Vargas	Dannenbaum Engineering	Designer I	\$ 132.10	0.00	\$ -
Hugo P. Gonzalez, Jr.	DOS Logistics	Engineer IV	\$ 192.34	0.00	\$ -
Hugo Rodriguez	Dannenbaum Engineering	Designer II	\$ 132.10	21.00	\$ 2,774.10
Jaime Farias	Dannenbaum Engineering	Engineer III	\$ 192.34	69.25	\$ 13,319.55
Jesse Villegas Jr.	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Jesus Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	12.75	\$ 1,183.07
Jesus J. Jimenez	DOS Logistics	Engineer II	\$ 186.02	0.00	\$ -
Joel Mata	DOS Logistics	Designer III	\$ 154.11	0.00	\$ -
John J. Rodriguez Jr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	14.50	\$ 1,345.46
John Joe Rodriguez Sr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
John Kime	Dannenbaum Engineering	Engineer IV	\$ 192.34	0.00	\$ -
John Newbegin	DOS Logistics	Designer I	\$ 132.10	0.00	\$ -
Jose Reyes	DOS Logistics	Engineer III	\$ 192.34	0.00	\$ -
Juan Avila	Dannenbaum Engineering	Designer I	\$ 132.10	0.00	\$ -
Juan Reyes	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Larry Marr	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Louis Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
Louis H. Jones	Dannenbaum Engineering	Engineer VIII	\$ 369.99	6.50	\$ 2,404.94
Louis Lopez	Dannenbaum Engineering	Construction Rep	\$ 96.36	61.00	\$ 5,877.96
Maria Elena Rodriguez	DOS Logistics	Secretary III	\$ 83.60	0.00	\$ -
Matias Ramos	Dannenbaum Engineering	Designer II	\$ 132.10	3.50	\$ 462.35
Matthew Williams	Dannenbaum Engineering	Engineer III	\$ 192.34	0.00	\$ -
Michel Maksoud	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Nathaniel Olivarez	Dannenbaum Engineering	Designer I	\$ 132.10	60.00	\$ 7,926.00
Norma Molina	Dannenbaum Engineering	Secretary I	\$ 83.60	0.00	\$ -
Omar Anzaldua	Dannenbaum Engineering	Engineer IV	\$ 192.34	14.00	\$ 2,692.76
Philip D. Waldron	DOS Logistics	Environmental Eng	\$ 140.71	0.00	\$ -
Rafael Macias	DOS Logistics	Designer II	\$ 132.10	0.00	\$ -
Ramiro Alejandro	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Richard Seitz	Dannenbaum Engineering	Engineer VI	\$ 236.11	39.75	\$ 9,385.37
Sandra Spence	Dannenbaum Engineering	Secretary IV	\$ 83.60	41.00	\$ 3,427.60
Steve McGarraugh	Dannenbaum Engineering	Engineer IV	\$ 192.34	56.50	\$ 10,867.21
William Scott Wemple	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Wilson Chan	Dannenbaum Engineering	Engineer III	\$ 192.34	3.00	\$ 577.02
GRAND TOTALS				484.00	\$ 71,645.64

Attachment “B”

Supporting Documentation for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor’s Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

September 15, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 14 (REV 1 - 09/11/09) to Work Authorization No. 12
Compensation of Out of Scope Manhour Effort for Construction Engineering Services Expended
during the Contractor's Extended Construction Contract Period**

Dear Mr. Garza,

Dannenbaum previously submitted Supplemental Agreement No. 14 to Work Authorization No. 12 on September 1, 2009 for compensation of out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period (Submittal No. 1). In Submittal No. 1 we calculated the additional fees associated with this task on a daily rate schedule based on the amount of contractual engineering fees (less inspection) divided by the number of days in the Contractor's contract. However, after further review and consideration, Dannenbaum has reassessed the associated fees with this task and determined it is best to calculate the fee based on **actual manhours** spent during the extended construction contract period multiplied by the labor rate for each employee classification.

Dannenbaum hereby respectfully submits Supplemental Agreement No. 14 (REV 1 - 09/11/09) to Work Authorization No. 12 to replace the previously submitted supplemental agreement (Submittal No. 1) for your review and approval. Supplemental Agreement No. 14 (REV 1 - 09/11/09) is in reference to compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:

- **DHS Levee/Wall Improvement Project – DHS Segment O-6A**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project. Please review our Supplemental Agreement No. 14 (REV 1 - 09/11/09) to Work Authorization No. 12 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 14 (REV 1 - 09/11/09) to Work Authorization No. 12
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Construction Engineering Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 14 (REV 1 - 09/11/09)
TO WORK AUTHORIZATION NO. 12
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 12 under said agreement on May 16, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and

WHEREAS, Section Part 1 of Work Authorization No. 12, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 12 Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A to include out of scope manhour effort for construction engineering services expended during the Contractor’s extended construction contract period due to unforeseen conditions.

*Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 14 (REV 1 - 09/11/09) to WA No.12 / DHS Segment O-6A
“Levee System Improvements within Hidalgo County, Texas”*

EXHIBIT “F”
Page 1 of 6

contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 12, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 12, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A; and

WHEREAS, it has become necessary to amend Work Authorization No. 12 to allow for compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for construction engineering services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A, under Work Authorization No. 12,

I. Work Authorization No. 12, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 12 for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period is as follows:**

- DHS Segment O-6A = **\$69,904.52**

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 14 (REV 1 - 09/11/09)** to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment "A" -

Fee Budget Estimate for Out of Scope Manhour Effort for Construction Engineering Services Expended During the Contractor's Extended Construction Contract Period due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment "B" -

Supporting Documentation

Attachment "A"

***Fee Budget Estimate for Out of Scope Manhour Effort for Construction
Engineering Services Expended During the Contractor's Extended Construction
Contract Period due to Unforeseen Conditions, Contractor Attributed Delays,
and Delays Beyond the Control of the Contractor
such as Utility Relocation Delays***

ATTACHMENT "A"
FEE BUDGET ESTIMATE FOR OUT OF SCOPE MANHOURLY EFFORT
FOR CONSTRUCTION ENGINEERING SERVICES
EXPENDED DURING THE CONTRACTOR'S EXTENDED CONSTRUCTION CONTRACT PERIOD

				DHS Seg O-6A	
EXTENDED CONTRACT PERIOD =				05/23/09 thru 07/31/09	
Employee	Company	Classification	Contractual Hourly Rate (Loaded)	Total Manhours	Project Cost
Adolph Morris Jr.	Dannenbaum Engineering	Engineer I	\$ 186.02	10.50	\$ 1,953.21
Bernardo Elizondo	Dannenbaum Engineering	Engineer IV	\$ 192.34	65.00	\$ 12,502.10
Brian O'neall	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Carlos Aguilar	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Claudia Garza	Dannenbaum Engineering	Secretary II	\$ 83.60	0.00	\$ -
Cynthia Luera	Dannenbaum Engineering	Secretary I	\$ 83.60	1.00	\$ 83.60
David Cortez	Dannenbaum Engineering	Designer II	\$ 132.10	36.00	\$ 4,755.60
Eric Davila	Dannenbaum Engineering	Engineer III	\$ 192.34	4.50	\$ 865.53
Evelyn Basaldua	DOS Logistics	Designer II	\$ 132.10	0.00	\$ -
Gary Fisher	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Gloria J. Rodriguez	Dannenbaum Engineering	Secretary II	\$ 83.60	33.50	\$ 2,800.60
Hector Vargas	Dannenbaum Engineering	Designer I	\$ 132.10	0.00	\$ -
Hugo P. Gonzalez, Jr.	DOS Logistics	Engineer IV	\$ 192.34	0.00	\$ -
Hugo Rodriguez	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Jaime Farias	Dannenbaum Engineering	Engineer III	\$ 192.34	31.00	\$ 5,962.54
Jesse Villegas Jr.	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Jesus Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	3.50	\$ 324.77
Jesus J. Jimenez	DOS Logistics	Engineer II	\$ 186.02	0.00	\$ -
Joel Mata	DOS Logistics	Designer III	\$ 154.11	0.00	\$ -
John J. Rodriguez Jr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	18.75	\$ 1,739.81
John Joe Rodriguez Sr.	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
John Kime	Dannenbaum Engineering	Engineer IV	\$ 192.34	0.00	\$ -
John Newbegin	DOS Logistics	Designer I	\$ 132.10	0.00	\$ -
Jose Reyes	DOS Logistics	Engineer III	\$ 192.34	0.00	\$ -
Juan Avila	Dannenbaum Engineering	Designer I	\$ 132.10	0.00	\$ -
Juan Reyes	Dannenbaum Engineering	Designer II	\$ 132.10	8.00	\$ 1,056.80
Larry Marr	Dannenbaum Engineering	Engineer V	\$ 218.88	0.00	\$ -
Louis Cantu	Dannenbaum Engineering	Cadd Tech I	\$ 92.79	0.00	\$ -
Louis H. Jones	Dannenbaum Engineering	Engineer VIII	\$ 369.99	2.00	\$ 739.98
Louis Lopez	Dannenbaum Engineering	Construction Rep	\$ 96.36	29.50	\$ 2,842.62
Maria Elena Rodriguez	DOS Logistics	Secretary III	\$ 83.60	0.00	\$ -
Matias Ramos	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Matthew Williams	Dannenbaum Engineering	Engineer III	\$ 192.34	13.00	\$ 2,500.42
Michel Maksoud	Dannenbaum Engineering	Engineer VI	\$ 236.11	0.00	\$ -
Nathaniel Olivarez	Dannenbaum Engineering	Designer I	\$ 132.10	66.50	\$ 8,784.65
Norma Molina	Dannenbaum Engineering	Secretary I	\$ 83.60	0.00	\$ -
Omar Anzaldua	Dannenbaum Engineering	Engineer IV	\$ 192.34	3.00	\$ 577.02
Philip D. Waldron	DOS Logistics	Environmental Eng	\$ 140.71	0.00	\$ -
Rafael Macias	DOS Logistics	Designer II	\$ 132.10	0.00	\$ -
Ramiro Alejandro	Dannenbaum Engineering	Designer II	\$ 132.10	0.00	\$ -
Richard Seitz	Dannenbaum Engineering	Engineer VI	\$ 236.11	64.00	\$ 15,111.04
Sandra Spence	Dannenbaum Engineering	Secretary IV	\$ 83.60	19.50	\$ 1,630.20
Steve McGarraugh	Dannenbaum Engineering	Engineer IV	\$ 192.34	29.50	\$ 5,674.03
William Scott Wemple	Dannenbaum Engineering	Designer III	\$ 154.11	0.00	\$ -
Wilson Chan	Dannenbaum Engineering	Engineer III	\$ 192.34	0.00	\$ -
GRAND TOTALS				438.75	\$ 69,904.52

Attachment "B"

***Supporting Documentation for Out of Scope Manhour Effort for Construction
Engineering Services Expended During the Contractor's Extended Construction
Contract Period due to Unforeseen Conditions, Contractor Attributed Delays,
and Delays Beyond the Control of the Contractor
such as Utility Relocation Delays***

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 22A to Work Authorization No. 3
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Extended Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 22A to Work Authorization No. 3 for your review and approval. Supplemental Agreement No. 22A is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following projects:

Local, USIBWC and DHS Participation:

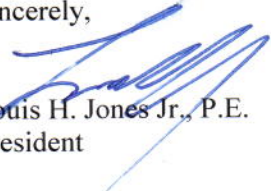
- *DHS Seg O-4A Mission Levee Ph II Abrams Road to Just East Side of Penitas Pump Station (3.87 Miles)*
- *DHS Seg O-4C Mission Levee Ph II Just West of Penitas Pump Station to Military Road (0.44 Miles)*
- *Mission Levee Ph II DHS Seg O-4B (South Option – Levee Intake Crossing)*

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for each of the respective projects.

Please review our Supplemental Agreement No. 22A to Work Authorization No. 3 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 22A to Work Authorization No. 3
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 22A
TO WORK AUTHORIZATION NO. 3
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 3 under said agreement on July 3, 2007 for preliminary engineering, final design and construction phase services for Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles, which includes Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B; and relative supplemental agreements thereafter; and,

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 22A to WA No. 3
“Levee System Improvements within Hidalgo County, Texas”

WHEREAS, Section Part 1 of Work Authorization No. 3, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement projects, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 3 for Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles, which includes Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B to include out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 3, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 3, Payment, establishes the method of payment for the proposed improvements for Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles, which includes Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B; and,

WHEREAS, it has become necessary to amend Work Authorization No. 3 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 22A to WA No. 3
“Levee System Improvements within Hidalgo County, Texas”

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for and Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B.

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for the various projects under Work Authorization No. 3.

I. Work Authorization No. 3, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 3 for Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles, which includes Mission Levee Phase II DHS Segments O-4A, O-4C and O-4B, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the

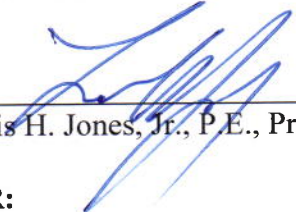
Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 22A to WA No. 3
"Levee System Improvements within Hidalgo County, Texas"

Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays is as follows:**

- Mission Levee Ph II ~ DHS Segment O-4A = \$79,354.80
- Mission Levee Ph II ~ DHS Segment O-4C = \$30,419.34

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 22A to be effective as of the ____ day of _____, 2009.

**ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC**

BY: 
Louis H. Jones, Jr., P.E., President

**OWNER:
HIDALGO COUNTY**

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment “A” - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment “B” - Supporting Documentation

Attachment "A"

***Fee Budget Estimate for Out of Scope Manhour Effort for
Project Site Representation Services Expended During the Contractor's
Extended Construction Contract Period Due to Unforeseen Conditions,
Contractor Attributed Delays, and Delays Beyond the Control of the Contractor
such as Utility Relocation Delays***

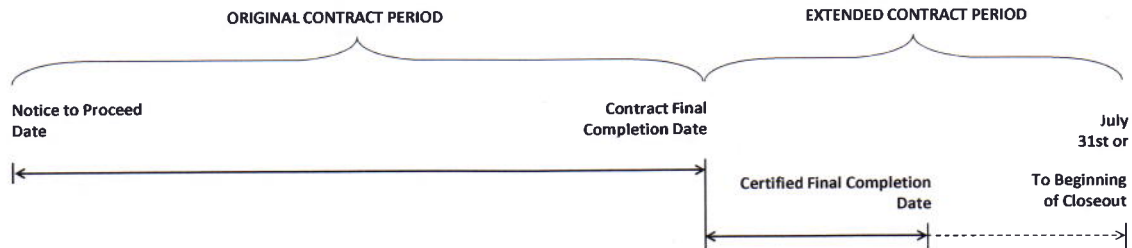
ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
	Varies	Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-4A	Site Rep	0.00	\$ 90.30	\$ -	520.00	\$ 90.30	\$ 46,956.00	520.00	\$ 90.30	\$ 46,956.00
Work Auth. No. 3	Site Rep (Projected) See Assumption #4	0.00	\$ 90.30	\$ -	320.00	\$ 90.30	\$ 28,896.00	320.00	\$ 90.30	\$ 28,896.00
05/01/09 - 07/31/09	Truck/Fuel	0.00	\$ 4.17	\$ -	840.00	\$ 4.17	\$ 3,502.80	840.00	\$ 4.17	\$ 3,502.80
SUBTOTAL:									\$	79,354.80

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
	Varies	Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-4C	Site Rep	0.00	\$ 90.30	\$ -	2.00	\$ 90.30	\$ 180.60	2.00	\$ 90.30	\$ 180.60
Work Auth. No. 3	Site Rep (Projected) See Assumption #4	0.00	\$ 90.30	\$ -	320.00	\$ 90.30	\$ 28,896.00	320.00	\$ 90.30	\$ 28,896.00
05/01/09 - 07/31/09	Truck/Fuel	0.00	\$ 4.17	\$ -	322.00	\$ 4.17	\$ 1,342.74	322.00	\$ 4.17	\$ 1,342.74
SUBTOTAL:									\$	30,419.34
TOTAL:									\$	109,774.14



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.
- 4) Where Projected Times are Shown Project Site Representation Time Reflects a Two Month Extension Beyond Beyond July 31st for a Total of 8 Weeks Working Only Monday Through Friday for 8 Hours a Day (or 320 Days).

Attachment “B”

Supporting Documentation for Manhour Effort for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 22A to WA No. 3
“Levee System Improvements within Hidalgo County, Texas”

EXHIBIT “F”
Page 6 of 6

Final Completion LD's 05/01/09 - 07/31/09

NAME	Date	5/1/09	5/2/09	5/3/09	5/4/09	5/5/09	5/6/09	5/7/09	5/8/09	5/9/09	5/10/09	5/11/09	5/12/09	5/13/09	5/14/09	5/15/09	5/16/09	5/17/09	5/18/09	5/19/09	5/20/09	5/21/09	5/22/09	5/23/09	5/24/09	5/25/09	5/26/09	5/27/09	5/28/09	5/29/09	5/30/09	5/31/09			
Day	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun				
Segment O-4A																																			
Inspectors																																			
Pedro Garcia																																			
Ramiro Aljandre				1.00		1.50																													
Louis Lopez					12.00	12.00	12.00	12.00	12.00																										
Abel Sanchez																																			
Arenio Salazar																																			
Al Treviño																																			
Sub Total:	11.00	1.00	0.00	13.00	13.50	12.00	12.00	12.00	12.00	0.00	0.00	12.00	11.00	12.00	5.00	10.00	0.00	6.00	6.00	12.00	15.50	12.00	12.00	0.00	0.00	12.50	12.00	7.00	11.00	0.00	0.00	0.00			
Cummulative:	60.00	61.00	0.00	13.00	13.50	12.00	12.00	12.00	12.00	0.00	0.00	12.00	11.00	12.00	5.00	10.00	0.00	6.00	6.00	12.00	15.50	12.00	12.00	0.00	0.00	12.50	12.00	7.00	11.00	0.00	0.00	0.00			
Regular Hours Sub Total:	0.00	0.00	0.00	13.00	13.50	12.00	12.00	12.00	12.00	0.00	0.00	12.00	11.00	12.00	5.00	10.00	0.00	6.00	6.00	12.00	15.50	12.00	12.00	0.00	0.00	12.50	12.00	7.00	11.00	0.00	0.00	0.00			

Final Completion LD's

NAME	6/30/09	7/1/09	7/2/09	7/3/09	7/4/09	7/5/09	7/6/09	7/7/09	7/8/09	7/9/09	7/10/09	7/11/09	7/12/09	7/13/09	7/14/09	7/15/09	7/16/09	7/17/09	7/18/09	7/19/09	7/20/09	7/21/09	7/22/09	7/23/09	7/24/09	7/25/09	7/26/09	7/27/09	7/28/09	7/29/09	
Day	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	
JOB NO.																															
Inspectors																															
Pedro Garcia																															
Ramiro Alejandro																															
Louis Lopez																															
Abel Sanchez	10.00	10.00	12.00	9.00			10.00	10.00	10.00	10.00	10.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
Artemio Salazar	1.00	1.00	1.00	1.00			1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Al Treviño																															
Sub Total	11.00	11.00	13.00	10.00	0.00	0.00	11.00	11.00	11.00	11.00	10.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	
Comulative:	22.00	33.00	46.00	56.00	56.00	56.00	67.00	78.00	89.00	100.00	110.00	120.00	130.00	141.00	152.00	163.00	174.00	185.00	196.00	207.00	218.00	229.00	240.00	251.00	262.00	273.00	284.00	295.00	306.00	317.00	
Regular Hours Sub Total:	11.00	11.00	13.00	10.00	0.00	0.00	11.00	11.00	11.00	11.00	10.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	

Final Completion LD's 05/01/09 - 06/04/09

NAME	Date	5/1/09	5/2/09	5/3/09	5/4/09	5/5/09	5/6/09	5/7/09	5/8/09	5/9/09	5/10/09	5/11/09	5/12/09	5/13/09	5/14/09	5/15/09	5/16/09	5/17/09	5/18/09	5/19/09	5/20/09	5/21/09	5/22/09	5/23/09	5/24/09	5/25/09	5/26/09	5/27/09	5/28/09	5/29/09	5/30/09				
Day		Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat				
Segment O-4C																																			
Inspectors	JOB NO.																																		
Pedro Garcia	4387-03																																		
Artemio Salazar	4387-03																																		
Ramiro Alejandro	4387-03	1.00	1.00																																
Al Treviño	4387-03																																		
	Sub Total	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
	Commutative	4.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
	Regular Hours Sub Total	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 9 to Work Authorization No. 5
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Extended Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 9 to Work Authorization No. 5 for your review and approval. Supplemental Agreement No. 9 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:

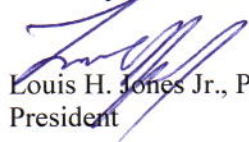
- **DHS Levee/Wall Improvement Project – DHS Segment O-5 (1.76 Miles)**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 9 to Work Authorization No. 5 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 9 to Work Authorization No. 5
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**EXHIBIT “F”
Supplemental Agreement Form**

**SUPPLEMENTAL AGREEMENT NO. 9
TO WORK AUTHORIZATION NO. 5
TO AGREEMENT FOR PROFESSIONAL SERVICES**

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 5 under said agreement on the 20th day of February 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 5, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 5 (Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, to include out of scope manhour effort for project site representation services expended during the Contractor’s

extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 5, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 5, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles; and

WHEREAS, it has become necessary to amend Work Authorization No. 5 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC and

Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, under Work Authorization No. 5,

I. Work Authorization No. 5, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 5 for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-5 within Interior North Levee from Anzalduas Dam 1.76 miles to the east side of Granjeno, Texas, a total distance of 1.76 miles, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**,

stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work.

Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays is as follows:

- DHS Segment O-5 = \$41,283.39

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 9 to be effective as of the ____ day of _____, 2009.

**ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC**

BY: 
Louis H. Jones, Jr., P.E., President

**OWNER:
HIDALGO COUNTY**

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment “A” - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment “B” - Supporting Documentation

Attachment “A”

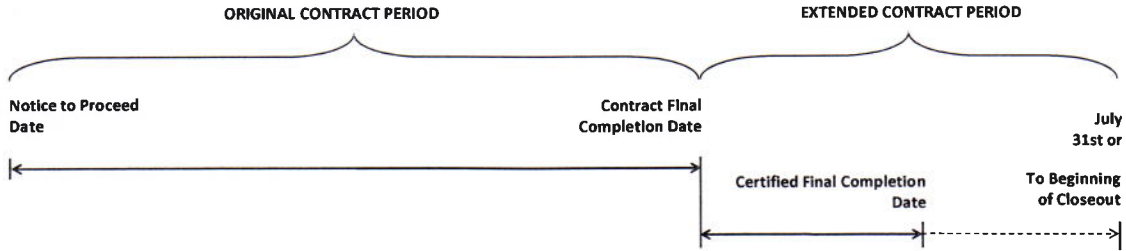
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-5	03/31/09 - 07/31/09									
Work Auth. No.	Site Rep	0.00	\$ 90.30	\$ -	437.00	\$ 90.30	\$ 39,461.10	437.00	\$ 90.30	\$ 39,461.10
5	Truck/Fuel	0.00	\$ 4.17	\$ -	437.00	\$ 4.17	\$ 1,822.29	437.00	\$ 4.17	\$ 1,822.29
									TOTAL: \$ 41,283.39	



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

Supporting Documentation for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 13 to Work Authorization No. 12
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Extended Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 13 to Work Authorization No. 12 for your review and approval. Supplemental Agreement No. 13 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:

- ***DHS Levee/Wall Improvement Project – DHS Segment O-6A***

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 13 to Work Authorization No. 12 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 13 to Work Authorization No. 12
To Agreement for Professional Services**

***For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays***

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 13
TO WORK AUTHORIZATION NO. 12
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 12 under said agreement on May 16, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and

WHEREAS, Section Part 1 of Work Authorization No. 12, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 12 Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A to include out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period due to unforeseen conditions,

contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 12, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 12, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A; and

WHEREAS, it has become necessary to amend Work Authorization No. 12 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A, under Work Authorization No. 12,

I. Work Authorization No. 12, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 12 for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment O-6A, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed**

Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

is as follows:

- DHS Segment O-6A = \$28,529.94

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 13 to be effective as of the ____ day of _____, 2009.

**ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC**

BY: _____
Louis H. Jones, Jr., P.E., President

**OWNER:
HIDALGO COUNTY**

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:
Attachment "A" -

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment "B" - Supporting Documentation

Attachment "A"

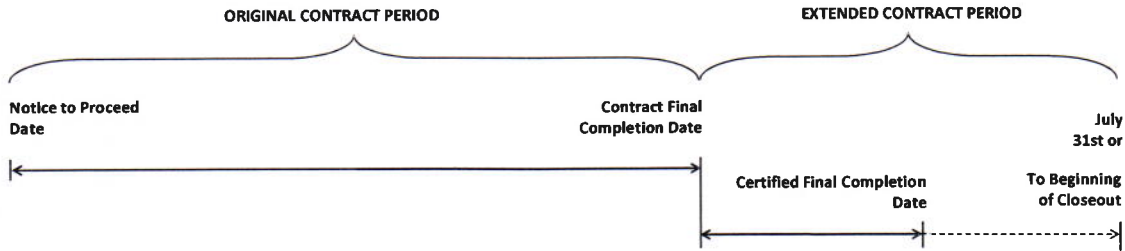
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-6A	05/23/09 - 07/31/09									
Work Auth. No.	Site Rep	0.00	\$ 90.30	\$ -	302.00	\$ 90.30	\$ 27,270.60	302.00	\$ 90.30	\$ 27,270.60
12	Truck/Fuel	0.00	\$ 4.17	\$ -	302.00	\$ 4.17	\$ 1,259.34	302.00	\$ 4.17	\$ 1,259.34
									TOTAL: \$ 28,529.94	



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment "B"

Supporting Documentation for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

To Begin Project Closeout 06/04/09 - 07/31/09

NAME	6/4/09	6/5/09	6/6/09	6/7/09	6/8/09	6/9/09	6/10/09	6/11/09	6/12/09	6/13/09	6/14/09	6/15/09	6/16/09	6/17/09	6/18/09	6/19/09	6/20/09	6/21/09	6/22/09	6/23/09	6/24/09	6/25/09	6/26/09	6/27/09	6/28/09	6/29/09	6/30/09	7/1/09	7/2/09	7/3/09		
Day	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri		
Segment O-6A																																
Inspectors																																
Ramiro Alajandro																																
Alex Cantu																																
Louis Lopez																																
John Fitzgerald																																
Hector Guajardo																																
Al Trempo																																
Hector Cantu																																
Caterino Gonzalez																																
Joe Estracche																																
Sub Total:	7.00	7.00	6.00	0.00	8.00	7.00	5.00	8.00	8.00	0.00	0.00	5.00	6.00	6.00	6.00	6.00	0.00	0.00	6.00	7.00	6.00	6.00	6.00	0.00	7.00	7.00	7.00	7.00	5.00	5.00		
Cumulative:	33.00	40.00	46.00	46.00	54.00	61.00	66.00	74.00	82.00	82.00	82.00	87.00	93.00	99.00	105.00	111.00	111.00	111.00	116.00	122.00	129.00	135.00	141.00	141.00	148.00	155.00	162.00	169.00	176.00	181.00	186.00	
Regular Hours Sub Total:	7.00	7.00	0.00	0.00	8.00	7.00	5.00	8.00	8.00	0.00	0.00	5.00	6.00	6.00	6.00	6.00	0.00	0.00	6.00	7.00	6.00	6.00	6.00	0.00	7.00	7.00	7.00	7.00	5.00	5.00		

To Begin Project Closeout

NAME	Date	7/4/09	7/5/09	7/6/09	7/7/09	7/8/09	7/9/09	7/10/09	7/11/09	7/12/09	7/13/09	7/14/09	7/15/09	7/16/09	7/17/09	7/18/09	7/19/09	7/20/09	7/21/09	7/22/09	7/23/09	7/24/09	7/25/09	7/26/09	7/27/09	7/28/09	7/29/09	7/30/09	7/31/09	8/1/09	
Day	Day	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	
Segment O-6A																															
Inspectors	JOB NO.																														
Ramiro Alejandro	4410-07																														
Alex Cantu	4410-07																														
Louis Lopez	4410-07																														
John Fitzgerald	4410-07																														
Hector Guajardo	4410-07																														
Al Treviño	4410-07																														
Hector Cantu	4410-07																														
Cesarino Gonzalez	4410-07																														
Joe Eliseche	4410-07																														
Sub Total		0.00	0.00	6.00	5.00	5.00	6.00	1.00	0.00	0.00	5.00	4.00	5.00	7.00	7.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00	5.00	6.00	5.00	5.00	6.00	0.00	
Commutative		35.00	0.00	6.00	11.00	16.00	22.00	23.00	23.00	0.00	5.00	9.00	14.00	21.00	28.00	28.00	0.00	5.00	10.00	15.00	20.00	25.00	0.00	0.00	5.00	11.00	16.00	21.00	27.00	0.00	
Regular Hours Sub Total		35.00	0.00	6.00	5.00	5.00	6.00	1.00	0.00	0.00	5.00	4.00	5.00	7.00	7.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00	5.00	6.00	5.00	5.00	6.00	0.00	

Final Completion LD's 05/23/09 - 06/03/09

NAME	Date Day	5/23/09	5/24/09	5/25/09	5/26/09	5/27/09	5/28/09	5/29/09	5/30/09	5/31/09	6/1/09	6/2/09	6/3/09
		Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed
Segment 0-6A													
Inspectors	JOB NO.												
Ramiro Alajandro	4410-07												
Alex Cantu	4410-07												
Louis Lopez	4410-07												
John Fitzgerald	4410-07												
Hector Guajardo	4410-07				2.00	2.00	2.00	2.00			2.00	2.00	2.00
Al Treviño	4410-07				6.00	6.00	4.00	6.00			3.00	6.00	
Hector Cantu	4410-07												
Cesarino Gonzalez	4410-07												
Joe Elisecche	4410-07										5.00	6.00	
Sub Total:		0.00	0.00	0.00	8.00	8.00	6.00	8.00	0.00	0.00	5.00	13.00	8.00
Cummulative:		38.00	0.00	0.00	16.00	22.00	30.00	30.00	30.00	0.00	5.00	18.00	26.00
Regular Hours Sub Total:		0.00	0.00	0.00	8.00	8.00	6.00	8.00	0.00	0.00	5.00	13.00	8.00

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 10 to Work Authorization No. 13
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended during the Contractor's Extended Construction Contract Period**

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 10 to Work Authorization No. 13 for your review and approval. Supplemental Agreement No. 10 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:

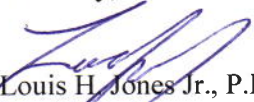
- **DHS Levee/Wall Improvement Project – DHS Segment O-6B/O-6C**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 10 to Work Authorization No. 13 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 10 to Work Authorization No. 13
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 10
TO WORK AUTHORIZATION NO. 13
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 13 under said agreement on May 16, 2008 for final design; and relative supplemental agreements thereafter; and

WHEREAS, Section Part 1 of Work Authorization No. 13, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 13 Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C, to include out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period due to unforeseen conditions.

contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays: and

WHEREAS, Section Part 2 of Work Authorization No. 13, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 13, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C; and

WHEREAS, it has become necessary to amend Work Authorization No. 13 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C, under Work Authorization No. 13,

I. Work Authorization No. 13, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 13 for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed**

Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

is as follows:

- DHS Segment O-6B/C = \$16,107.14

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 10** to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment "A" - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment "B" - Supporting Documentation

Attachment "A"

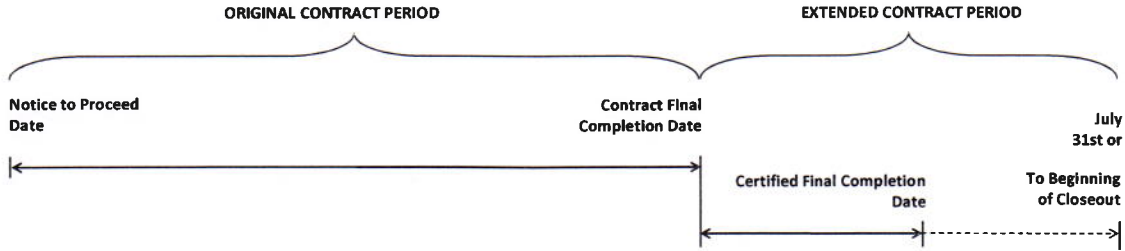
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-6B/O-6C	05/17/09 - 07/10/09									
Work Auth. No.	Site Rep	0.00	\$ 90.30	\$ -	170.50	\$ 90.30	\$ 15,396.15	170.50	\$ 90.30	\$ 15,396.15
13	Truck/Fuel	0.00	\$ 4.17	\$ -	170.50	\$ 4.17	\$ 710.99	170.50	\$ 4.17	\$ 710.99
									TOTAL: \$ 16,107.14	



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment "B"

Supporting Documentation for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

To Begin Project Closeout 06/27/09 - 07/10/09

NAME	Date	6/27/09	6/29/09	6/30/09	7/1/09	7/2/09	7/3/09	7/4/09	7/5/09	7/6/09	7/7/09	7/8/09	7/9/09	7/10/09	7/11/09	7/12/09	7/13/09	7/14/09	7/15/09	7/16/09	7/17/09	7/18/09	7/19/09	7/20/09	7/21/09	7/22/09	7/23/09	7/24/09	7/25/09	7/26/09			
Day	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun			
Segment O-6B/C																																	
Inspectors																																	
JOBS NO.																																	
Abel Sanchez																																	
4410-08/09																																	
Louis Lopez																																	
4410-08/09																																	
John Fitzgerald																																	
4410-08/09																																	
Hector Carita																																	
4410-08/09																																	
Catherine Gonzalez																																	
4410-08/09																																	
Al Treviño																																	
4410-08/09																																	
Sub Total	0.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	4.00	4.00	4.00	3.00	0.00	0.00	0.00	5.00	5.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00			
Commutative	27.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	4.00	4.00	4.00	3.00	0.00	0.00	0.00	5.00	5.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00			
Regular Hours Sub Total	0.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	4.00	4.00	4.00	3.00	0.00	0.00	0.00	5.00	5.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00			

Final Completion LD's

NAME	6/16/09	6/17/09	6/18/09	6/19/09	6/20/09	6/21/09	6/22/09	6/23/09	6/24/09	6/25/09	6/26/09
Date	Tue	Wed	Thurs	Fri	SAT	Sun	Mon	Tue	Wed	Thurs	Fri
Segment O-68/C											
Inspectors											
JOB NO.											
Abel Sanchez											
Louis Lopez											
John Fitzgerald											
Hector Camtu	4.00	4.00	4.00	4.00			4.00	4.00	4.00	5.00	5.00
Casario Gonzalez											
Al Treviño	1.00	1.00	1.00	1.00			1.00	1.00	1.00	1.00	1.00
Sub Totals:	5.00	5.00	5.00	5.00	0.00	0.00	5.00	5.00	5.00	6.00	6.00
Cumulative:	10.00	15.00	20.00	25.00	25.00	25.00	30.00	35.00	40.00	46.00	52.00
Regular Hours Sub Totals:	5.00	5.00	5.00	5.00	0.00	0.00	5.00	5.00	5.00	6.00	6.00

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 15 to Work Authorization No. 7
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Extended Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 15 to Work Authorization No. 7 for your review and approval. Supplemental Agreement No. 15 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:


- ***DHS Levee/Wall Improvement Project – DHS Segment O-7 (0.9 Miles)***

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 15 to Work Authorization No. 7 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 15 to Work Authorization No. 7
To Agreement for Professional Services**

***For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays***

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 15
TO WORK AUTHORIZATION NO. 7
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 7 under said agreement on the 20th day of February 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 7, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 7 (Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles), to include out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the

*Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 15 to WA No.7 / DHS Segment 0-7 (0.9 Miles)
“Levee System Improvements within Hidalgo County, Texas”*

EXHIBIT “F”
Page 1 of 6

control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 7, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 7, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles); and

WHEREAS, it has become necessary to amend Work Authorization No. 7 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles); and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles), under Work Authorization No. 7,

I. Work Authorization No. 7, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 7 for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles), are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to**

Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays is as follows:

- DHS Segment O-7 = \$1,605.99

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 15 to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment "A" - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays
- Attachment "B" - Supporting Documentation

Attachment "A"

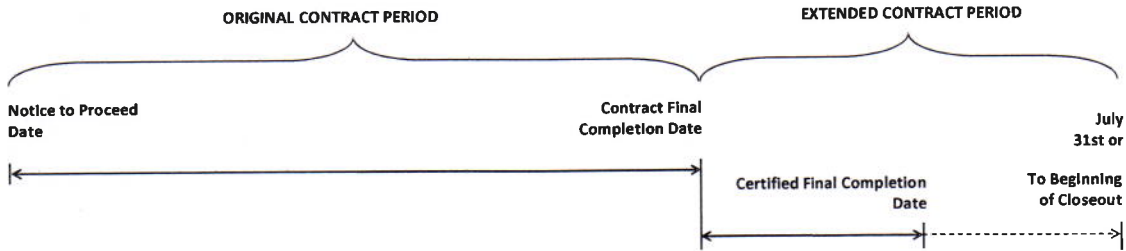
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-7	04/01/09 - 05/19/09									
Work Auth. No.	Site Rep	0.00	\$ 90.30	\$ -	17.00	\$ 90.30	\$ 1,535.10	17.00	\$ 90.30	\$ 1,535.10
7	Truck/Fuel	0.00	\$ 4.17	\$ -	17.00	\$ 4.17	\$ 70.89	17.00	\$ 4.17	\$ 70.89
									TOTAL:	\$ 1,605.99



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

Supporting Documentation for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

To Begin Project Closeout 04/01/09 - 05/19/09

NAME	4/1/09	4/2/09	4/3/09	4/4/09	4/5/09	4/6/09	4/7/09	4/8/09	4/9/09	4/10/09	4/11/09	4/12/09	4/13/09	4/14/09	4/15/09	4/16/09	4/17/09	4/18/09	4/19/09	4/20/09	4/21/09	4/22/09	4/23/09	4/24/09	4/25/09	4/26/09	4/27/09	4/28/09	4/29/09	4/30/09	
Day	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	
Segment O-7																															
Inspectors																															
4410-02																															
Louis Lopez																															
Joe Elisseeche		3.00				1.00	1.00	1.00	1.00																						
Marcos Garcia																															
Cesarino Gonzalez																															
Al Treviño		2.00	2.00																												
Hector Cantu																															
Sub Total	2.00	5.00	2.00	0.00	0.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Commitment	5.00	10.00	12.00	12.00	0.00	1.00	2.00	3.00	4.00	4.00	4.00	4.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00	
Regular Hours Sub Total	2.00	5.00	2.00	0.00	0.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 11 to Work Authorization No. 8
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended during the Contractor's Extended Construction Contract Period**

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 11 to Work Authorization No. 8 for your review and approval. Supplemental Agreement No. 11 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:

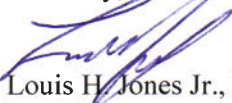
- **DHS Levee/Wall Improvement Project – DHS Segment O-8 (3.25 Miles)**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 11 to Work Authorization No. 8 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 11 to Work Authorization No. 8
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 11
TO WORK AUTHORIZATION NO. 8
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 8 under said agreement on the 20th day of February 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 8, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 8 (Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles), to include out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the

control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 8, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 8, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles); and

WHEREAS, it has become necessary to amend Work Authorization No. 8 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles); and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles), under Work Authorization No. 8,

I. Work Authorization No. 8, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 8 for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles), are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to**

Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays is as follows:

- DHS Segment O-8 = \$4,298.39

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 11** to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:
Attachment "A" -

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment "B" -

Supporting Documentation

Attachment “A”

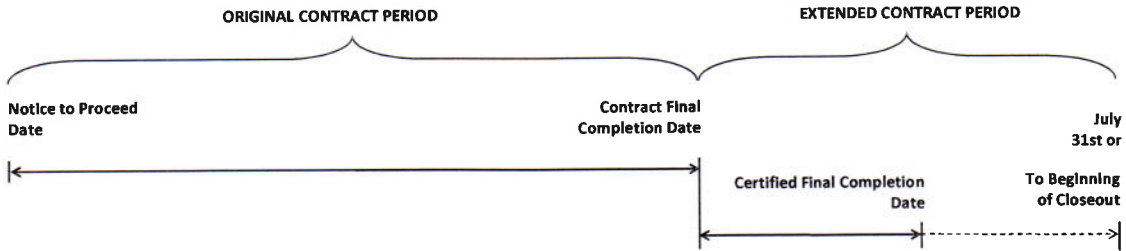
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-8	05/11/09 - 06/06/09									
Work Auth. No.	Site Rep	0.00	\$ 90.30	\$ -	45.50	\$ 90.30	\$ 4,108.65	45.50	\$ 90.30	\$ 4,108.65
8	Truck/Fuel	0.00	\$ 4.17	\$ -	45.50	\$ 4.17	\$ 189.74	45.50	\$ 4.17	\$ 189.74
									TOTAL: \$ 4,298.39	



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

***Supporting Documentation for Out of Scope Manhour Effort for Project Site
Representation Services Expended During the Contractor’s Extended
Construction Contract Period Due to Unforeseen Conditions, Contractor
Attributed Delays, and Delays Beyond the Control of the Contractor such as
Utility Relocation Delays***

To Begin Project Clossout 05/23/09 - 06/06/09

NAME	5/23/09	5/24/09	5/25/09	5/26/09	5/27/09	5/28/09	5/29/09	5/30/09	5/31/09	6/1/09	6/2/09	6/3/09	6/4/09	6/5/09	6/6/09
Day	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat
Segment O-8															
Inspectors															
JOE NO.															
4410-03															
Ramiro Alejandro															
Louis Lopez															
4410-03															
Marcos Garcia															
4410-03															
Isaac Reyes															
4410-03															
Al Treviño															
4410-03															
Joe Ellasche				0.50	0.50	0.50	0.50								
4410-03															
Oscar Nájera															
4410-03															
Catalina Gonzalez															
4410-03															
Hector Carbu															
4410-03															
Hector Guajardo															
4410-03															
Sub Total	0.00	0.00	0.00	0.50	0.50	0.50	0.50	0.00	0.00	3.50	0.00	0.00	0.00	0.00	0.00
Cumulative	19.00	0.00	0.00	0.50	1.00	1.50	2.00	2.00	2.00	3.50	3.50	3.50	3.50	3.50	3.50
Regular Hours Sub Total	0.00	0.00	0.00	0.50	0.50	0.50	0.50	0.00	0.00	3.50	0.00	0.00	0.00	0.00	0.00

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 17 to Work Authorization No. 9
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Extended Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 17 to Work Authorization No. 9 for your review and approval. Supplemental Agreement No. 17 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local, USIBWC and DHS Participation:

- DHS Segment 0-9 Phase I (2.12 miles)
- DHS Segment O-9 Phase II (1.67 miles)

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 17 to Work Authorization No. 9 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 17 to Work Authorization No. 9
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 17
TO WORK AUTHORIZATION NO. 9
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 9 under said agreement on February 20, 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 9, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 9 for USIBWC and DHS Concrete Flood Protection Structure - DHS Segment 0-9, which includes DHS Segment O-9 Phase I a distance of 2.12 miles and DHS Segment O-9 Phase II a distance of

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 17 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

1.67 miles, to include out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 9, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 9, Payment, establishes the method of payment for the proposed improvements for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles; and,

WHEREAS, it has become necessary to amend Work Authorization No. 9 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 17 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

Contractor such as utility relocation delays for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 0.2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles; and,

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 0.2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles; under Work Authorization No. 9,

I. Work Authorization No. 9, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 9 for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 0.2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles;, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work.

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 17 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
"Levee System Improvements within Hidalgo County, Texas"

Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays is as follows:

- DHS Segment O-9 Ph I = \$4,912.44
- DHS Segment O-9 Ph II = \$36,087.54

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 17 to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment “A” - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment “B” - Supporting Documentation

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 17 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

Attachment “A”

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 17 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

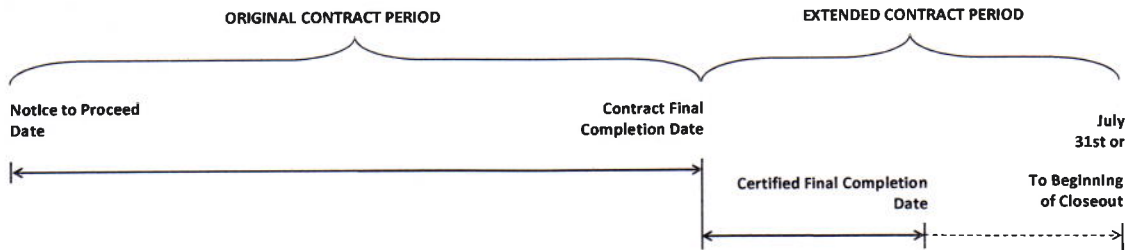
EXHIBIT “F”
Page 5 of 6

ATTACHMENT "A"
HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-9 PH I	04/01/09 - 05/04/09	0.00	\$ 90.30	\$ -	52.00	\$ 90.30	\$ 4,695.60	52.00	\$ 90.30	\$ 4,695.60
Work Auth. No. 9	Truck/Fuel	0.00	\$ 4.17	\$ -	52.00	\$ 4.17	\$ 216.84	52.00	\$ 4.17	\$ 216.84
									SUBTOTAL: \$ 4,912.44	

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-9 PH II	05/13/09 - 07/31/09	0.00	\$ 90.30	\$ -	382.00	\$ 90.30	\$ 34,494.60	382.00	\$ 90.30	\$ 34,494.60
Work Auth. No. 9	Truck/Fuel	0.00	\$ 4.17	\$ -	382.00	\$ 4.17	\$ 1,592.94	382.00	\$ 4.17	\$ 1,592.94
									SUBTOTAL: \$ 36,087.54	
									TOTAL: \$ 40,999.98	



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

***Supporting Documentation for Out of Scope Manhour Effort for Project Site
Representation Services Expended During the Contractor’s Extended
Construction Contract Period Due to Unforeseen Conditions, Contractor
Attributed Delays, and Delays Beyond the Control of the Contractor such as
Utility Relocation Delays***

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 17 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

EXHIBIT “F”
Page 6 of 6

To Begin Project Closeout 04/01/09 - 05/04/09

NAME	Date	Day	4/1/09	4/2/09	4/3/09	4/4/09	4/5/09	4/6/09	4/7/09	4/8/09	4/9/09	4/10/09	4/11/09	4/12/09	4/13/09	4/14/09	4/15/09	4/16/09	4/17/09	4/18/09	4/19/09	4/20/09	4/21/09	4/22/09	4/23/09	4/24/09	4/25/09	4/26/09	4/27/09	4/28/09	4/29/09	4/30/09			
Segment O-9 Ph I																																			
JOB NO.																																			
Inspectors																																			
Louis Lopez	4410-04																																		
Artemio Salazar	4410-04																																		
Joe Eliseche	4410-04																																		
Cesarino Gonzalez	4410-04																																		
Isak Reyes	4410-04																																		
Al Trevino	4410-04		2.00		2.00	3.00																													
Hector Gutierrez	4410-04																																		
Marcos Garcia	4410-04																																		
Hector Canino	4410-04																																		
Sub Total			4.00	4.00	4.00	3.00	0.00	0.00	3.00	3.00	2.00	2.00	11.00	0.00	2.00	3.00	7.00	9.00	11.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	
Commutative			11.00	15.00	19.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Regular Hours Sub Total			4.00	4.00	4.00	3.00	0.00	0.00	3.00	3.00	2.00	2.00	11.00	0.00	2.00	3.00	7.00	9.00	11.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	

Final Completion LD's 05/13/09 - 07/31/09

NAME	5/13/09	5/14/09	5/15/09	5/16/09	5/17/09	5/18/09	5/19/09	5/20/09	5/21/09	5/22/09	5/23/09	5/24/09	5/25/09	5/26/09	5/27/09	5/28/09	5/29/09	5/30/09	5/31/09	6/1/09	6/2/09	6/3/09	6/4/09	6/5/09	6/6/09	6/7/09	6/8/09	6/9/09	6/10/09	6/11/09
Day	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs
Segment O-9 Ph II																														
Inspectors																														
LOUIS LOPEZ																														
4410-04																														
JOE TRINELLO																														
4410-04																														
JOE EISENBERG																														
4410-04																														
ROBERTO GONZALEZ																														
4410-04																														
Sub Total	3.00	4.00	3.00	0.00	0.00	8.00	8.00	3.50	4.50	4.00	0.00	0.00	0.00	0.00	8.00	5.00	6.00	0.00	0.00	4.00	3.50	6.00	11.00	12.00	0.00	0.00	10.00	18.00	9.00	
Commutative	12.00	16.00	19.00	19.00	0.00	4.00	8.00	11.50	16.00	20.00	20.00	0.00	0.00	0.00	16.00	21.00	27.00	27.00	0.00	4.00	7.50	11.00	17.00	17.00	0.00	0.00	10.00	18.00	27.00	36.00
Regular Hours Sub Total	3.00	4.00	3.00	0.00	0.00	4.00	4.00	3.50	4.50	4.00	0.00	0.00	0.00	0.00	8.00	5.00	6.00	0.00	0.00	4.00	3.50	6.00	11.00	12.00	0.00	0.00	10.00	18.00	9.00	

Final Completion LD's

NAME	Date	7/11/09	7/12/09	7/13/09	7/14/09	7/15/09	7/16/09	7/17/09	7/18/09	7/19/09	7/20/09	7/21/09	7/22/09	7/23/09	7/24/09	7/25/09	7/26/09	7/27/09	7/28/09	7/29/09	7/30/09	7/31/09
	Day	Sun	Mon	Tue	Wed	Thurs	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri
Segment O-9 Ph II																						
Inspectors	JOB NO.																					
Louis Lopez	4410-04																					
Catalino Gonzalez	4410-04			1.00	1.00	1.00					1.00	1.00	1.00	1.00	1.00					2.00	2.00	1.00
Al Treviño	4410-04		2.00	1.00	7.00	7.00	2.50			6.00	7.00	8.50	2.50							6.00	9.00	3.00
Jose Ellacocha	4410-04		8.00	8.00																		6.00
Hector Guajardo	4410-04																					
Sub Total		0.00	10.00	9.00	27.00	8.00	8.50	8.50	47.00	7.00	7.00	15.00	24.50	28.00	36.00	36.00	0.00	8.00	11.00	8.00	27.00	36.00
Comminative		0.00	10.00	9.00	27.00	8.00	8.50	8.50	47.00	7.00	7.00	15.00	24.50	28.00	36.00	36.00	0.00	8.00	11.00	8.00	27.00	36.00
Regular Hours Sub Total		0.00	10.00	9.00	27.00	8.00	8.50	8.50	47.00	7.00	7.00	15.00	24.50	28.00	36.00	36.00	0.00	8.00	11.00	8.00	27.00	36.00

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 15 to Work Authorization No. 10
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Extended Construction Contract Period**

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 15 to Work Authorization No. 10 for your review and approval. Supplemental Agreement No. 15 is in reference to compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for the following project:

Local and USIBWC Participation:

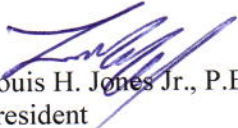
- **DHS Levee/Wall Improvement Project – DHS Segment O-10 (2.43 Miles)**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 15 to Work Authorization No. 10 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,


Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 15 to Work Authorization No. 10
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out of Scope Manhour Effort
for Project Site Representation Services Expended
During the Contractor's Extended Construction Contract Period
due to Unforeseen Conditions, Contractor Attributed Delays, and
Delays Beyond the Control of the Contractor such as Utility Relocation Delays*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 15
TO WORK AUTHORIZATION NO. 10
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 10 under said agreement on March 5, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and

WHEREAS, Section Part 1 of Work Authorization No. 10, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 10 Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles, to include out of scope manhour effort for project site representation services expended during the Contractor’s extended construction contract period

due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays; and

WHEREAS, Section Part 2 of Work Authorization No. 10, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 10, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles; and

WHEREAS, it has become necessary to amend Work Authorization No. 10 to allow for compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services expended during the Contractor's extended construction contract period due to unforeseen conditions, contractor attributed delays, and delays beyond the control of the Contractor such as utility relocation delays as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles, under Work Authorization No. 10,

I. Work Authorization No. 10, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 10 for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions,**

Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as

Utility Relocation Delays is as follows:

- DHS Segment O-10 = \$12,517.28

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 15 to be effective as of the ____ day of _____, 2009.

**ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC**

BY: _____
Louis H. Jones, Jr., P.E. President

**OWNER:
HIDALGO COUNTY**

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment "A" - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Attachment "B" - Supporting Documentation

Attachment “A”

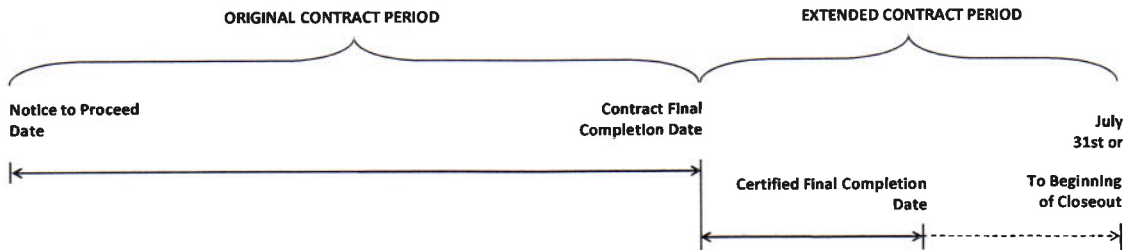
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor's Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

Levee Segment(s)	Extended Contract Period	Budgeted Work Effort in Extended Contract Period			Actual Work Effort Expended During Extended Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-10	04/01/09 - 05/04/09									
Work Auth. No.	Site Rep	0.00	\$ 90.30	\$ -	132.50	\$ 90.30	\$ 11,964.75	132.50	\$ 90.30	\$ 11,964.75
10	Truck/Fuel	0.00	\$ 4.17	\$ -	132.50	\$ 4.17	\$ 552.53	132.50	\$ 4.17	\$ 552.53
									TOTAL: \$ 12,517.28	



ASSUMPTIONS:

- 1) The Extended Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Contract Final Completion Date to July 31st (or To Beginning of Project Closeout).
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

Supporting Documentation for Out of Scope Manhour Effort for Project Site Representation Services Expended During the Contractor’s Extended Construction Contract Period Due to Unforeseen Conditions, Contractor Attributed Delays, and Delays Beyond the Control of the Contractor such as Utility Relocation Delays

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 12 to Work Authorization No. 13
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Original Construction Contract Period**

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 12 to Work Authorization No. 13 for your review and approval. Supplemental Agreement No. 12 is in reference to compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work, as well as, DHS requiring more inspection time than was negotiated in the original work authorization.

As you know, during our negotiations HCDD No. 1 requested we consider project site representation as one program and share inspectors throughout the various projects; thus as a result, the hours projected in the original work authorization for the task of project site representation was utilized. The hours projected for the original program assumed that all of the projects would start and end at the same time.

However, due to unforeseen circumstances we were unable to execute the program as intended. The projects started at various times and ended at various times, as well as, DHS and Customs and Border Patrol (CBP) complained that the inspectors were not at the job when they were 'spot checking'. As result, the Dannenbaum/DOS Project Team was required to have inspectors practically full time on the various projects. Furthermore, the contractor's elected to work pouring concrete in several locations on each job at the same time resulting in the Dannenbaum/DOS Project Team having to provide multiple inspectors on the job at the same time, further increasing expended project site representation manhours.

Due to all of the above stated facts, the intent of the project scope was changed requiring an increase in project site representation manhours in the field.

The work scope changed for the projects listed below:

Local and USIBWC Participation:

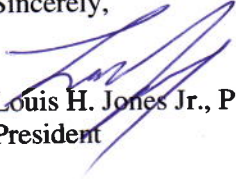
- **DHS Levee/Wall Improvement Project – DHS Segment O-6B/O-6C**

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 12 to Work Authorization No. 13 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 12 to Work Authorization No. 13
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out Of Scope Manhour Effort
for Project Site Representation Services
Resulting from the Contractor's Means and Methods for Prosecution of the Work*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 12
TO WORK AUTHORIZATION NO. 13
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 13 under said agreement on May 16, 2008 for final design; and relative supplemental agreements thereafter; and

WHEREAS, Section Part 1 of Work Authorization No. 13, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 13 Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C, to include out of scope manhour effort for project site representation services resulting from the Contractor’s means and methods for prosecution of the work for the project; and

WHEREAS, Section Part 2 of Work Authorization No. 13, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 13, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C; and

WHEREAS, it has become necessary to amend Work Authorization No. 13 to allow for compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the

Contractor's Means and Methods for Prosecution of the Work for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C, under Work Authorization No. 13,

I. Work Authorization No. 13, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 13 for Levee System Improvements for the DHS Concrete Flood Protection Structure - DHS Segment 0-6B/O-6C, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work is as follows: - DHS Segment O-6B/C = \$39,630.17**

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 12** to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

*Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 12 to WA No.13 / DHS Segment O-6B/O-6C)
"Levee System Improvements within Hidalgo County, Texas"*

EXHIBIT "F"
Page 3 of 6

ATTACHMENTS:

Attachment "A" - **Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work**

Attachment "B" - **Supporting Documentation**

Attachment “A”

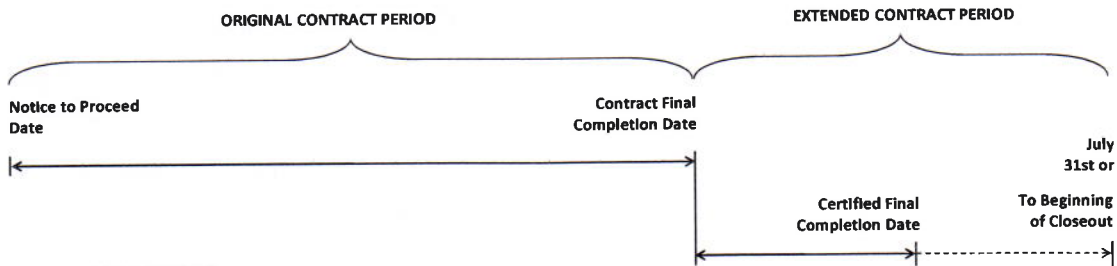
***Fee Budget Estimate for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor’s Means and Methods for Prosecution of the Work***

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Levee Segment(s)	Original Contract Period	Budgeted Work Effort in Original Contract Work Authorization			Actual Work Effort Expended During Original Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-6B/O-6C	10/04/08 - 05/16/09									
Work Auth. No.	Site Rep	379.00	\$ 90.30	\$ 34,223.70	798.50	\$ 90.30	\$ 72,104.55	419.50	\$ 90.30	\$ 37,880.85
13	Truck/Fuel	379.00	\$ 4.17	\$ 1,580.43	798.50	\$ 4.17	\$ 3,329.75	419.50	\$ 4.17	\$ 1,749.32
									TOTAL:	\$ 39,630.17



ASSUMPTIONS:

- 1) The Original Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Notice to Proceed (NTP) to the Contract Final Completion Date.
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

***Supporting Documentation for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor’s Means and Methods for Prosecution of the Work***

Contract Period

NAME	Date	11/9/08	11/10/08	11/11/08	11/12/08	11/13/08	11/14/08	11/15/08	11/16/08	11/17/08	11/18/08	11/19/08	11/20/08	11/21/08	11/22/08	11/23/08	11/24/08	11/25/08	11/26/08	11/27/08	11/28/08	11/29/08	11/30/08	12/1/08	12/2/08
Day	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue		
Segment O-6B/C																									
Inspectors																									
FOR NO.																									
Abel Sanchez	9.00	7.00	9.00	6.50	8.50	6.00	7.00	8.00	10.00	10.00	11.00	10.00	10.00	8.00	6.00	4.00	10.50	10.00	10.00	10.00	2.00	8.00		10.00	11.00
Louis Lopez	1.00	1.00	1.00	1.00	2.00	1.00	1.00	2.00	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	0.50	0.50						
John Fitzgerald																									
Hector Cantu																									
Catalino Gonzalez																									
Al Treviño																									
Sub Total	10.00	7.00	10.00	10.50	10.50	7.00	7.00	8.00	7.00	11.50	12.50	11.50	11.50	9.50	6.00	5.50	12.00	11.50	10.50	0.00	12.00	8.00	0.00	10.00	11.00
Commutative	10.00	17.00	27.00	37.50	48.00	55.00	62.00	63.00	70.00	81.50	94.00	105.50	117.00	126.50	132.50	138.00	150.00	161.50	172.00	182.50	194.50	206.50	216.50	226.50	237.50
Regular Hours Sub Total	10.00	7.00	10.00	10.50	10.50	7.00	7.00	8.00	7.00	11.50	12.50	11.50	11.50	9.50	6.00	5.50	12.00	11.50	10.50	0.00	12.00	8.00	0.00	10.00	11.00

Contract Period

NAME	Date Day	12/3/08 Wed	12/4/08 Thurs	12/5/08 Fri	12/6/08 Sat	12/7/08 Sun	12/8/08 Mon	12/9/08 Tue	12/10/08 Wed	12/11/08 Thurs	12/12/08 Fri	12/13/08 Sat	12/14/08 Sun	12/15/08 Mon	12/16/08 Tue	12/17/08 Wed	12/18/08 Thurs	12/19/08 Fri	12/20/08 Sat	12/21/08 Sun	12/22/08 Mon	12/23/08 Tue	12/24/08 Wed	12/25/08 Thurs	12/26/08 Fri	12/27/08 Sat	12/28/08 Sun	12/29/08 Mon	12/30/08 Tue	12/31/08 Wed	1/1/09 Thurs			
Segment O-69/C																																		
Inspectors	JOB NO.																																	
Abel Sanchez	4410-08/09	12.00	10.00	7.00	5.00		8.00	8.00	10.00	10.00	6.00			8.00	8.00	8.00	8.00	8.00	5.00	5.00	5.00	5.00	3.00					8.00	8.00	4.00				
Louis Lopez	4410-08/09																																	
John Fitzgerald	4410-08/09																																	
Hector Canitu	4410-08/09																																	
Catarino Gonzalez	4410-08/09																																	
Al Treviño	4410-08/09																																	
	Sub Total	12.00	10.00	7.00	5.00	0.00	8.00	8.00	10.00	10.00	6.00	0.00	0.00	8.00	8.00	8.00	8.00	8.00	5.00	5.00	5.00	5.00	3.00					8.00	8.00	4.00				
	Commutative	33.00	43.00	50.00	55.00	0.00	8.00	16.00	26.00	36.00	42.00	42.00	0.00	8.00	16.00	24.00	32.00	44.00	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Regular Hours Sub Total	33.00	43.00	50.00	55.00	0.00	8.00	16.00	26.00	36.00	42.00	42.00	0.00	8.00	16.00	24.00	32.00	44.00	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Contract Period

NAME	1/2/09	1/9/09	1/14/09	1/15/09	1/16/09	1/17/09	1/18/09	1/19/09	1/20/09	1/21/09	1/22/09	1/23/09	1/24/09	1/25/09	1/26/09	1/27/09	1/28/09	1/29/09	1/30/09	1/31/09	
Date Day	Fri	Thurs	Wed	Tue	Mon	Sun	Sat	Fri	Thurs	Wed	Tue	Mon	Sun	Sat	Fri	Thurs	Wed	Tue	Mon	Sun	
Segment O-6B/C																					
Inspectors																					
Abel Sanchez																					
4410-08/09	4.00			7.00	8.00	8.00	8.00														
Louis Lopez																					
4410-08/09																					
John Fitzgerald																					
4410-08/09																					
Hector Cantu																					
4410-08/09																					
Catalino Gonzalez																					
4410-08/09																					
Al Treviño																					
4410-08/09																					
Sub Total																					
	10.00	4.00	0.00	7.00	8.00	8.00	8.00	8.00	7.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00	8.00	8.00	7.00	8.00	
Cummulative																					
	10.00	14.00	14.00	21.00	29.00	37.00	45.00	53.00	60.00	68.00	76.00	84.00	92.00	100.00	107.00	114.00	122.00	130.00	137.00	145.00	
Regular Hours Sub Total																					
	10.00	4.00	0.00	7.00	8.00	8.00	8.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00	8.00	8.00	7.00	8.00	

Contract Period

NAME	Date Day																																				
	2/1/09	2/2/09	2/3/09	2/4/09	2/5/09	2/6/09	2/7/09	2/8/09	2/9/09	2/10/09	2/11/09	2/12/09	2/13/09	2/14/09	2/15/09	2/16/09	2/17/09	2/18/09	2/19/09	2/20/09	2/21/09	2/22/09	2/23/09	2/24/09	2/25/09	2/26/09	2/27/09	2/28/09	3/1/09	3/2/09							
	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon							
Segment O-6B/C																																					
Inspectors																																					
Abel Sanchez																																					
4410-08/09																																					
Louis Lopez									1.00	1.00	1.00	1.00	1.00						2.00																		
John Fitzgerald				2.00																																	
4410-08/09																																					
Hector Canhu																																					
4410-08/09																																					
Catarino Gonzalez																																					
4410-08/09																																					
Al Treviño																																					
4410-08/09																																					
Sub Total	0.00	0.00	0.00	2.00	1.00	1.00	0.00	0.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00		
Commutative	0.00	0.00	0.00	2.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	
Regular Hours Sub Total	0.00	0.00	0.00	2.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	

Contract Period

NAME	Date	3/3/09	3/4/09	3/5/09	3/6/09	3/7/09	3/8/09	3/9/09	3/10/09	3/11/09	3/12/09	3/13/09	3/14/09	3/15/09	3/16/09	3/17/09	3/18/09	3/19/09	3/20/09	3/21/09	3/22/09	3/23/09	3/24/09	3/25/09	3/26/09	3/27/09	3/28/09	3/29/09	3/30/09	3/31/09	4/1/09						
	Day	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed						
<p>Segment O-68/C</p> <p>JOB NO.</p>																																					
Abel Sanchez	4410-08/09	1.00	1.00																																		
Louis Lopez	4410-08/09	1.00	1.00						0.50	1.00	1.00	1.00						1.50	2.00				2.00														
John Fitzgerald	4410-08/09									2.00		2.50																									
Hector Cantu	4410-08/09																																				
Catarino Gonzalez	4410-08/09																																				
Al Treviño	4410-08/09																																				
Sub Total:		1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.50	3.00	1.00	3.50	0.00	0.00	2.00	2.00	2.00	1.50	2.00	0.00	0.00	0.00	0.00	0.00	3.00	6.00	3.00	4.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	2.00
Commutative:		2.00	2.00	0.00	0.00	0.00	0.00	0.00	1.00	4.50	1.00	8.00	0.00	0.00	2.00	4.00	2.00	2.50	3.50	9.50	9.50	0.00	0.00	0.00	12.00	17.00	6.00	12.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Regular Hours Sub Total:		3.00	3.00	0.00	0.00	0.00	0.00	0.00	0.50	3.00	1.00	3.50	0.00	0.00	2.00	2.00	2.00	1.50	2.00	0.00	0.00	0.00	0.00	0.00	3.00	6.00	3.00	4.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	2.00	2.00

Contract Period

NAME	Date	5/2/09		5/3/09		5/4/09		5/5/09		5/6/09		5/7/09		5/8/09		5/9/09		5/10/09		5/11/09		5/12/09		5/13/09		5/14/09		5/15/09		5/16/09			
		Day	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat		
Segment O-6B/C																																	
Inspectors	JOB NO.																																
Abel Sanchez	4410-08/09																																
Louis Lopez	4410-08/09																																
John Fitzgerald	4410-08/09																																
Hector Cantu	4410-08/09	2.00																															
Catarino Gonzalez	4410-08/09																																
Al Treviño	4410-08/09																																
Sub Total	2.00																																
Commutables	25.00																																
Regular Hours Sub Total	27.00																																

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 17 to Work Authorization No. 7
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Original Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 17 to Work Authorization No. 7 for your review and approval. Supplemental Agreement No. 17 is in reference to compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work, as well as, DHS requiring more inspection time than was negotiated in the original work authorization.

As you know, during our negotiations HCDD No. 1 requested we consider project site representation as one program and share inspectors throughout the various projects; thus as a result, the hours projected in the original work authorization for the task of project site representation was utilized. The hours projected for the original program assumed that all of the projects would start and end at the same time.

However, due to unforeseen circumstances we were unable to execute the program as intended. The projects started at various times and ended at various times, as well as, DHS and Customs and Border Patrol (CBP) complained that the inspectors were not at the job when they were 'spot checking'. As result, the Dannenbaum/DOS Project Team was required to have inspectors practically full time on the various projects. Furthermore, the contractor's elected to work pouring concrete in several locations on each job at the same time resulting in the Dannenbaum/DOS Project Team having to provide multiple inspectors on the job at the same time, further increasing expended project site representation manhours.

Due to all of the above stated facts, the intent of the project scope was changed requiring an increase in project site representation manhours in the field.

The work scope changed for the projects listed below:

Local and USIBWC Participation:

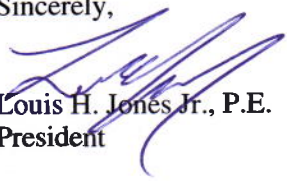
- ***DHS Levee/Wall Improvement Project – DHS Segment O-7 (0.9 Miles)***

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 17 to Work Authorization No. 7 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 17 to Work Authorization No. 7
To Agreement for Professional Services**

*For Compensation of Fees Associated with Out Of Scope Manhour Effort
for Project Site Representation Services
Resulting from the Contractor's Means and Methods for Prosecution of the Work*

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 17
TO WORK AUTHORIZATION NO. 7
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 7 under said agreement on the 20th day of February 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 7, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 7 (Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles), to include out of scope manhour effort for project site representation services resulting from the Contractor’s means and methods for prosecution of the work for the project; and

WHEREAS, Section Part 2 of Work Authorization No. 7, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 7, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles); and

WHEREAS, it has become necessary to amend Work Authorization No. 7 to allow for compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles); and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the

Contractor's Means and Methods for Prosecution of the Work for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles), under Work Authorization No. 7.

I. Work Authorization No. 7, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 7 for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-7 (0.9 Miles), are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work is as follows: DHS Segment O-7 = \$66,270.71**

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this **Supplemental Agreement No. 17** to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

*Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 17 to WA No.7 / DHS Segment O-7 (0.9 Miles)
“Levee System Improvements within Hidalgo County, Texas”*

EXHIBIT “F”
Page 3 of 6

ATTACHMENTS:

Attachment "A" - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Attachment "B" - Supporting Documentation

Attachment "A"

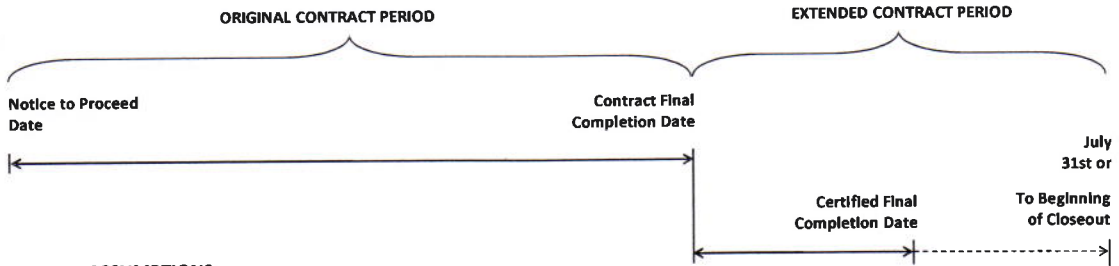
***Fee Budget Estimate for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor's Means and Methods for Prosecution of the Work***

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Levee Segment(s)	Original Contract Period	Budgeted Work Effort in Original Contract Work Authorization			Actual Work Effort Expended During Original Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-7	07/11/08 - 03/30/09									
Work Auth. No.	Site Rep	237.00	\$ 90.30	\$ 21,401.10	938.50	\$ 90.30	\$ 84,746.55	701.50	\$ 90.30	\$ 63,345.45
7	Truck/Fuel	237.00	\$ 4.17	\$ 988.29	938.50	\$ 4.17	\$ 3,913.55	701.50	\$ 4.17	\$ 2,925.26
									TOTAL:	\$ 66,270.71



ASSUMPTIONS:

- 1) The Original Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Notice to Proceed (NTP) to the Contract Final Completion Date.
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

***Supporting Documentation for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor’s Means and Methods for Prosecution of the Work***

Contract Period

NAME	Date	9/9/08	9/10/08	9/11/08	9/12/08	9/13/08	9/14/08	9/15/08	9/16/08	9/17/08	9/18/08	9/19/08	9/20/08	9/21/08	9/22/08	9/23/08	9/24/08	9/25/08	9/26/08	9/27/08	9/28/08	9/29/08	10/1/08	10/2/08	10/3/08	10/4/08	10/5/08	10/6/08	10/7/08	10/8/08					
Day	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed					
Segment O-7																																			
Inspectors																																			
Louis Lopez		3.00	1.00	1.00	1.00	0.50	2.00	1.00	3.00	3.00	1.00	1.00	1.00				1.00	1.00	1.00	1.00															
Joe Elisseche	14.50	19.00	14.00	12.00	4.00	2.00	6.00	12.00	14.00	14.00	14.00	14.00	15.00				9.00	9.00	12.00	12.00	6.00	17.50	13.00	12.50	13.00	1.00		3.00	10.00	11.00					
Marcos Garcia		6.00	7.00															8.00																	
Catarino Gonzalez	12.00	17.00	16.00	15.00	10.50		4.50											8.00	9.00			1.00	1.00	1.00	2.00		3.00	1.00	3.00	2.00					
Al Treviño																																			
Hector Canhu																																			
Sols Total:	26.50	45.00	38.00	28.00	15.50	2.50	12.50	13.00	17.00	14.00	15.00	16.00	16.00	0.00	10.00	10.00	10.00	29.00	22.00	12.00	6.00	19.50	15.00	16.50	16.00	3.00	6.00	12.00	14.00	15.00					
Cumulative:	53.50	98.50	136.50	164.50	180.00	182.50	195.00	208.00	225.00	239.00	254.00	269.00	285.00	285.00	295.00	305.00	315.00	344.00	366.00	378.00	384.00	403.50	418.50	435.00	451.00	454.00	466.00	478.00	490.00	504.00	519.00	534.00			
Regular Hours Sub Total:	115.00	232.00	184.00	144.00	96.00	31.50	124.50	118.00	117.00	99.00	90.00	90.00	90.00	0.00	100.00	100.00	100.00	290.00	220.00	120.00	60.00	194.50	145.00	165.00	160.00	30.00	60.00	120.00	140.00	150.00					

Contract Period

NAME	10/09/08	10/10/08	10/11/08	10/12/08	10/13/08	10/14/08	10/15/08	10/16/08	10/17/08	10/18/08	10/19/08	10/20/08	10/21/08	10/22/08	10/23/08	10/24/08	10/25/08	10/26/08	10/27/08	10/28/08	10/29/08	10/30/08	10/31/08	11/01/08	11/02/08	11/03/08	11/04/08	11/05/08	11/06/08	11/07/08	11/08/08					
Date Day	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat					
Segment O-7																																				
Inspectors																																				
JOB NO.	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02	4410-02				
Louis Lopez	1.00	1.00	1.00	1.00	1.00	1.00	2.00	9.00	8.00	4.00	0.50	1.00	1.00	2.00	1.00	0.50	0.50	0.50	3.00	0.50	1.50	0.50	0.50	0.50		0.50	0.50	2.00	1.50							
Joe Elissee	12.00	12.00	5.00	2.00	13.00	1.00	9.00	9.00	9.00	4.00		1.00	1.00	2.00	1.00	1.00	1.00	4.00			1.50	1.00	0.50													
Marcos Garcia					6.00	14.00	4.00	6.00	6.00	4.00			10.00	13.00	9.50	13.50	4.00		10.50	13.50	13.50	12.00	10.00	6.00		11.00	10.00	10.00	8.50							
Catalino Gonzalez					2.00	2.00	1.00	2.00	1.00	4.00		1.00	1.00	1.00	1.00	1.00	1.00		1.00	1.00	1.00	1.00	1.00	1.00		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00			
Al Treviño																																				
Hector Canbu																																				
Sub Total	14.00	14.00	7.00	4.00	27.00	17.00	16.00	11.00	16.50	8.00	0.00	14.00	12.50	17.50	12.00	16.00	5.00	4.00	15.00	15.00	16.00	13.50	11.50	7.00	0.00	12.00	11.50	13.00	11.00	11.00	10.50	10.50	10.50			
Commutative	61.00	75.00	82.00	4.00	26.00	43.00	59.00	70.00	86.50	94.50	0.00	14.00	26.50	44.00	54.00	72.00	77.00	4.00	19.00	34.00	50.00	63.50	75.00	82.00	0.00	12.00	23.50	36.50	47.50	58.00	58.00	58.00	58.00			
Regular Hours Sub Total	65.00	80.00	89.00	4.00	33.00	60.00	78.00	81.00	94.50	94.50	0.00	14.00	31.50	58.50	70.00	84.00	84.00	4.00	19.00	35.00	60.00	77.00	89.00	89.00	0.00	12.00	37.00	53.00	69.00	83.00	94.00	94.00	94.00			

Contract Period

NAME	Date	12/8/08	12/9/08	12/10/08	12/11/08	12/12/08	12/13/08	12/14/08	12/15/08	12/16/08	12/17/08	12/18/08	12/19/08	12/20/08	12/21/08	12/22/08	12/23/08	12/24/08	12/25/08	12/26/08	12/27/08	12/28/08	12/29/08	12/30/08	12/31/08	1/1/09	1/2/09	1/3/09	1/4/09	1/5/09	1/6/09							
Day	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue								
Segment O-7 Inspectors	4410-02																																					
	4410-02																																					
	4410-02																																					
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	4410-02																																					
	4410-02																																					
	4410-02																																					
	4410-02																																					
	4410-02																																					
	4410-02																																					
	Sub Total:	1.00	10.00	5.00	7.00	8.50	0.00	0.00	3.50	2.00	1.00	3.00	1.00	0.00	0.00	5.00	2.00	3.00	0.00	1.00	0.00	0.00	1.00	2.00	1.00	0.00	0.00	0.00	1.00	2.00	1.00	0.00	1.00	2.00				
	Commutative:	1.00	11.00	16.00	23.00	31.50	31.50	0.00	3.50	5.50	6.50	9.50	10.50	10.50	0.00	5.00	7.00	10.00	11.00	1.00	0.00	0.00	1.00	3.00	4.00	5.00	5.00	0.00	1.00	3.00	1.00	0.00	1.00	3.00				
	Regular Hours Sub Total:	1.00	10.00	5.00	7.00	8.50	0.00	0.00	3.50	2.00	1.00	3.00	1.00	0.00	0.00	5.00	2.00	3.00	0.00	1.00	0.00	0.00	1.00	2.00	1.00	0.00	0.00	0.00	1.00	2.00	1.00	0.00	1.00	2.00				

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 13 to Work Authorization No. 8
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Original Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 13 to Work Authorization No. 8 for your review and approval. Supplemental Agreement No. 13 is in reference to compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work, as well as, DHS requiring more inspection time than was negotiated in the original work authorization.

As you know, during our negotiations HCDD No. 1 requested we consider project site representation as one program and share inspectors throughout the various projects; thus as a result, the hours projected in the original work authorization for the task of project site representation was utilized. The hours projected for the original program assumed that all of the projects would start and end at the same time.

However, due to unforeseen circumstances we were unable to execute the program as intended. The projects started at various times and ended at various times, as well as, DHS and Customs and Border Patrol (CBP) complained that the inspectors were not at the job when they were 'spot checking'. As result, the Dannenbaum/DOS Project Team was required to have inspectors practically full time on the various projects. Furthermore, the contractor's elected to work pouring concrete in several locations on each job at the same time resulting in the Dannenbaum/DOS Project Team having to provide multiple inspectors on the job at the same time, further increasing expended project site representation manhours.

Due to all of the above stated facts, the intent of the project scope was changed requiring an increase in project site representation manhours in the field.

The work scope changed for the projects listed below:

Local and USIBWC Participation:

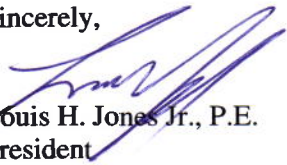
- ***DHS Levee/Wall Improvement Project – DHS Segment O-8 (3.25 Miles)***

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 13 to Work Authorization No. 8 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 13 to Work Authorization No. 8
To Agreement for Professional Services**

***For Compensation of Fees Associated with Out Of Scope Manhour Effort
for Project Site Representation Services
Resulting from the Contractor's Means and Methods for Prosecution of the Work***

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 13
TO WORK AUTHORIZATION NO. 8
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 8 under said agreement on the 20th day of February 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 8, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 8 (Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles), to include out of scope manhour effort for project site representation services resulting from the Contractor’s means and methods for prosecution of the work for the project; and

WHEREAS, Section Part 2 of Work Authorization No. 8, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 8, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles); and

WHEREAS, it has become necessary to amend Work Authorization No. 8 to allow for compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles); and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as referenced in Attachment "A" – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the

Contractor's Means and Methods for Prosecution of the Work for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles), under Work Authorization No. 8.

I. Work Authorization No. 8, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 8 for Levee System Improvements for the USIBWC and Department of Homeland Security Concrete Flood Protection Structure for DHS Segment 0-8 (3.25 Miles), are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work is as follows: - DHS Segment O-8 = \$38,827.17.**

IN WITNESS WHEREOF, the ENGINEER and the OWNER have caused this Supplemental Agreement No. 13 to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment "A" - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

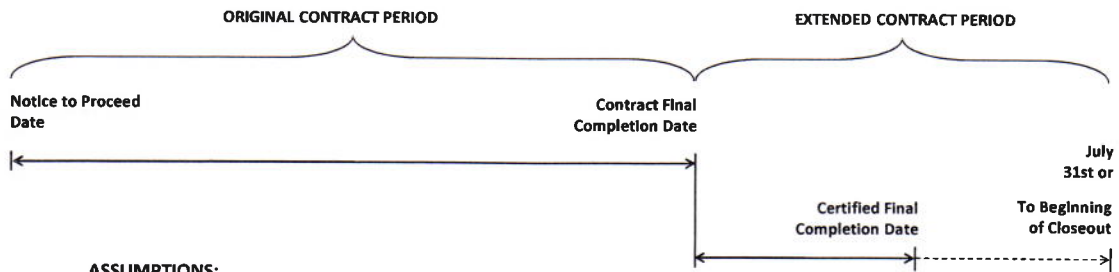
Attachment "B" - Supporting Documentation

Attachment "A"

***Fee Budget Estimate for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor's Means and Methods for Prosecution of the Work***

ATTACHMENT "A"
HIDALGO COUNTY LEVEE REHABILITATION PROJECTS
Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Levee Segment(s)	Original Contract Period	Budgeted Work Effort in Original Contract Work Authorization			Actual Work Effort Expended During Original Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-8	08/29/08 - 05/10/09									
Work Auth. No.	Site Rep	780.00	\$ 90.30	\$ 70,434.00	1191.00	\$ 90.30	\$ 107,547.30	411.00	\$ 90.30	\$ 37,113.30
8	Truck/Fuel	780.00	\$ 4.17	\$ 3,252.60	1191.00	\$ 4.17	\$ 4,966.47	411.00	\$ 4.17	\$ 1,713.87
									TOTAL:	\$ 38,827.17



ASSUMPTIONS:

- 1) The Original Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Notice to Proceed (NTP) to the Contract Final Completion Date.
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment "B"

***Supporting Documentation for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor's Means and Methods for Prosecution of the Work***

Contract Period 08/29/08 - 05/10/09

NAME	08/29/08 - 05/10/09																																
	8/29/08	8/30/08	8/31/08	9/1/08	9/2/08	9/3/08	9/4/08	9/5/08	9/6/08	9/7/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08	9/13/08	9/14/08	9/15/08	9/16/08	9/17/08	9/18/08	9/19/08	9/20/08	9/21/08	9/22/08	9/23/08	9/24/08	9/25/08	9/26/08	9/27/08			
Segment O-8																																	
Inspectors																																	
4410-03	9.00																																
Ramiro Alejandro																																	
4410-03																																	
Louis Lopez																																	
4410-03																																	
Marcos Garcia																																	
4410-03																																	
Isaac Reyes																																	
4410-03																																	
Al Treviño																																	
4410-03																																	
Joe Elisorche																																	
4410-03																																	
Oscar Najera																																	
4410-03																																	
Cabrino Gonzalez																																	
4410-03																																	
Hector Cantu																																	
4410-03																																	
Hector Guillerdo																																	
4410-03																																	
Sub Total	9.00	5.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Commutative	35.00	30.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Regular Hours Sub Total	9.00	5.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

Contract Period

NAME	5/28/08	5/29/08	5/30/08	10/7/08	10/8/08	10/9/08	10/10/08	10/11/08	10/12/08	10/13/08	10/14/08	10/15/08	10/16/08	10/17/08	10/18/08	10/19/08	10/20/08	10/21/08	10/22/08	10/23/08	10/24/08	10/25/08	10/26/08	10/27/08
DATE	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	
Segment O-8																								
Inspectors																								
JOB NO.																								
4410-03																								
Ramiro Alejandro																								
Louis Lopez																								
Marcos Garcia																								
Isaac Reyes																								
Al Treviño																								
Joe Elisacche																								
Oscar Najera																								
Catarino Gonzalez																								
Hector Canu																								
Hector Guajardo																								
Sub Total	0.00	16.50	18.00	18.00	14.00	16.50	12.00	1.00	12.00	17.00	15.50	14.00	15.00	15.00	9.00	1.00	15.50	14.50	15.00	20.00	12.00	4.00	3.00	16.00
Comanditas	0.00	16.50	14.50	52.50	66.50	83.00	95.00	1.00	13.00	30.00	45.50	59.50	74.50	79.50	74.00	1.00	16.50	31.00	46.00	66.00	78.00	82.00	3.00	19.00
Regular Hours Sub Total	0.00	33.00	32.50	70.50	80.50	99.50	110.00	2.00	25.00	47.00	61.00	73.50	89.00	94.50	83.00	2.00	32.00	45.50	61.00	86.00	90.00	86.00	6.00	35.00

Contract Period

NAME	10/28/08	10/29/08	10/30/08	10/31/08	11/1/08	11/2/08	11/3/08	11/4/08	11/5/08	11/6/08	11/7/08	11/8/08	11/9/08	11/10/08	11/11/08	11/12/08	11/13/08	11/14/08	11/15/08	11/16/08	11/17/08	11/18/08	11/19/08	11/20/08	11/21/08	11/22/08	11/23/08	11/24/08	11/25/08	11/26/08					
Date	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed					
Segment O-8																																			
Inspectors																																			
PDR NO.																																			
Ramiro Alejandro	0.50	0.50	3.00	0.50																															
Louis Lopez	12.00	12.00	11.50	12.00	9.50																														
Marcos Garcia																																			
Isaac Reyes	3.00	2.00	5.00	3.00	3.00	2.00	2.00	3.00	2.00	5.00	2.00	3.00	2.00	2.00	3.00	2.00	5.00	2.00	3.00	2.00	2.00	3.00	2.00	5.00	2.00	3.00	2.00	3.00	2.00	3.00	2.00	2.00	2.00		
Al Treviño																																			
Joe Elisacche																																			
Oscar Najera																																			
Catolino Gonzalez																																			
Hector Canu																																			
Hector Guajardo																																			
Sub Total:	15.50	14.50	19.50	15.50	12.50	19.00	12.00	15.50	16.00	15.50	14.50	13.00	2.00	15.00	13.50	13.50	8.00	7.00	3.00	2.00	11.50	16.50	13.50	18.00	9.00	11.00	8.00	11.00	15.00	16.50	13.50	13.50			
Commutative:	34.50	40.00	68.50	84.00	96.50	19.00	31.00	46.50	62.50	78.00	92.50	105.50	2.00	17.00	30.50	44.00	52.00	59.00	62.00	2.00	13.50	30.00	43.50	61.50	70.50	81.50	3.00	18.00	34.50	48.00	48.00	48.00			
Regular Hours Sub Total:	15.50	14.50	19.50	15.50	12.50	19.00	12.00	15.50	16.00	15.50	14.50	13.00	2.00	15.00	13.50	13.50	8.00	7.00	3.00	2.00	11.50	16.50	13.50	18.00	9.00	11.00	8.00	11.00	15.00	16.50	13.50	13.50			

Contract Period

NAME	12/27/08	12/28/08	12/29/08	12/30/08	12/31/08	1/1/09	1/2/09	1/3/09	1/4/09	1/5/09	1/6/09	1/7/09	1/8/09	1/9/09	1/10/09	1/11/09	1/12/09	1/13/09	1/14/09	1/15/09	1/16/09	1/17/09	1/18/09	1/19/09	1/20/09	1/21/09	1/22/09	1/23/09	1/24/09	1/25/09	
DAY	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	
Segment O-8																															
Inspectors																															
JOB NO.																															
4410-03																															
Ramiro Alejandro																															
Louis Lopez																															
Marcos Garcia																															
Isaac Reyes																															
AI Treviño																															
Joe Elisacche																															
Oscar Najera																															
Catalino Gonzalez																															
Hector Canhu																															
Hector Guajardo																															
Sub Total:	0.00	0.00	16.00	18.00	33.00	42.00	55.00	65.00	8.00	19.00	31.50	45.50	61.50	74.50	86.50	0.00	11.00	14.00	14.00	9.00	7.00	2.00	0.00	11.00	17.00	24.00	32.00	8.00	7.00	2.00	0.00
Commutative:	40.00	0.00	16.00	18.00	42.00	42.00	55.00	65.00	8.00	19.00	31.50	45.50	61.50	74.50	86.50	0.00	11.00	14.00	14.00	9.00	7.00	2.00	0.00	11.00	17.00	24.00	32.00	8.00	7.00	2.00	0.00
Regular Hours Sub Total:	52.00	0.00	16.00	18.00	33.00	42.00	55.00	65.00	8.00	19.00	31.50	45.50	61.50	74.50	86.50	0.00	11.00	14.00	14.00	9.00	7.00	2.00	0.00	11.00	17.00	24.00	32.00	8.00	7.00	2.00	0.00

8/11/2009
Page 5 of 12
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Contract Period

NAME	1/26/09	1/27/09	1/28/09	1/29/09	1/30/09	1/31/09	2/1/09	2/2/09	2/3/09	2/4/09	2/5/09	2/6/09	2/7/09	2/8/09	2/9/09	2/10/09	2/11/09	2/12/09	2/13/09	2/14/09	2/15/09	2/16/09	2/17/09	2/18/09	2/19/09	2/20/09	2/21/09	2/22/09	2/23/09	2/24/09					
Date Day	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue					
Segment O-8																																			
Inspectors																																			
FOR NO.																																			
Ramiro Alejandro																																			
4410-03																																			
Louis Lopez																																			
4410-03																																			
Marcos Garcia																																			
4410-03																																			
Isaac Reyes		2.00	2.00	2.00	2.00			1.00	2.00	2.00	2.00	2.00			1.00	2.00	2.00	2.00	2.00											1.00	2.00				
4410-03																																			
Al Treviño																																			
4410-03																																			
Joe Elisacbe																																			
4410-03																																			
Oscar Najera																																			
4410-03																																			
Catarino Gonzalez																																			
4410-03																																			
Hector Canbu		5.00	5.00	6.00	5.00	1.00		4.00	5.00	5.00	5.00	5.00			5.00	7.00	5.00	5.00	5.00																
4410-03																																			
Hector Guajardo																																			
4410-03																																			
Sub Total	6.00	7.00	8.00	7.00	7.00	1.00	0.00	5.00	7.00	7.00	7.00	7.00	0.00	0.00	6.00	9.00	7.00	7.00	7.00	7.00	0.00	0.00	0.00	0.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00			
Comments	6.00	13.00	21.00	28.00	35.00	36.00	0.00	5.00	12.00	19.00	26.00	33.00	33.00	33.00	6.00	15.00	22.00	29.00	36.00	36.00	0.00	0.00	0.00	0.00	7.00	14.00	21.00	28.00	35.00	41.00	47.00	53.00	59.00		
Regular Hours Sub Total	6.00	7.00	8.00	7.00	7.00	1.00	0.00	5.00	7.00	7.00	7.00	7.00	0.00	0.00	6.00	9.00	7.00	7.00	7.00	7.00	0.00	0.00	0.00	0.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00			

Contract Period

NAME	Date Day	2/25/09	2/26/09	2/27/09	2/28/09	3/1/09	3/2/09	3/3/09	3/4/09	3/5/09	3/6/09	3/7/09	3/8/09	3/9/09	3/10/09	3/11/09	3/12/09	3/13/09	3/14/09	3/15/09	3/16/09	3/17/09	3/18/09	3/19/09	3/20/09	3/21/09	3/22/09	3/23/09	3/24/09	3/25/09	3/26/09						
		Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs						
Segment O-8																																					
Inspectors																																					
4410-03																																					
Ramiro Alejandro																																					
Louis Lopez																																					
Marcos Garcia																																					
Isaac Reyes	2.00	2.00	2.00	2.00	2.00		1.00	2.00	2.00	2.00	2.00	2.00									1.00	2.00	2.00	2.00	2.00				1.00	2.00	2.00	2.00					
Al Treviño																																					
Joe Elisacche																																					
Oscar Nájera																																					
Cebalino Gonzalez																																					
Hector Camu	5.00	4.00	4.00	4.00	4.00		4.00	4.00	4.00	4.00	4.00	4.00									5.00	5.00	4.00	4.00	4.00				4.00	4.00	4.00	4.00					
Hector Guajardo																																					
Sub Total:		7.00	6.00	6.00	6.00	0.00	6.00	6.00	6.00	6.00	6.00	6.00	0.00	6.00	7.00	7.00	8.00	8.00	30.00	30.00	0.00	6.00	7.00	6.00	2.00	2.00	0.00	0.00	0.00	6.00	6.00	6.00	6.00	6.00			
Commutative:		19.00	25.00	31.00	31.00	0.00	5.00	11.00	17.00	23.00	29.00	29.00	0.00	6.00	13.00	20.00	28.00	30.00	30.00	30.00	0.00	6.00	13.00	19.00	27.00	27.00	0.00	0.00	5.00	11.00	17.00	17.00	23.00	23.00			
Regular Hours Sub Total:		7.00	6.00	6.00	6.00	0.00	6.00	6.00	6.00	6.00	6.00	6.00	0.00	6.00	7.00	7.00	8.00	8.00	30.00	30.00	0.00	6.00	7.00	6.00	2.00	2.00	0.00	0.00	0.00	6.00	6.00	6.00	6.00	6.00			

Contract Period

NAME	Date	4/26/09	4/27/09	4/28/09	4/29/09	4/30/09	5/1/09	5/2/09	5/3/09	5/4/09	5/5/09	5/6/09	5/7/09	5/8/09	5/9/09	5/10/09
	Day	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun
Segment O-8																
Inspectors																
JOB NO.																
Ramiro Alejandro	4410-03															
Louis Lopez	4410-03															
Marcos Garcia	4410-03															
Isae Reyes	4410-03															
Al Treviño	4410-03															
Joe Elisacche	4410-03	2.00		2.00	5.00											
Oscar Najera	4410-03															
Cabraldo Gonzalez	4410-03															
Hector Canu	4410-03															
Hector Guajardo	4410-03															
Sub Total		0.00	2.00	2.00	5.00	5.00	5.00	0.00	0.00	3.00	3.00	4.00	3.00	4.00	2.00	0.00
Commutative		0.00	2.00	2.00	5.00	5.00	5.00	0.00	0.00	3.00	3.00	4.00	3.00	4.00	2.00	0.00
Regular Hours Sub Total		0.00	2.00	2.00	5.00	5.00	5.00	0.00	0.00	3.00	3.00	4.00	3.00	4.00	2.00	0.00

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 19 to Work Authorization No. 9
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Original Construction Contract Period**

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 19 to Work Authorization No. 9 for your review and approval. Supplemental Agreement No. 19 is in reference to compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work, as well as, DHS requiring more inspection time than was negotiated in the original work authorization.

As you know, during our negotiations HCDD No. 1 requested we consider project site representation as one program and share inspectors throughout the various projects; thus as a result, the hours projected in the original work authorization for the task of project site representation was utilized. The hours projected for the original program assumed that all of the projects would start and end at the same time.

However, due to unforeseen circumstances we were unable to execute the program as intended. The projects started at various times and ended at various times, as well as, DHS and Customs and Border Patrol (CBP) complained that the inspectors were not at the job when they were 'spot checking'. As result, the Dannenbaum/DOS Project Team was required to have inspectors practically full time on the various projects. Furthermore, the contractor's elected to work pouring concrete in several locations on each job at the same time resulting in the Dannenbaum/DOS Project Team having to provide multiple inspectors on the job at the same time, further increasing expended project site representation manhours.

Due to all of the above stated facts, the intent of the project scope was changed requiring an increase in project site representation manhours in the field.

The work scope changed for the projects listed below:

Local, USIBWC and DHS Participation:

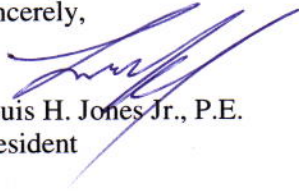
- DHS Segment 0-9 Phase I (2.12 miles)
- DHS Segment 0-9 Phase II (1.67 miles)

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 19 to Work Authorization No. 9 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 19 to Work Authorization No. 9
To Agreement for Professional Services**

***For Compensation of Fees Associated with Out Of Scope Manhour Effort
for Project Site Representation Services
Resulting from the Contractor's Means and Methods for Prosecution of the Work***

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 19
TO WORK AUTHORIZATION NO. 9
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 9 under said agreement on February 20, 2008; and,

WHEREAS, Section Part 1 of Work Authorization No. 9, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 9 for USIBWC and DHS Concrete Flood Protection Structure - DHS Segment 0-9, which includes DHS Segment O-9 Phase I a distance of 2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles, to include out of scope manhour effort for project site representation services

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 19 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

resulting from the Contractor's means and methods for prosecution of the work for the project;
and

WHEREAS, Section Part 2 of Work Authorization No. 9, Estimated Cost,
establishes the estimated professional engineering services fee and Part 3 of Work Authorization
No. 9, Payment, establishes the method of payment for the proposed improvements for USIBWC
and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 2.12
miles and DHS Segment O-9 Phase II a distance of 1.67 miles; and,

WHEREAS, it has become necessary to amend Work Authorization No. 9 to allow for
compensation for out of scope manhour effort for project site representation services resulting
from the Contractor's means and methods for prosecution of the work for the project as per the
Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements,
which defines (2) a significant change in the scope, complexity or character of the services to be
performed by the Engineer; and **Article 9, Additional Work,** stating if the Engineer is in the
opinion that any work directed to perform is beyond the scope of the Agreement and constitutes
extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be
modified to include compensation for out of scope manhour effort for project site representation
services resulting from the Contractor's means and methods for prosecution of the work for the
project for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I
a distance of 0.2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles;

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that
the engineering fee will be modified to include compensation for out of scope manhour effort for
project site representation services resulting from the Contractor's means and methods for

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 19 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

prosecution of the work for the project as referenced in Attachment “A” – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor’s Means and Methods for Prosecution of the Work for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 0.2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles; under Work Authorization No. 9,

I. Work Authorization No. 9, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 9 for USIBWC and DHS Concrete Flood Protection Structures - DHS Segment 0-9 Phase I a distance of 0.2.12 miles and DHS Segment O-9 Phase II a distance of 1.67 miles;, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor’s Means and Methods for Prosecution of the Work is as follows:**

- DHS Segment O-9 Ph I = \$4,629.03
- DHS Segment O-9 Ph II = \$76,190.06

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this
Supplemental Agreement No. 19 to be effective as of the ____ day of _____, **2009**.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

Attachment "A" - Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Attachment "B" - Supporting Documentation

Attachment "A"

***Fee Budget Estimate for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor's Means and Methods for Prosecution of the Work***

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 19 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
"Levee System Improvements within Hidalgo County, Texas"

EXHIBIT "F"
Page 5 of 6

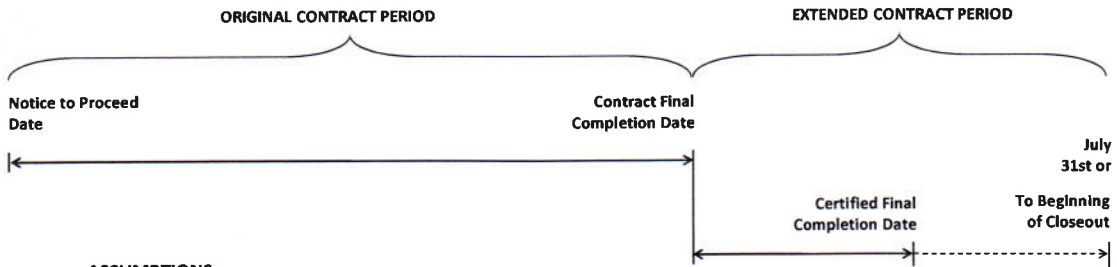
ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Levee Segment(s)	Original Contract Period	Budgeted Work Effort in Original Contract Work Authorization			Actual Work Effort Expended During Original Contract Period			Out of Scope Work Effort			
	07/12/08 - 03/30/09	Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost	
O-9 PH I	Site Rep	495.00	\$ 90.30	\$ 44,698.50	544.00	\$ 90.30	\$ 49,123.20	49.00	\$ 90.30	\$ 4,424.70	
Work Auth. No. 9	Truck/Fuel	495.00	\$ 4.17	\$ 2,064.15	544.00	\$ 4.17	\$ 2,268.48	49.00	\$ 4.17	\$ 204.33	
									SUBTOTAL:	\$	4,629.03

Levee Segment(s)	Original Contract Period	Budgeted Work Effort in Original Contract Work Authorization			Actual Work Effort Expended During Original Contract Period			Out of Scope Work Effort			
	10/04/08 - 05/12/09	Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost	
O-9 PH II	Site Rep	405.00	\$ 90.30	\$ 36,571.50	1211.50	\$ 90.30	\$ 109,398.45	806.50	\$ 90.30	\$ 72,826.95	
Work Auth. No. 9	Truck/Fuel	405.00	\$ 4.17	\$ 1,688.85	1211.50	\$ 4.17	\$ 5,051.96	806.50	\$ 4.17	\$ 3,363.11	
									SUBTOTAL:	\$	76,190.06
									TOTAL:	\$	80,819.09



ASSUMPTIONS:

- 1) The Original Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Notice to Proceed (NTP) to the Contract Final Completion Date.
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

***Supporting Documentation for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor’s Means and Methods for Prosecution of the Work***

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 19 to WA No. 9 – DHS Segments O-9 Ph I and O-9 Ph II
“Levee System Improvements within Hidalgo County, Texas”

EXHIBIT “F”
Page 6 of 6

07/12/08 - 03/30/09

Contract Period

NAME	Date	7/12/08	7/13/08	7/14/08	7/15/08	7/16/08	7/17/08	7/18/08	7/19/08	7/20/08	7/21/08	7/22/08	7/23/08	7/24/08	7/25/08	7/26/08	7/27/08	7/28/08	7/29/08	7/30/08	7/31/08	8/1/08	8/2/08	8/3/08	8/4/08	8/5/08	8/6/08	8/7/08	8/8/08	8/9/08	8/10/08			
	Day	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun			
Segment O-9 Ph I																																		
Inspectors	JOB NO.																																	
Louis Lopez	4410-04						0.50			1.00																								
Artemio Salazar	4410-04																																	
Joe Elisacche	4410-04																																	
Caballero Gonzalez	4410-04																																	
Isea Reyes	4410-04																																	
Al Treffio	4410-04																																	
Hector Guajardo	4410-04																																	
Mico Garcia	4410-04																																	
Hector Canlu	4410-04																																	
Sub Totals:		0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.00	1.00	5.50	3.00	0.00	4.00	4.00	2.00	0.00	2.00	0.00	4.50	6.50	14.50	13.50	13.00	16.00	27.00	29.00	25.50	38.50	48.50				
Cummulative:		14.00	0.00	0.00	0.00	0.00	0.50	1.00	1.00	2.00	7.50	10.50	10.50	14.50	18.50	20.50	20.50	22.50	22.50	27.00	33.50	48.00	61.50	74.50	90.50	117.50	146.50	172.00	210.50	249.00	297.50			
Regular Hours Sub Totals:		0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.00	1.00	3.50	2.00	0.00	4.00	4.00	2.00	0.00	2.00	0.00	4.50	6.50	14.50	13.50	13.00	16.00	27.00	29.00	25.50	38.50	48.50				

Regular Hours Sub Totals: 0.00 0.00 0.00 0.00 0.00 0.00 0.50 0.50 0.00 1.00 3.50 2.00 0.00 4.00 4.00 2.00 0.00 2.00 0.00 4.50 6.50 14.50 13.50 13.00 16.00 27.00 29.00 25.50 38.50 48.50

Contract Period

NAME	Date	8/11/08	8/12/08	8/13/08	8/14/08	8/15/08	8/16/08	8/17/08	8/18/08	8/19/08	8/20/08	8/21/08	8/22/08	8/23/08	8/24/08	8/25/08	8/26/08	8/27/08	8/28/08	8/29/08	8/30/08	9/1/08	9/2/08	9/3/08	9/4/08	9/5/08	9/6/08	9/7/08	9/8/08	9/9/08	
Day	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	
Segment O-9 Ph I																															
Inspectors																															
4410-04	2.00		3.00		2.00		2.00	1.00	1.00	1.00	1.00	1.00																			
Louie Lopez			10.50	15.50	18.50	11.50	13.50	14.00	17.00	17.00	15.00	15.00																			
Artemio Salazar	14.50	16.50					3.00																								
Joe Elisacche																															
4410-04																															
Catarine Gonzalez	9.00		9.00	12.00	9.00		10.00																								
Isae Reyes	6.00	6.00	5.00	10.00	8.00	5.00	7.00	5.00	10.00	9.00	12.00	12.00																			
Al Treviño	12.00	12.00	4.00	8.00	7.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00																			
Hector Guajardo																															
Marcos Garcia																															
Hector Carlu																															
Sub Total	63.50	84.50	31.50	65.50	44.50	28.50	36.50	30.00	32.00	40.00	36.00	36.00	11.00	16.00	34.00	24.50	24.50	30.50	35.50	24.00	35.00	35.00	33.00	34.00	34.00	35.00	31.00	32.50	32.00		
Cummulative	84.00	118.50	150.00	195.50	240.00	268.50	305.00	335.00	367.00	407.00	443.00	479.00	490.00	506.00	540.00	564.50	589.00	619.50	655.00	679.00	714.00	749.00	784.00	818.00	852.00	887.00	922.00	957.00	992.00	1027.00	
Regular Hours Sub Total:	53.50	74.50	27.50	55.50	34.50	20.50	28.50	23.00	25.00	33.00	29.00	29.00	8.00	13.00	27.00	17.50	17.50	23.50	28.50	18.00	28.50	28.50	26.50	27.50	28.50	29.50	25.50	27.00	26.50		

Contract Period

NAME	Date	9/10/08	9/11/08	9/12/08	9/13/08	9/14/08	9/15/08	9/16/08	9/17/08	9/18/08	9/19/08	9/20/08	9/21/08	9/22/08	9/23/08	9/24/08	9/25/08	9/26/08	9/27/08	9/28/08	9/29/08	9/30/08	10/1/08	10/2/08	10/3/08	10/4/08	10/5/08	10/6/08	10/7/08	10/8/08	10/9/08					
	Day	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs					
Segment O-9 Ph I																																				
Inspectors	JOB NO.																																			
Louis Lopez	4410-04		1.00	1.00	1.00	0.50	2.00	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.50	1.50	1.00	2.00	2.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00				
Artemio Salazar	4410-04	18.00	14.50	13.00	15.00	13.00	1.00	11.00	11.00	11.00	11.00	11.00	11.00	2.00	11.00	11.00	12.50	18.00	11.00	16.00	11.00	14.00	15.00	11.00	11.00	11.00	11.00	11.00	14.00	14.00	14.00	14.00	14.00			
Joe Elisacche	4410-04															5.00						9.00	11.00	9.50	8.50	11.00	9.50	11.00	8.50	11.00						
Catalino Gonzalez	4410-04							12.00	6.00	9.00	9.00	10.50	8.50						8.50			9.00	11.00	9.50	8.50	11.00	9.50	11.00	8.50	11.00						
Inae Reyes	4410-04																																			
Al Treffio	4410-04																																			
Hector Guajardo	4410-04																																			
Marcos Garcia	4410-04																																			
Hector Camilo	4410-04																																			
Sub Total:		37.00	41.50	40.00	29.00	27.50	3.00	23.50	17.50	21.00	21.00	21.50	19.50	2.50	11.50	16.50	13.00	18.50	20.50	16.00	31.50	34.50	37.00	35.50	30.50	25.00	32.00	25.00	26.50	29.50	27.50					
Commulative:		137.50	174.00	214.00	243.00	271.50	30.50	54.00	71.50	92.50	113.50	135.00	154.50	157.00	168.50	185.00	198.00	216.50	237.00	253.00	284.50	319.00	356.00	393.50	434.00	459.00	484.00	509.00	534.00	559.00	584.00	609.00	634.00			
Regular Hours Sub Total:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Contract Period

NAME	Date	10/10/08	10/11/08	10/12/08	10/13/08	10/14/08	10/15/08	10/16/08	10/17/08	10/18/08	10/19/08	10/20/08	10/21/08	10/22/08	10/23/08	10/24/08	10/25/08	10/26/08	10/27/08	10/28/08	10/29/08	10/30/08	10/31/08	11/1/08	11/2/08	11/3/08	11/4/08	11/5/08	11/6/08	11/7/08	11/8/08				
	Day	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat				
Segment O-9 Ph I	JOB NO.																																		
Inspectors	4410-04	1.00			2.00	2.00	1.00					2.50	0.50	0.50	0.50	0.50			1.50	0.50	0.50	0.50	0.50		2.50	2.50	0.50	0.50	1.50						
Louis Lopez	4410-04				12.00	12.00	11.00					11.00	11.00	11.00	11.00	11.00			11.00	11.00	11.00	11.00	11.00		11.00	11.00	11.00	10.00	10.00						
Artemio Salazar	4410-04	11.00	12.00	10.00	12.00	12.00	11.00					11.00	11.00	11.00	11.00	12.00			11.00	11.00	11.00	11.00	11.00		11.00	11.00	11.00	10.00	10.00						
Joe Elispeche	4410-04																																		
Caballero Gonzalez	4410-04																																		
Inaa Reyes	4410-04	2.00	1.00	2.00	1.00	3.00	2.00	2.00	1.00	1.00	1.00	2.00	3.00	3.00	2.00	2.00			2.00	2.00	2.00	1.00	1.00		1.00	1.00	1.00	1.00	1.00	1.00					
Al Treffio	4410-04	7.00	12.50	11.00	13.50	8.50	11.50	6.00	11.50	9.50	11.00	8.00	12.00	9.50	11.50	10.00			12.00	11.00	13.00	10.00	10.00		11.50	9.00	15.50	9.00	8.00	10.00	10.00				
Hector Guajardo	4410-04																																		
Miguel Garcia	4410-04																																		
Hector Cantu	4410-04																																		
Sub Total		21.00	25.50	23.00	28.50	25.50	25.50	19.00	23.50	21.50	23.00	23.50	26.50	24.00	25.00	24.00	24.00	24.50	26.50	24.50	25.50	22.50	24.50	25.50	26.00	33.00	37.00	23.50	27.50	22.00	22.00				
Cummulative		161.50	187.00	210.00	238.50	264.00	289.50	308.50	332.00	353.50	376.50	400.00	426.50	450.50	475.50	500.00	524.00	548.50	575.00	603.50	633.00	663.50	696.00	730.50	767.00	806.00	847.50	891.50	939.00	990.00	1044.00	1101.00	1161.00		
Regular Hours Sub Total		0.00	0.00	23.00	32.00	25.00	25.00	0.00	23.00	21.00	23.00	23.00	26.00	24.00	25.00	24.00	24.00	24.50	26.50	24.50	25.50	22.50	24.50	25.50	26.00	33.00	37.00	23.50	27.50	22.00	22.00				

Contract Period

NAME	Date Day	2/7/09	2/8/09	2/9/09	2/10/09	2/11/09	2/12/09	2/13/09	2/14/09	2/15/09	2/16/09	2/17/09	2/18/09	2/19/09	2/20/09	2/21/09	2/22/09	2/23/09	2/24/09	2/25/09	2/26/09	2/27/09	2/28/09	3/1/09	3/2/09	3/3/09	3/4/09	3/5/09	3/6/09	3/7/09	3/8/09			
		Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun			
Segment O-5 Ph 1 Inspectors																																		
JOE NO.																																		
Louis Lopez																																		
Artemio Salazar																																		
Joe Elisacche																																		
Catalino Gonzalez																																		
Irae Reyes			2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00			
Al Treviño																																		
Hector Guillard			2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	4.00	3.00	3.00			
Miguel Garcia																																		
Hector Cantu																																		
	Sub Total:	0.00	0.00	4.00	4.00	3.00	4.00	4.00	2.00	0.00	4.00	4.00	8.00	15.00	19.00	19.00	24.00	0.00	4.00	4.00	3.00	4.00	4.00	0.00	0.00	5.00	4.50	4.00	6.00	3.00	3.00	0.00		
	Commutative:	19.00	0.00	4.00	8.00	11.00	15.00	19.00	21.00	0.00	4.00	8.00	11.00	15.00	19.00	19.00	24.00	0.00	4.00	4.00	3.00	4.00	4.00	0.00	0.00	5.00	4.50	4.00	6.00	3.00	3.00	0.00		
	Regular Hours Sub Total:	0.00	0.00	4.00	4.00	3.00	4.00	4.00	2.00	0.00	4.00	4.00	8.00	15.00	19.00	19.00	24.00	0.00	4.00	4.00	3.00	4.00	4.00	0.00	0.00	5.00	4.50	4.00	6.00	3.00	3.00	0.00		

Contract Period

NAME	Date	3/9/09	3/10/09	3/11/09	3/12/09	3/13/09	3/14/09	3/15/09	3/16/09	3/17/09	3/18/09	3/19/09	3/20/09	3/21/09	3/22/09	3/23/09	3/24/09	3/25/09	3/26/09	3/27/09	3/28/09	3/29/09	3/30/09	
	Day	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	
Segment O-9 PH I																								
Inspectors																								
FOR NO.																								
Louis Lopez	4410-04																							
Antonio Salazar	4410-04																							
Joe Elisacbe	4410-04																							
Cesarino Gonzalez	4410-04																							
Isae Reyes	4410-04																							
All Truffilo	4410-04	2.00	2.00	1.00	2.00	2.00										2.00	2.00	1.00	2.00	2.00				2.00
Hector Guajardo	4410-04																							
Marcos Garcia	4410-04																							
Hector Caniu	4410-04	2.00	2.00	2.00	2.00																			
Sub Total		4.00	4.00	3.00	4.00	2.00	0.00	0.00	4.00	4.00	3.00	4.00	2.00	3.00	0.00	4.00	4.00	3.00	4.00	4.00	0.00	0.00	4.00	
Commutative		4.00	8.00	11.00	15.00	17.00	17.00	0.00	4.00	8.00	11.00	15.00	17.00	20.00	0.00	4.00	8.00	11.00	15.00	19.00	19.00	0.00	4.00	
Regular Hours Sub Total:		4.00	8.00	3.00	4.00	2.00	0.00	0.00	4.00	4.00	3.00	4.00	2.00	3.00	0.00	4.00	4.00	3.00	4.00	4.00	0.00	0.00	4.00	

Contract Period

NAME	Date	11/3/08	11/4/08	11/5/08	11/6/08	11/7/08	11/8/08	11/9/08	11/10/08	11/11/08	11/12/08	11/13/08	11/14/08	11/15/08	11/16/08	11/17/08	11/18/08	11/19/08	11/20/08	11/21/08	11/22/08	11/23/08	11/24/08	11/25/08	11/26/08	11/27/08	11/28/08	11/29/08	12/1/08	12/2/08		
Day	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue		
Segment O-9 Ph II																																
Inspectors																																
JOB NO.																																
Louis Lopez	1.50	2.50	0.50	1.50					1.50	2.50	0.50	1.50			0.50	3.00	1.00	1.00	0.50			1.00	0.50	0.50								
Catario Gonzalez	1.00	2.00	1.00	1.00	1.00	1.00			1.00	2.00	1.00	1.00	1.00	2.00	1.00	2.00	2.00	1.00	1.00	1.00	2.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	
AI Treviño	11.00	11.00	12.00	12.00	11.00	12.00			10.00	11.00	11.00	4.00	8.00	9.00	9.00	9.00	11.00	11.00	11.00	11.00	6.00	12.00	14.00	12.50								
Joe Elisacche																																
Hector Guajardo																																
Sub Total:	13.50	15.50	13.50	14.50	22.00	13.00	0.00	12.50	15.50	15.50	12.50	6.50	9.00	11.00	10.50	10.50	15.50	13.00	11.50	12.50	14.50	17.00	19.50	20.00	1.00	14.00	14.50	0.00	14.00	17.50		
Commutative:	25.50	41.00	54.50	69.00	81.00	94.00	0.00	12.50	28.00	40.50	47.00	56.00	67.00	87.00	105.50	120.50	133.00	141.50	151.50	164.00	180.00	200.00	217.00	235.00	257.50	284.50	316.00	352.00	393.00	439.00		
Regular Hours Sub Total:	33.50	44.50	60.00	90.00	111.00	138.00	0.00	25.00	46.50	56.00	63.00	75.00	94.00	124.00	146.00	162.00	181.00	193.00	207.00	222.00	242.00	267.00	297.00	332.00	372.00	417.00	467.00	522.00	582.00	647.00		

Contract Period

NAME	Date	12/3/08	12/4/08	12/5/08	12/6/08	12/7/08	12/8/08	12/9/08	12/10/08	12/11/08	12/12/08	12/13/08	12/14/08	12/15/08	12/16/08	12/17/08	12/18/08	12/19/08	12/20/08	12/21/08	12/22/08	12/23/08	12/24/08	12/25/08	12/26/08	12/27/08	12/28/08	12/29/08	12/30/08	12/31/08	1/1/09		
Day		Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs		
Segment O-9 Ph II Inspectors	JOB NO.																																
Louis Lopez	4410-04			9.50	10.50	0.00	11.00	11.50	12.50	13.50	8.50	8.50	0.00	17.00	6.00	16.00	12.50	13.00	9.00	0.00	11.00	11.00	1.00	1.00	0.00	0.00	10.00	11.00	11.00	1.00		8.00	
Catarino Gonzalez	4410-04	1.00	1.00	1.00	1.00		1.00	1.00	1.00	1.00	7.50	8.50		16.00	4.00	15.00	11.50	12.00	9.00		10.00	2.00	1.00				10.00	10.00	9.00	1.00		6.00	
Al Treviño	4410-04	9.50	16.50					15.50	10.50																								
Joe Elisacche	4410-04																																
Hector Guajardo	4410-04																																
Sub Total:		10.50	17.50	10.50	10.50	0.00	14.00	17.50	11.50	13.50	8.50	8.50	0.00	17.00	6.00	16.00	12.50	13.00	9.00	0.00	11.00	11.00	1.00	1.00	0.00	0.00	10.00	11.00	11.00	1.00		8.00	
Commutative:		42.00	59.50	70.00	85.50	0.00	14.00	31.50	43.00	56.50	65.00	78.50	0.00	17.00	23.00	39.00	51.50	64.50	78.50	0.00	11.00	22.00	23.00	1.00	1.00	0.00	0.00	33.00	47.50	51.00	33.00		41.00
Regular Hours Sub Total:		32.50	50.00	60.50	76.00	0.00	14.00	17.50	8.50	10.00	0.00	0.00	0.00	17.00	6.00	16.00	1.00	1.00	0.00	0.00	11.00	11.00	1.00	1.00	0.00	0.00	10.00	11.00	11.00	1.00		7.00	

Contract Period

NAME	Date Day	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09	1/7/09		
		Fri	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	
Segment O-9 Ph II Inspectors	JOB NO.																										
	Louis Lopez	9.00																									
	Catariño Gonzalez	50.00																									
	Jon Elisseebe	8.00																									
Hector Guajardo	4410-04																										
Sub Total:		9.00	58.00	8.00	16.00	11.50	18.00	4.00	11.00	13.00	35.50	24.00	11.50	63.00	81.00	18.00	13.50	4.00	4.00	23.50	11.50	11.00	21.50	43.00	21.00	22.00	
Commutative:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Regular Hours Sub Total:		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

July 31, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: *Supplemental Agreement No. 17 to Work Authorization No. 10
Compensation for Out of Scope Manhour Effort for Project Site Representation Services Expended
during the Contractor's Original Construction Contract Period***

Dear Mr. Garza,

Dannenbaum hereby respectfully submits Supplemental Agreement No. 17 to Work Authorization No. 10 for your review and approval. Supplemental Agreement No. 17 is in reference to compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work, as well as, DHS requiring more inspection time than was negotiated in the original work authorization.

As you know, during our negotiations HCDD No. 1 requested we consider project site representation as one program and share inspectors throughout the various projects; thus as a result, the hours projected in the original work authorization for the task of project site representation was utilized. The hours projected for the original program assumed that all of the projects would start and end at the same time.

However, due to unforeseen circumstances we were unable to execute the program as intended. The projects started at various times and ended at various times, as well as, DHS and Customs and Border Patrol (CBP) complained that the inspectors were not at the job when they were 'spot checking'. As result, the Dannenbaum/DOS Project Team was required to have inspectors practically full time on the various projects. Furthermore, the contractor's elected to work pouring concrete in several locations on each job at the same time resulting in the Dannenbaum/DOS Project Team having to provide multiple inspectors on the job at the same time, further increasing expended project site representation manhours.

Due to all of the above stated facts, the intent of the project scope was changed requiring an increase in project site representation manhours in the field.

The work scope changed for the projects listed below:

Local and USIBWC Participation:

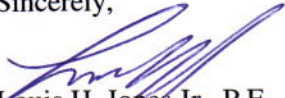
- ***DHS Levee/Wall Improvement Project – DHS Segment O-10 (2.43 Miles)***

Refer to **Attachment "A"** for a detailed cost breakdown and backup information for the respective project.

Please review our Supplemental Agreement No. 17 to Work Authorization No. 10 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: Richard Seitz, P.E., Dannenbaum Engineering
Gumecindo Ybarra, DOS Logistics, Inc.

**Two Partially Executed Originals of
Supplemental Agreement No. 17 to Work Authorization No. 10
To Agreement for Professional Services**

***For Compensation of Fees Associated with Out Of Scope Manhour Effort
for Project Site Representation Services
Resulting from the Contractor's Means and Methods for Prosecution of the Work***

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 17
TO WORK AUTHORIZATION NO. 10
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Part 4 of the respective Work Authorization under the Main Contract Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 10 under said agreement on March 5, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and

WHEREAS, Section Part 1 of Work Authorization No. 10, Scope of Work, establishes the scope of work for the Hidalgo County Drainage District No. 1 proposed levee improvement project, and,

WHEREAS, it has become necessary to amend “Exhibit B” of Work Authorization No. 10 Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles, to include out of scope manhour effort for project site

representation services resulting from the Contractor's means and methods for prosecution of the work for the project; and

WHEREAS, Section Part 2 of Work Authorization No. 10, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 10, Payment, establishes the method of payment for the proposed improvements for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles; and

WHEREAS, it has become necessary to amend Work Authorization No. 10 to allow for compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project as per the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work; and,

WHEREAS, upon execution of this supplemental agreement, engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for prosecution of the work for the project for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles; and

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the engineering fee will be modified to include compensation for out of scope manhour effort for project site representation services resulting from the Contractor's means and methods for

prosecution of the work for the project as referenced in Attachment “A” – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor’s Means and Methods for Prosecution of the Work for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles, under Work Authorization No. 10,

I. Work Authorization No. 10, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 10 for Levee System Improvements for the USIBWC/DHS Concrete Flood Protection Structure for Segment 0-10 for a total distance of 2.43 miles, are updated in accordance with the **Main Contract, for respective Work Authorization, Article 8, Supplemental Agreements**, which defines (2) a significant change in the scope, complexity or character of the services to be performed by the Engineer; and **Article 9, Additional Work**, stating if the Engineer is in the opinion that any work directed to perform is beyond the scope of the Agreement and constitutes extra work, such work will be considered as Additional Work. **Total fee added to the contract agreement under this work authorization is outlined in Attachment A – Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor’s Means and Methods for Prosecution of the Work is as follows:**

- DHS Segment O-10 = \$66,766.67

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 17** to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

Attachment "A"

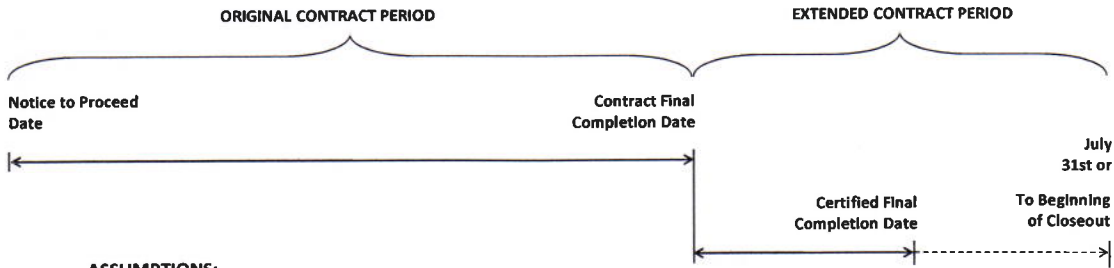
***Fee Budget Estimate for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor's Means and Methods for Prosecution of the Work***

ATTACHMENT "A"

HIDALGO COUNTY LEVEE REHABILITATION PROJECTS

Fee Budget Estimate for Out of Scope Manhour Effort for Project Site Representation Services Resulting from the Contractor's Means and Methods for Prosecution of the Work

Levee Segment(s)	Original Contract Period	Budgeted Work Effort in Original Contract Work Authorization			Actual Work Effort Expended During Original Contract Period			Out of Scope Work Effort		
		Mhs	Rate	Cost	Mhs	Rate	Cost	Mhs	Rate	Cost
O-10	07/11/08 - 03/30/09									
Work Auth. No.	Site Rep	513.00	\$ 90.30	\$ 46,323.90	1219.75	\$ 90.30	\$ 110,143.43	706.75	\$ 90.30	\$ 63,819.53
10	Truck/Fuel	513.00	\$ 4.17	\$ 2,139.21	1219.75	\$ 4.17	\$ 5,086.36	706.75	\$ 4.17	\$ 2,947.15
									TOTAL:	\$ 66,766.67



ASSUMPTIONS:

- 1) The Original Contract Period (from which Regular Time Manhours (Mhs) are Counted) Ranges Between the Notice to Proceed (NTP) to the Contract Final Completion Date.
- 2) Regular Hours are Considered the First 40 Manhours (Mhs) Accumulated During the Workweek Starting Sunday and Ending Saturday; and Overtime Hours are not Considered in the Mhs Calculations.
- 3) Rate for Actual Work Effort Expended During Original Contract Period Includes a \$4.17/Mhs Truck/Fuel Allowance is Calculated as \$1,000.00 / 30 Days / 8 Mhs / 1 Day.

Attachment “B”

***Supporting Documentation for Out of Scope Manhour Effort for
Project Site Representation Services Resulting from the
Contractor’s Means and Methods for Prosecution of the Work***

Contract Period

NAME	Date	9/9/08	9/10/08	9/11/08	9/12/08	9/13/08	9/14/08	9/15/08	9/16/08	9/17/08	9/18/08	9/19/08	9/20/08	9/21/08	9/22/08	9/23/08	9/24/08	9/25/08	9/26/08	9/27/08	9/28/08	9/29/08	9/30/08	10/1/08	10/2/08	10/3/08	10/4/08	10/5/08	10/6/08	10/7/08	10/8/08		
	Day	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed		
Segment O-10	JOB NO.																																
Inspections	4410-05																																
Louis Lopez	4410-05			1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00	1.00	1.50	1.50	2.00	2.00	2.00	1.00	1.00	1.00	1.50	1.00		
Catalino Gonzalez	4410-05														8.50																		
Isoe Reyes	4410-05	6.50	6.50	7.00	6.00	4.00	4.00	6.00	12.00	12.00	14.00	12.00	10.00	8.00	12.00	5.00	15.00	16.00	12.00	12.00	6.00	4.00	5.00	4.00	6.00	4.00	4.00	4.00	5.00	2.00	2.00		
Al Trujillo	4410-05	11.00	14.00	13.00	11.00	12.00	11.50	5.00	15.00	11.00	12.00	12.00	11.00	6.50	8.00	11.00	8.00	11.00	12.00	10.00	8.00	9.00	11.00	10.50	11.00	11.00	10.00	10.00	11.00	14.00	12.00		
Hector Canhu	4410-05																																
Joe Elisacche	4410-05																																
Marcos Garcia	4410-05									9.00	8.50	8.50	7.50	8.00							11.50												
Hector Gajardo	4410-05																																
Oscar Najera	4410-05																																
Sub Total		17.50	20.50	21.00	18.00	17.00	16.00	13.00	27.50	32.50	35.50	35.50	28.50	22.50	20.50	21.50	23.50	31.50	32.50	34.00	34.00	14.50	17.50	15.50	17.00	19.00	15.00	14.00	17.00	17.50	17.50	15.00	
Commutative		52.50	73.00	94.00	112.00	129.00	16.00	29.00	56.50	89.00	124.50	158.00	186.50	22.50	43.00	64.50	88.00	116.50	152.00	186.00	34.00	48.50	66.00	81.50	98.50	117.50	132.50	14.00	31.00	48.50	63.50	83.50	
Regular Hours Sub Total		3.00	0.00	0.00	0.00	0.00	18.00	14.00	31.96	0.00	0.00	0.00	0.00	22.50	17.50	0.00	0.00	0.00	0.00	0.00	34.00	8.00	0.00	0.00	0.00	0.00	0.00	14.00	17.00	9.00	0.00	0.00	

Contract Period

NAME	Date Day	11/9/08 Sat	11/10/08 Sun	11/11/08 Mon	11/12/08 Tue	11/13/08 Wed	11/14/08 Thurs	11/15/08 Fri	11/16/08 Sat	11/17/08 Sun	11/18/08 Mon	11/19/08 Tue	11/20/08 Wed	11/21/08 Thurs	11/22/08 Fri	11/23/08 Sat	11/24/08 Sun	11/25/08 Mon	11/26/08 Tue	11/27/08 Wed	11/28/08 Thurs	11/29/08 Fri	12/1/08 Mon	12/2/08 Tue	12/3/08 Wed	12/4/08 Thurs	12/5/08 Fri	12/9/08 Sat	12/17/08 Sun
Segment O-10																													
Inspectors	JOB NO.																												
Louis Lopez	4410-05		2.50	0.50	0.50	2.00					1.00	0.50	0.50	0.50	0.50		0.50			1.50									
Catirino Gonzalez	4410-05																												
Isse Reyes	4410-05		6.00	4.00	2.00	5.00	3.00	3.00	6.00	4.00	2.00	5.00	3.00	3.00	5.00	2.00	3.00	4.00	2.00	5.00	1.00	5.00	8.00	1.00	3.00	3.00	2.00	1.00	
Al Treviño	4410-05		10.00	10.50	10.00	10.00	5.00	9.00	9.00	14.00	10.00	12.00	13.00	13.00	8.00	9.00	7.00	9.00	9.00	9.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00		
Jose Elizalde	4410-05		8.00	9.00	11.00			6.00																					
Marcos Garcia	4410-05																												
Hector Gasparito	4410-05																												
Oscar Nájera	4410-05																												
Sub Total:		22.50	23.00	26.00	21.50	26.50	10.00	20.00	20.00	15.00	19.00	12.50	17.50	16.50	18.50	11.00	10.00	13.50	11.50	15.50	8.00	5.00	2.00	2.00	11.00	11.00	10.00	1.00	0.00
Commutative:		148.50	23.00	49.00	72.50	99.00	109.00	129.00	149.00	15.00	34.00	46.50	64.00	80.50	94.00	105.00	100.00	23.50	35.00	50.50	59.50	64.50	66.50	66.50	38.00	44.00	54.00	55.00	0.00
Regular Hours Sub Total:		0.00	33.00	17.00	9.00	0.00	0.00	0.00	0.00	15.00	15.00	6.00	0.00	0.00	0.00	0.00	10.00	11.50	11.50	3.00	0.00	0.00	0.00	0.00	11.00	7.00	0.00	0.00	0.00

Contract Period

NAME	Date Day	1/7/09	1/8/09	1/9/09	1/10/09	1/11/09	1/12/09	1/13/09	1/14/09	1/15/09	1/16/09	1/17/09	1/18/09	1/19/09	1/20/09	1/21/09	1/22/09	1/23/09	1/24/09	1/25/09	1/26/09	1/27/09	1/28/09	1/29/09	1/30/09	1/31/09	2/1/09	2/2/09	2/3/09	2/4/09	2/5/09	
		Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	
Segment O-10																																
Inspectors																																
Louis Lopez	4410-05																															
Cabrera Gonzalez	4410-05																															
Isaie Reyes	4410-05	3.00	2.00	2.00	4.00	4.00	3.00	1.00	3.00	2.00	2.00	2.00	2.00	3.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	1.00	2.00	2.00	
Al Trefilio	4410-05	4.00	4.00	4.00																												
Joe Elisseeche	4410-05																															
Marcos Garcia	4410-05																															
Hector Guajardo	4410-05																															
Oscar Natera	4410-05																															
Sub Total:		7.00	6.00	6.00	4.00	4.00	8.00	5.00	7.00	6.00	6.00	4.00	3.00	8.00	3.00	4.00	4.00	4.00	2.00	6.00	5.00	3.00	4.00	4.00	4.00	4.00	5.00	3.00	3.00	4.00	4.00	
Commutative:		19.00	25.00	31.00	35.00	4.00	12.00	17.00	24.00	30.00	36.00	40.00	3.00	11.00	14.00	18.00	22.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Regular Hours Sub Total:		7.00	6.00	6.00	4.00	4.00	8.00	5.00	7.00	6.00	6.00	4.00	3.00	8.00	3.00	4.00	4.00	4.00	2.00	6.00	5.00	3.00	4.00	4.00	4.00	4.00	5.00	3.00	3.00	4.00	4.00	

Contract Period

NAME	Date	2/6/09	2/7/09	2/8/09	2/9/09	2/10/09	2/11/09	2/12/09	2/13/09	2/14/09	2/15/09	2/16/09	2/17/09	2/18/09	2/19/09	2/20/09	2/21/09	2/22/09	2/23/09	2/24/09	2/25/09	2/26/09	2/27/09	2/28/09	3/1/09	3/2/09	3/3/09	3/4/09	3/5/09	3/6/09	3/7/09		
Segment O-10	Day	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat	Sun	Mon	Tue	Wed	Thurs	Fri	Sat		
Inspectors	JOB NO.																																
Louis Lopez	4410-05																																
Catalino Gonzalez	4410-05																																
Isa Reyes	4410-05																																
Al Treviño	4410-05																																
Hector Cantu	4410-05																																
Joe Elisecche	4410-05																																
Marcos Garcia	4410-05																																
Hector Guajardo	4410-05																																
Oscar Najera	4410-05																																
		4.00	4.25	3.50	5.00	3.00	4.00	4.00	4.00	2.00	0.00	5.00	3.00	4.00	4.00	4.00	6.00	0.00	5.00	4.00	9.00	13.00	16.00	21.00	23.00	0.00	6.00	4.00	4.00	4.00	4.50	25.50	
	Sub Total:	20.00	24.25	3.50	8.50	11.50	15.50	19.50	23.50	25.50	0.00	5.00	8.00	12.00	16.00	20.00	26.00	0.00	5.00	9.00	13.00	16.00	21.00	23.00	0.00	6.00	4.00	4.00	4.00	4.50	25.50		
	Commutative:	4.00	4.25	3.50	5.00	3.00	4.00	4.00	4.00	2.00	0.00	5.00	3.00	4.00	4.00	4.00	6.00	0.00	5.00	4.00	9.00	13.00	16.00	21.00	23.00	0.00	6.00	4.00	4.00	4.00	4.50	25.50	
	Regular Hours Sub Total:	4.00	4.25	3.50	5.00	3.00	4.00	4.00	4.00	2.00	0.00	5.00	3.00	4.00	4.00	4.00	6.00	0.00	5.00	4.00	9.00	13.00	16.00	21.00	23.00	0.00	6.00	4.00	4.00	4.00	4.50	25.50	

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

November 4, 2009
(Revised November 16, 2009)

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

Re: Supplemental Agreement No. 8 (Revised 11/16/09) to Work Authorization No. 4 - Project Interim Yearly Reconciliation of Phase III (Common Levee – 5.3 Miles)

Dear Mr. Garza,

Enclosed please find two originals of Supplemental Agreement No. 8 (Revised 11/16/09) to Work Authorization No. 4 for Phase III (Common Levee – 5.3 Miles). Our Supplemental Agreement No. 8 (Revised 11/16/09) is in regards to project interim yearly reconciliation as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects.

After verbal negotiations, Dannenbaum agreed to perform the **basic engineering fee** services for 90% of 9% or 8.1% of the final construction with certain construction management tasks being reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 8 (Revised 11/16/09) to Work Authorization No. 4 also addresses this modification.

As maintained by our Contract Agreement dated November 7, 2006 and Work Authorization No. 4 dated August 28, 2007 Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.

Hence, please refer to the **Main Contract, Article 7. Work Authorization**. The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit “D1”– Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I for copies of applicable Sections of the Engineering contract.

Below is Dannenbaum’s contracted estimate of the engineering fees based on the preliminary estimated construction cost of \$14,000,000.00 dated August 28, 2007. The contracted engineering fee estimate breaks down to the following:

Table I

Type of Service	Total Contracted Engineering Fee Estimate for W.A. #4 (08/28/07)
Basic Services	\$992,863.67
Special Services	\$792,286.48
Total Estimated Fee	\$1,785,150.15

HIDALGO COUNTY

NOV 17 2009

DRAINAGE DISTRICT #1

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 4 thru substantial/final completion for the Common Levee. There have been construction change orders that have impacted the construction cost; therefore, On September 30, 2009 HCDD No. 1 Staff

met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed on the final construction cost for each project as of September 30, 2009 based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction as of September 30, 2009.

However, on November 3, 2009, Dannenbaum met with HCDD No. 1 to further discuss the construction cost of this project and a question arose regarding Change Order No. 5 for an increase in the quantify to install 18" thick stone rip rap for erosion protection. At the direction of HCDD No. 1 this Change Order was removed from the list.

Hence, we will use the construction cost of \$7,373,911.92 for interim yearly reconciliation, which includes the original bid and incorporated change orders as agreed upon on November 3, 2009 for the Common Levee. Please note that a portion of this project regarding the additional fill at the Anzalduas Stop Log Staging Area is not included in this reconciliation of the project and will be addressed during the next reconciliation of the project if necessary. Respectfully, we are reconciling the project based on the construction cost of \$7,373,911.92 as of November 3, 2009 and utilizing the verbal agreement of providing the basic services for 90% of 9% of the final construction cost.

Based on the revised construction cost, the engineering fees are revised as follows:

Table II

Type of Service	Revised Engineering Fee 09/30/09 (90% of 9% of CC)	Previously Approved Engineering Fee	Difference in Total Engineering Fee
Basic Services	\$597,286.87	\$992,863.67	(\$395,576.80)
Special Services	-	\$792,286.48	\$0.00
Net Decrease for WA No. 4		\$1,785,150.15	(\$395,576.80)
		Original Amount for Work Authorization No. 4	\$1,785,150.15
		Plus Net Decrease due to Reconciliation	(\$395,576.80)
		Total Amount for W.A. No. 4 after Reconciliation	\$1,389,573.35

Please review our Supplemental Agreement No. 8 (Revised 11/16/09) for interim yearly reconciliation of Work Authorization No. 4 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

EXHIBIT "I"

Sections of Engineering Contract Referring to Reconciliation;
Basic Service Fee Percentage Change and Scope Classification Change

**Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1
defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements**

HIDALGO COUNTY

DEC 10 2009

DRAINAGE DISTRICT #1

EXHIBIT "II"

Two Partially Executed Originals of
Supplemental Agreement No. 8 (Revised 11/16/09) to Work Authorization No. 4
To Agreement for Professional Services

Interim Yearly Reconciliation

THE STATE OF TEXAS §
COUNTY OF HIDALGO §

**EXHIBIT “F”
Supplemental Agreement Form**

**SUPPLEMENTAL AGREEMENT NO. 8 (Revised 11/16/09)
TO WORK AUTHORIZATION NO. 4
TO AGREEMENT FOR PROFESSIONAL SERVICES**

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

W I T N E S S E T H

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 4 under said agreement on August 28, 2007 for preliminary engineering, final design and construction phase services; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 4, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization

~~HIDALGO COUNTY~~ Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 8 (REV 11/16/09) to WA No. 4—Project Reconciliation for Phase III (Common Levee-5.3 Miles)
“Levee System Improvements within Hidalgo County, Texas”

DEC 10 2009

No. 1, Payment, establishes the method of payment for the proposed improvements for the Levee System Improvements for Phase III (Common Levee – 5.3 Miles); and,

WHEREAS, it has become necessary to amend Work Authorization No. 4 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 9% or 8.1% of the final construction cost.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”, Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER and ENGINEER** agree the construction cost estimate of this project is modified as outlined in Attachment “B” – Construction Cost Tabulation, which includes the original bid tabulation with incorporated change orders for the Hidalgo Loop Levee to Anzalduas Dam; and the Engineer’s cost estimate dated March 11, 2009 for the Additional Fill at Anzalduas Dam Stop Log Staging Area,

Work Authorization No. 4, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 4 for Phase III (Common Levee – 5.3 Miles), are updated in accordance with the **Main Contract, Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit “D1”; Article 6, Section 6.1 defining the**

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
SA No. 8 (REV 11/16/09) to WA No. 4–Project Reconciliation for Phase III (Common Levee-5.3 Miles)
HIDALGO COUNTY “Levee System Improvements within Hidalgo County, Texas”

DEC 10 2009

EXHIBIT “F”
Page 2 of 3

reconciliation of engineering fees; and Article 8, Supplemental Agreements. Total basic fee reduction to the contract agreement under this work authorization is (\$395,576.80). (See Attachment A – Breakdown of Project Reconciliation).

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this Supplemental Agreement No. 8 (Revised 11/16/09) to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 

Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment "A" - Breakdown of Project Reconciliation
- Attachment "B" - Construction Cost Tabulation, including the Original Bid Tabulation with Incorporated Change Orders

ATTACHMENT A

**BREAKDOWN OF PROJECT RECONCILIATION
NOVEMBER 16, 2009**

Hidalgo County Drainage District No. 1
Supplemental Agreement No. 8 to Work Authorization No. 4
COMMON LEVEE - HIDALGO LOOP LEVEE TO ANZALDUAS DAM (5.3 MILES)
HCDD No. 1 Contract No. 08-007-05-27 / DEC Project No. 4287-04

Summary of Engineering Fees Based on Percentage of Construction Cost

	Reconciled Engineering Fees based on Final Constuction Cost Estimate September 30, 2009	Contracted Engineering Fees (Actual) based on Constuction Cost Estimate August 28, 2007	DIFFERENCE IN ENGINEERING FEES
BASIC SERVICES ONLY	\$7,373,911.92	\$14,000,000.00	
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 9% of Total Construction Cost)	\$ 199,095.62	\$ 237,953.25	\$ (38,857.63)
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 9% of Total Construction Cost)	\$ 398,191.24	\$ 754,910.42	\$ (356,719.18)
TOTALS	\$ 597,286.87	\$ 992,863.67	\$ (395,576.80)
(Percent of Construction Cost)	8.1%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 4			(\$395,576.80)

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 597,286.87
Previously Billed thru Final Design Phase	\$ 992,863.67
Amount Reimbursable After Project Reconciliation	\$ (395,576.80)

Construction Cost Breakdown	
Hidalgo Loop Levee to Anzalduas Dam	\$ 7,373,911.92
Does not include - Additional Fill at Anzalduas Stop Log Staging Area (Engineer's Estimate = \$28,549.06)	
Total Construction Cost	\$ 7,373,911.92

EXHIBIT "III"

Construction Cost Estimate as of November 4, 2009

**(Less Change Order No. 5 as agreed to between HCDD No. 1 Staff and
Dannenbaum Staff at the meeting held on November 3, 2009)**

EXHIBIT "III"

Construction Cost Estimate as of November 4, 2009

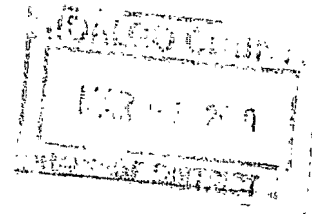
**(Less Change Order No. 5 as agreed to between HCDD No. 1 Staff and
Dannenbaum Staff at the meeting held on November 3, 2009)**

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

March 2, 2010

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541



**Re: Supplemental Agreement No. 18A (Revised 02/19/10) to Work Authorization No. 3
Project Interim Yearly Reconciliation of Work Authorizations No. 1, No. 2 and No. 3**

Dear Mr. Garza,

Basic and Special Services for the following projects were provided under Work Authorizations No. 1, No. 2 and No. 3. (Refer to Exhibit I)

Local / USIBWC Participation (Only):

- Mission Levee Phase I Banker Weir to Inspiration Road (3.74 Miles)
- Mission Levee Ph II Inspiration Rd to West Side of Military Rd (Orig 8.26 Miles)
- Mission Levee Ph II Inspiration Road to Abrams Road (Including Bentsen Palm Crossing, United Irrigation Crossing, and Crossing Military West End of 4C to West of Military - Railroad Crossing) (3.91 Miles+)

In order to provide a better clarification of the reconciliation of these projects, we are reconciling Work Authorizations No. 1, No. 2 and No. 3 under one supplemental agreement; being Supplemental Agreement No. 18A (Revised 02/19/10) to Work Authorization No. 3 as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects.

After verbal negotiations, Dannenbaum agreed to perform the **basic engineering fee** services for Mission Levee Phase I Banker Weir to Inspiration Road (3.74 Miles); Mission Levee Ph II Inspiration Rd to West Side of Military Rd (Original 8.26 Miles); Mission Levee Ph II Inspiration Road to Abrams Road (Including Bentsen Palm Crossing, United Irrigation Crossing, and Crossing Military West End of 4C to West of Military - Railroad Crossing) (3.91 Miles+) **for 90% of 9% or 8.1% of the final construction.**

Also as verbally agreed, certain construction management tasks will be reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 18A (Revised 02/19/10) to Work Authorization No. 3 also addresses these modifications.

As maintained by our Contract Agreement dated November 7, 2006 and Work Authorization No. 3 dated July 3, 2007 Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.

Hence, please refer to the **Main Contract, Article 7. Work Authorization.** The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1"– Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I of this correspondence for copies of applicable Sections of the Engineering contract.

On September 30, 2009 HCDD No. 1 Staff met with Dannenbaum Staff to discuss the construction cost of the various projects under the Hidalgo County Levee Rehabilitation Project. Both HCDD No. 1 Staff and Dannenbaum Staff agreed the final construction cost for interim yearly reconciliation based on bid tabulations less approved change orders and/ or Engineer's Probable Cost of Construction* as of September 30, 2009 for the projects under this work authorization are as stated below:

	Proj No.	Project Description	Final for Reconciliation	Date
Original Work Orders	1	Mission Levee Phase I Banker Weir to Inspiration Road (3.74 Miles)	\$6,407,351.95	September 30, 2009
	2	Mission Levee Ph II Inspiration Road to West Side of Military Road (Original 8.26 Miles)	N/A	N/A
Modified Work Order No. 2 (8.26 Miles) Divided into six (6)	2A	Mission Levee Phase II Inspiration Road to Abram Road (3.91 Miles)	\$4,839,139.01	September 30, 2009
	2B	Bentsen Palm Crossing and United Irrigation Crossing (Part of Mission Levee Ph II Inspiration Road to Abram Rd) Included in Project No. 3	\$898,090.00*	September 30, 2009
	2C	(Railroad Crossing) - Crossing Military West End of 4C to West of Military (Part of Mission Levee Ph II Inspiration Road to Abram Road) Included in Project No. 3	\$89,782.00*	September 30, 2009

The preliminary fee before reconciliation for each project breaks down to the following:

Table I Project No. 1 – Mission Levee Ph I Banker Weir to Inspiration Road (3.74 Miles)

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services	\$769,522.41
Special Services	\$437,533.35
Total Estimated Fee	\$1,207,055.76

Table II Original Project No. 2 – Mission Levee Ph II Inspiration Rd to West Side of Military Rd (8.26 Miles)

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services (Original Basic Services = \$783,135.46, but part of it was distributed among Inspiration Road to Abram Road and DHS Segments O-4A and O-4C) (See Exhibit I)	\$370,919.50
Special Services (Surveying and Funding Liaison Amount for all projects under Work Authorization No. 3)	\$581,631.00
Total Estimated Fee	\$952,550.90

Table III Modified Project No. 2A, 2B, 2C – Mission Levee Ph II
 Inspiration Road to Abram Road (3.91+ Miles) – Including Mission Levee Ph II – Bentsen Palm Crossing
 and United Irrigation Crossing, Mission Levee Ph II – Crossing Military West End of 4C to West of Military
 (Railroad Crossing)

Type of Service	Total Prelim Fee Estimate for W.A. #3
Basic Services	\$555,915.27
Special Services	\$213,926.85
Total Estimated Fee	\$769,842.12

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 1, No. 2 and No. 3 thru the final design phase for the various projects listed above. There have been some construction change orders impacting the construction cost; therefore, final reconciliation will be based on the construction cost of each project as agreed upon by both HCDD No. 1 Staff and Dannenbaum Staff on September 30, 2009 and utilize the verbal agreement of providing the basic services for 90% of 9% of the final construction cost.

Based on the revised construction cost, our engineering fees are revised as follows:

Table I Project No. 1 – Mission Levee Ph I
 Banker Weir to Inspiration Road (3.74 Miles)

Type of Service	Revised Fee (90% of 9% of CC)	Previously Approved Fee	Difference in Total Fee
Basic Services	\$518,995.51	\$769,522.41	(\$250,546.75)
Special Services	-	\$427,533.35	\$0.00
Net Decrease for WA No. 3		\$1,207,055.76	(\$250,526.90)

Original Amount	\$1,207,055.76
Plus Net Decrease due to Reconciliation	(\$250,546.75)
Total Amount (After Reconciliation)	\$956,509.01

Table II Original Project No. 2 – Mission Levee Ph II
 Inspiration Rd to West Side of Military Rd (8.26 Miles) (See Exhibit I)

Type of Service	Revised Fee (90% of 9% of CC)	Previously Approved Fee	Difference in Total Fee
Basic Services	\$0.00	\$370,919.50	\$0.00
Special Services	\$0.00	\$581,631.00	\$0.00
Net Increase/Decrease for WA No. 3		\$952,550.90	\$0.00

- **Special Services include surveying and funding liaison amount for the entire 8.26 Miles**
- **The above basic services fee of \$370,919.50 was for the portion of the final design cost that was expended before the project was changed to a DHS Levee/Wall and divided into Projects 2A thru 2F. As a result, this expended fee was no longer usable. However, the preliminary engineering fee and special services fee were usable.**

Original Amount	\$952,550.90
Plus Net Increase/Decrease due to Reconciliation	\$0.00
Total Amount (After Reconciliation)	\$952,550.90

Table III Modified Project No. 2A, 2B, 2C – Mission Levee Ph II
 Inspiration Road to Abram Road (3.91 Miles) – Including Mission Levee Ph II – Bentsen Palm Crossing
 and United Irrigation Crossing, Mission Levee Ph II – Crossing Military West End of 4C to West of Military
 (Railroad Crossing)

Type of Service	Revised Fee (90% of 9% of CC)	Previously Approved Fee	Difference in Total Fee
Basic Services	\$471,987.89	\$555,915.27	(\$83,927.38)
Special Services	-	\$213,926.85	\$0.00
Net Decrease for WA No. 3		\$769,842.12	(\$83,927.38)

Original Amount	\$769,842.12
Plus Net Decrease due to Reconciliation	(\$83,927.38)
Total Amount (After Reconciliation)	\$685,914.74

Work Authorizations No. 1 and No. 2 were straightforward, however, Work Authorization No. 3 became complex because of the various projects that the original 8.26 miles was divided into. However, Dannenbaum has presented our best effort to explain the various changes and explanation of how the engineering fees were dispersed based on the respective project limits for each project.

Please review our Supplemental Agreement No. 18A (Revised 02/19/10) to Work Authorization No. 3, which includes our **interim yearly reconciliation** of Work Authorization No. 1, No. 2 and No. 3. Based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
 President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
 Wayne Ahrens, P.E.
 Richard Seitz, P.E.
 Sandra Spence, Administrative Manager
 Shari Bricarell, Senior Account Executive

THE STATE OF TEXAS §

COUNTY OF HIDALGO §

EXHIBIT "F"
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 18A (Revised 02/19/10)
TO WORK AUTHORIZATION NO. 3
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

WITNESSETH

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the "Levee System Improvements within Hidalgo County, Texas" (hereinafter referred to as the "Project"); and executed Work Authorization No. 3 under said agreement on July 3, 2007 for preliminary engineering, final design and construction phase services for Mission Levee Phase I Banker Weir to Inspiration Road (3.74 MI) and Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 3, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 18A (REV 02/19/10) to WA No. 3 – Project Reconciliation
"Levee System Improvements within Hidalgo County, Texas"

No. 3, Payment, establishes the method of payment for the proposed improvements for Mission Levee Phase I Banker Weir to Inspiration Road (3.74 MI) and Mission Levee Ph II Inspiration Rd to West Side of Military Road - Original 8.26 Miles); and,

WHEREAS, it has become necessary to amend Work Authorization No. 3 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 9% or 8.1% of the final construction cost for the earthen levee projects - Mission Levee Phase I Banker Weir to Inspiration Road (3.74 Miles) and Mission Levee Phase II Inspiration Road to Abrams Road (Including Bentsen Palm Crossing, United Irrigation Crossing, and Crossing Military Road’s West End of 4C to West of Military Road (end of levee) and the Railroad Crossing) (3.91 Miles+).

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”; Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER** and **ENGINEER** agree that the Construction Cost of each respective Project is modified as referenced in Attachment “B” – Bid Tabulation and Construction Cost Estimates for the various projects under Work Authorization No. 3,

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 18A (REV 02/19/10) to WA No. 3 – Project Reconciliation
“Levee System Improvements within Hidalgo County, Texas”

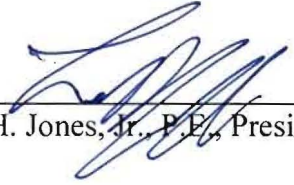
I. Work Authorization No. 3, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 3 for Mission Levee Phase I Banker Weir to Inspiration Road (3.74 Miles) and Mission Levee Phase II Inspiration Road to Abrams Road (Including Bentsen Palm Crossing, United Irrigation Crossing, and Crossing Military Road's West End of 4C to West of Military Road (end of levee) including Railroad Crossing) (3.91 Miles+) are updated in accordance with the Main Contract, Article 7, Work Authorization; Article 5.1 and Exhibit "D-1"; Article 6, Section 6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements. Total basic fee reduction to the contract agreement under this work authorization is outlined in

Attachment A – Breakdown of Project Reconciliation:

- Mission Levee Ph I ~ Banker Weir to Inspiration Rd. = (\$250,526.90)
- Mission Levee Ph II ~ Inspiration Rd. to Abrams Rd. = (\$83,927.38)
(Including Bentsen Palm Crossing, United Irrigation Crossing, and Crossing Military Road's West End of 4C to West of Military Road (end of levee) including Railroad Crossing)

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this **Supplemental Agreement No. 18A (Revised 02/19/10)** to be effective as of the ____ day of _____, 2010.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: 
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment “A” - Breakdown of Project Reconciliation
- Attachment “B” - Bid Tabulation and Approved Change Orders and/or Engineer’s Construction Cost Estimates for the Various Projects under Work Authorization No. 3

- Exhibit I - Basic and Special Services under Contract for Work Authorizations No. 1, No. 2 and No. 3

ATTACHMENT A

BREAKDOWN OF PROJECT RECONCILIATION
 SEPTEMBER 30, 2009
 HIDALGO COUNTY DRAINAGE DISTRICT NO. 1
 SUPPLEMENTAL AGREEMENT NO. 18 TO WORK AUTHORIZATION NO. 3
 (Includes the Reconciliation of Work Authorization No. 1, No. 2 and No. 3)

MISSION LEVEE PHASE I
 BANKER WEIR TO INSPIRATION ROAD (3.74 MILES)
 HCDD No. 1 CONTRACT NO. 08-005-04-29 / DEC PROJECT NO. 4287-03

SUMMARY OF ENGINEERING FEES BASED ON PERCENTAGE OF CONSTRUCTION COST

	Reconciled Engineering Fee based on Final Construction Cost Estimate September 30, 2009 \$6,407,351.95	Contracted Engineering Fees (Actual) SEE EXHIBIT NO. 1	DIFFERENCE IN ENGINEERING FEES
BASIC SERVICES ONLY			
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 9% of Total Construction Cost)	\$ 172,998.50	\$ 256,660.47	\$ (83,661.97)
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 9% of Total Construction Cost)	\$ 345,997.01	\$ 512,861.94	\$ (166,864.93)
TOTALS	\$ 518,995.51	\$ 769,522.41	\$ (250,526.90)
(Percent of Construction Cost)	8.1%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 4			(\$250,526.90)

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 518,995.51
Previously Billed thru Final Design Phase	\$ 769,522.41
Amount Reimbursable After Project Reconciliation	\$ (250,526.90)

ATTACHMENT A

BREAKDOWN OF PROJECT RECONCILIATION
 SEPTEMBER 30, 2009
 HIDALGO COUNTY DRAINAGE DISTRICT NO. 1
 SUPPLEMENTAL AGREEMENT NO. 18 TO WORK AUTHORIZATION NO. 3
 (Includes the Reconciliation of Work Authorization No. 1, No. 2 and No. 3)

MISSION LEVEE PHASE II
 INSPIRATION ROAD TO ABRAM ROAD (3.91 MILES)
 (INCLUDES BENTSEN PALM CROSSING, UNITED IRRIGATION CROSSING, AND
 CROSSING MILITARY WEST END OF DHS SEG O-4C TO WEST OF MILITARY RD (EAST OF LEVEE)(INCLUDING RAILROAD CROSSING)
 HCDD No. 1 CONTRACT NO. 08-010-07-01 / DEC PROJECT NO. 4287-03

SUMMARY OF ENGINEERING FEES BASED ON PERCENTAGE OF CONSTRUCTION COST

	Reconciled Engineering Fee based on	Contracted Engineering Fees (Actual)	
BASIC SERVICES ONLY	Final Constuction Cost Estimate September 30, 2009	SEE EXHIBIT NO. 1	DIFFERENCE IN ENGINEERING FEES
	\$ 5,827,011.01		
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 9% of Total Construction Cost)	\$ 157,329.30	\$ 185,205.89	\$ (27,876.59)
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 9% of Total Construction Cost)	\$ 314,658.59	\$ 370,709.38	\$ (56,050.79)
TOTALS	\$ 471,987.89	\$ 555,915.27	\$ (83,927.38)
(Percent of Construction Cost)	8.1%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 4			(\$83,927.38)

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 471,987.89
Previously Billed thru Final Design Phase	\$ 555,915.27
Amount Reimbursable After Project Reconciliation	\$ (83,927.38)

Construction Cost Breakdown	
Inspiration Road to Abram Road (3.91 Miles)	\$ 4,839,139.01
Bentsen Palm Crossing and United Irrigation Crossing	\$ 898,090.00
Mission Levee Ph II Crossing Military West End of 4C to West of Military (Railroad Crossing)	\$ 89,782.00
Total Construction Cost	\$ 5,827,011.01

DANNENBAUM ENGINEERING COMPANY - McALLEN LLC

1109 NOLANA LOOP, SUITE 208 McALLEN, TEXAS 78504 (956) 682-3677

October 5, 2009

Godfrey Garza
Hidalgo County Drainage District No. 1
902 N. Doolittle
Edinburg, Texas 78541

**Re: Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 6 -
Project Interim Yearly Reconciliation of the North Banker Floodway Levee (2.9 Miles)**

Dear Mr. Garza,

Enclosed please find two originals of Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 6 for the North Banker Floodway Levee (2.9 Miles). Our Supplemental Agreement No. 7 (Revised 09/30/09) is in regards to project **interim yearly reconciliation** as outlined in the Main Contract for the Hidalgo County Drainage District No. 1 Levee System Improvement Projects.

After verbal negotiations, Dannenbaum agreed to perform the basic engineering fee services for 90% of 9% or 8.1% of the final construction with certain construction management tasks being reclassified from basic services to special services as per verbal agreement. As a result, Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 6 also addresses this modification.

As maintained by our Contract Agreement dated November 7, 2006 and Work Authorization No. 6 dated March 5, 2008 Dannenbaum is requesting an interim yearly reconciliation of our accounting as per our contractual agreement and modify the basic service fee percentage and scope classification change as verbally agreed. A final reconciliation will be performed at the end of project closeout.

Hence, please refer to the **Main Contract, Article 7. Work Authorization**. The work authorization is only an estimate of the engineering fee. **Article 7** refers back to **Article 5.1** and more particularly identified in Exhibit "D1"- Fee Breakdown, which define the final engineering basic service fee as the equal of 9% of the final construction cost. **Article 6; Section 6.1** refers to the project reconciliation on a yearly basis. This reconciliation only affects the basic services engineering fee and does not affect any approved special services. Refer to Exhibit I for copies of applicable Sections of the Engineering contract.

Below is Dannenbaum's contracted estimate of the engineering fees based on the preliminary estimated construction cost of \$2,030,000.00 dated March 5, 2008. The contracted engineering fee estimate breaks down to the following:

Table I

Type of Service	Total Contracted Engineering Fee Estimate for W.A. #6 (March 5, 2008)
Basic Services	\$164,430.01
Special Services	\$73,589.00
Total Estimated Fee	\$238,019.01

Dannenbaum has successfully completed the assigned tasks under Work Authorization No. 6 thru the final design phase for the North Banker Floodway Levee. This construction of this project is being handled under the direction of the United States International and Water Commission (USIBWC) assisted by Hidalgo County Drainage District No. 1 and Dannenbaum Engineering. The construction cost (actual bid) of this project is in the amount of \$950,997.32.

Respectfully, we are **interim yearly reconciling** the project based on the construction cost (actual bid) of this project is in the amount of \$950,997.32 as of September 30, 2009 and utilizing the verbal agreement of providing the basic services for 90% of 9% of the final construction cost.

Based on the revised construction cost, the engineering fees are revised as follows:

Table II

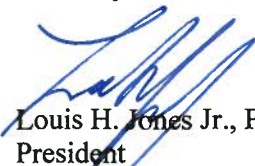
Type of Service	Revised Engineering Fee September 30, 2009 (90% of 9% of CC)	Previously Approved Engineering Fee	<i>Difference in Total Engineering Fee</i>
Basic Services	\$77,030.78	\$164,430.01	(\$87,399.23)
Special Services	-	\$73,589.00	\$0.00
Net Decrease for WA No. 6		\$238,019.01	(\$87,399.23)

Original Amount for Work Authorization No. 6	\$238,019.01
Plus Net Decrease due to Reconciliation	(\$87,399.23)
Total Amount for W.A. No. 6 after Reconciliation	\$150,619.78

Please review our Supplemental Agreement No. 7 (Revised 09/30/09) for **interim yearly reconciliation** of Work Authorization No. 6 and based on your approval, please sign both copies and return one original to us for our records.

We appreciate the opportunity to be of service to the Hidalgo County Drainage District No.1. If you have any questions or need further clarification of this correspondence, please do not hesitate to call me at (956)682-3677 or (832)771-4904.

Sincerely,



Louis H. Jones Jr., P.E.
President

Enclosure(s)

cc: James D. Dannenbaum, P.E.
Wayne Ahrens, P.E.
Richard Seitz, P.E.
Sandra Spence, Administrative Manager
Shari Bricarell, Senior Account Executive

EXHIBIT "I"

Sections of Engineering Contract Referring to Reconciliation;
Basic Service Fee Percentage Change and Scope Classification Change

**Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit "D1"; Article 6, Section 6.1
defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements**

HIDALGO COUNTY

DEC 10 2009

DRAINAGE DISTRICT #1

EXHIBIT "II"

Two Partially Executed Originals of
Supplemental Agreement No. 7 (Revised 09/30/09) to Work Authorization No. 6
To Agreement for Professional Services

Interim Yearly Reconciliation

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

EXHIBIT “F”
Supplemental Agreement Form

SUPPLEMENTAL AGREEMENT NO. 7 (Revised 09/30/09)
TO WORK AUTHORIZATION NO. 6
TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS SUPPLEMENTAL AGREEMENT is made pursuant to the terms and conditions of Section 4 of the Agreement made by and between the **HIDALGO COUNTY DRAINAGE DISTRICT NO. 1**, acting herein by and through its **BOARD OF DIRECTORS**, hereinafter called the **OWNER** and **DANNENBAUM ENGINEERING COMPANY – MCALLEN, LLC**, professional engineers of McAllen, Texas, hereinafter called the **ENGINEER**.

WITNESSETH

WHEREAS, the **OWNER** and the **ENGINEER** executed the Main Contract Agreement on the 7th day November, 2006 concerning engineering and related services of the facilities for the “Levee System Improvements within Hidalgo County, Texas” (hereinafter referred to as the “Project”); and executed Work Authorization No. 6 under said agreement on March 5, 2008 for partial preliminary engineering; and relative supplemental agreements thereafter; and,

WHEREAS, Section Part 2 of Work Authorization No. 6, Estimated Cost, establishes the estimated professional engineering services fee and Part 3 of Work Authorization No. 6, Payment, establishes the method of payment for the proposed improvements for the Levee System Improvements for the North Banker Floodway Levee (2.9 Miles); and,

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 7 (Revised 09/30/09) to WA No. 6– Project Reconciliation
“Levee System Improvements within Hidalgo County, Texas”

HIDALGO COUNTY

DEC 10 2009

DRAINAGE DISTRICT #1

EXHIBIT “F”
Page 1 of 3

WHEREAS, it has become necessary to amend Work Authorization No. 6 to reconcile the project as per the **Main Contract, Work Authorization, Article 7, Section 5.1 and Exhibit “D-1”**, which define the final engineering basic service fee as the equal of 9% of the final construction cost; and **Article 6; Section 6.1** defining reconciliation of engineering fees; and,

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1 and Exhibit “D-1”** shall be changed from 9% to 90% of 9% or 8.1% of the final construction cost.

WHEREAS, upon execution of this supplemental agreement, the final engineering basic service fee outlined in **Article 5.1**, and identified in **Article 2** and more particularly identified in **Exhibit “B” “Services to be Provided by the Engineer”**; shall be modified to change the “Classification of Services”, Item I: Engineering Management (EM); Item D – Construction Management Items one (1) through ten (10) shall be classified as “Special Services”.

NOW, THEREFORE, premises considered, the **OWNER and ENGINEER agree the construction cost estimate of this project is modified as outlined in Attachment “B” – Construction Cost Tabulation, which includes the original bid tabulation with incorporated change orders for the North Banker Floodway Levee.**

Work Authorization No. 4, Part 2, Engineering Fee, is revised as follows: the engineering fee for providing engineering services under Work Authorization No. 6 for the North Banker Floodway Levee (2.9 Miles), are updated in accordance with the **Main Contract, Article 7, Work Authorization; Article 5.1, Basic Services and Exhibit “D1”; Article 6, Section 6.1 defining the reconciliation of engineering fees; and Article 8, Supplemental Agreements. Total basic fee reduction to the contract agreement under this work authorization is (\$87,399.23).** (See Attachment A – Breakdown of Project Reconciliation).

HIDALGO COUNTY

Hidalgo County Drainage District No. 1 / Dannenbaum Engineering Company – McAllen, LLC
Supplemental Agreement No. 7 (Revised 09/30/09) to WA No. 6– Project Reconciliation
“Levee System Improvements within Hidalgo County, Texas”

NOV 10 2009

DRAINAGE DISTRICT #1

EXHIBIT “F”
Page 2 of 3

IN WITNESS WHEREOF, the **ENGINEER** and the **OWNER** have caused this Supplemental Agreement No. 7 (Revised 09/30/09) to be effective as of the ____ day of _____, 2009.

ENGINEER:
DANNENBAUM ENGINEERING COMPANY –
MCALLEN, LLC

BY: _____
Louis H. Jones, Jr., P.E., President

OWNER:
HIDALGO COUNTY

BY: _____
Rene A. Ramirez, County Judge

ATTACHMENTS:

- Attachment "A" - Breakdown of Project Reconciliation
- Attachment "B" - Construction Cost Tabulation, including the Original Bid Tabulation with Incorporated Change Orders

ATTACHMENT A

**BREAKDOWN OF PROJECT RECONCILIATION
SEPTEMBER 30, 2009**

**Hidalgo County Drainage District No. 1
Supplemental Agreement No. 7 to Work Authorization No. 6
NORTH BANKER FLOODWAY LEVEE (2.9 MILES)
HCDD No. 1 Contract No.: (N/A) / DEC Project No. 4287-06**

Summary of Engineering Fees Based on Percentage of Estimated Construction Cost

	Reconciled Engineering Fees based on Final Constuction Cost Estimate September 30, 2009 \$950,997.32	Contracted Engineering Fees (Actual) based on Constuction Cost Estimate March 5, 2008 \$2,030,000.00	
BASIC SERVICES ONLY			DIFFERENCE IN ENGINEERING FEES
Preliminary Engineering and Design (Thru 30% Plans) Final Design / Bid Phase Services (30% of 9% of Total Construction Cost)	\$ 25,676.93	\$ 54,810.00	\$ (29,133.07)
Final Design/Bid Phase Services (Thru 100% Plans) (60% of 9% of Total Construction Cost)	\$ 51,353.86	\$ 109,620.01	\$ (58,266.15)
TOTALS	\$ 77,030.78	\$ 164,430.01	\$ (87,399.23)
(Percent of Construction Cost)	8.1%		
TOTAL AMOUNT FOR SUPPLEMENTAL AGREEMENT NO. 4			(\$87,399.23)

Amount due after Project Reconciliation	
Total Fees Based on Revised Const Cost	\$ 77,030.78
Previously Billed thru Final Design Phase	\$ 164,430.01
Amount Reimbursable After Project Reconciliation	\$ (87,399.23)

**Copies of Bid Tabulations
and Change Orders
and/or
Engineer's Probable Cost of Construction**

Sandra Spence

Subject: FW: Pre-Construction Conference IBM09C0014 RECOVERY - Construction of Banker Floodway North Levee Improvements (Granjeño to 23rd St)

Importance: High

From: Louis Jones

Sent: Tuesday, August 04, 2009 7:27 AM

To: Sandra Spence

Subject: FW: Pre-Construction Conference IBM09C0014 RECOVERY - Construction of Banker Floodway North Levee Improvements (Granjeño to 23rd St)

Importance: High

SANDRA, USE THIS BID PRICE FOR 2.9 MILE LEVEE.

From: godfrey [mailto:g.g@hcdd1.org]

Sent: Monday, August 03, 2009 1:19 PM

To: Richard Seitz; Louis Jones

Subject: FW: Pre-Construction Conference IBM09C0014 RECOVERY - Construction of Banker Floodway North Levee Improvements (Granjeño to 23rd St)

Importance: High

Please make arrangements to attend this meeting.

Thank you,

Godfrey Garza, Jr., CFM
District Manager, Flood Plain Administrator
Hidalgo County Drainage District #1
902 N. Doolittle
Edinburg, Texas 78542
Office# (956) 292-7080
Fax# (956) 292-7089
Cell# (956) 227-3623
E-Mail: g.g@hcdd1.org

From: Colleen Elliott [mailto:colleenelliott@ibwc.gov]

Sent: Monday, August 03, 2009 11:48 AM

To: Godfrey Garza

Cc: Alexander Moga; Frank Delgado; Hugo White; Jose Nunez; Ruben Pino Jr; Sharlotte Teague

Subject: Pre-Construction Conference IBM09C0014 RECOVERY - Construction of Banker Floodway North Levee Improvements (Granjeño to 23rd St)

Importance: High

Dear Mr. Garza:

We've awarded the subject contract to Inuit Services, Inc., a HUBZone firm in the amount of \$950,997.32 on July 24, 2009. The subject meeting has been set for Wednesday, August 5, 2009 at 9:00 a.m. MDT for an estimated duration of three hours.

You are cordially invited to participate and/or observe the subject meeting via video conference call from our Mercedes Field Office to IBWC HQ at El Paso. It would be very much appreciated if you had a representative from Dannenbaum present as well.

I apologize in advance for the short notice due to my unexpected illness for several days.

We really hope to see you or your representative at the conference, as well as one from the original design firm.

Please acknowledge receipt of this message by return e-mail, and if possible, indicate participants from Hidalgo County Drainage District No. 1.

Sincerely,

Colleen Jaye Elliott, Contracting Officer
International Boundary & Water Commission,
United States Section
Administration Department, Acquisitions Office
4171 North Mesa, Suite C-100
El Paso, TX 79902-1441
Telephone: (915) 832-4714
Fax: (915) 832-4192

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Engineer's Probable Cost of Construction

**ENGINEERS PROBABLE CONSTRUCTION COST ESTIMATE
PROJECT NO. 4287-06
NORTH BANKER FLOODWAY LEVEE IMPROVEMENTS PROJECT (2.9 MI.)**

Bid Item	Section No.	Description	Unit	Unit Quantity	Unit Price In Figures (1)	Total In Figures
1	01 50 20	MOBILIZATION, BONDS AND INSURANCE	LS	1	\$ 35,000.00	\$ 35,000.00
2	01 57 30	TEMP EROSION CONTROL (FILTER FABRIC FENCE)	LF	17,481	\$ 2.50	\$ 43,702.50
3	01 57 50	TEMP EROSION CONTROL (CONST EXIT / ENTR)	EA	2	\$ 2,250.00	\$ 4,500.00
4	03 01 11	EXCAVATE AND RECOMPACT (EXIST LEVEE EMBANKMENT) (BENCH ECAVATION)	CY	5,822	\$ 6.60	\$ 38,425.20
5	31 10 00	PREPARATION RIGHT OF WAY	STA	86	\$ 600.00	\$ 51,600.00
6	31 31 50	EMBANKMENT	CY	38,842	\$ 11.14	\$ 432,816.41
7	31 91 10	EXCAVATE, STOCKPILE AND RESTABLISHED (EXIST TOPSOIL) (4-6 IN)	CY	6,165	\$ 6.17	\$ 38,044.22
8	31 91 10	TOPSOIL (NEW)	CY	1,122	\$ 6.05	\$ 6,788.21
9	32 71 40	EXCAVATE AND STOCKPILE (EXIST FLEX BASE) (CALICHE) (4-8 IN) (MAINTENANCE ROAD)	CY	1,327	\$ 7.00	\$ 9,289.00
10	32 71 40	FLEXBASE (STOCKPILED MATERIAL) (CALICHE) (TY D GR 6) (6 IN.)	CY	664	\$ 7.00	\$ 4,648.00
11	32 71 40	FLEXBASE (NEW) (CALICHE) (TY D GR 6) (6 IN.)	CY	2,108	\$ 26.00	\$ 54,808.00
12	32 92 10	HYDRO MULCH	SY	41,635	\$ 0.50	\$ 20,817.50
Total Bid Amount:						\$ 740,439.03

EXHIBIT "III"

Construction Cost Estimates as of September 30, 2009

**(Agreed to between HCDD No. 1 Staff and Dannenbaum Staff
at the meeting held on September 30, 2009)**

**Hidalgo County Levee Rehabilitation Project
USIBWC Earthen Levee Projects and DHS Levee/Wall Projects
Construction Cost Estimates as of September 30, 2009
(Based on the meeting held between HCDD No. 1 Staff and Dannenbaum Staff on September 30, 2009)**

Final construction cost based on the following criteria respectively:

- 1) Used the amount of all the actual change orders approved by Commissioner's Court
- 2) If there were change orders approved by Commissioner's Court and DHS issued a PF225; however, change order amount and PF225 amount differ, the amount of the change order was used.
- 3) If there were change orders that had not been approved by Commissioner's Court and DHS issued a PF225, then the amount of the PF225 was used.
- 4) If DHS issued a PF225, but no change order had been developed, the amount of the PF225 was used.
- 5) If a change order was sent to DHS for approval, but DHS had not issued a PF 225, the amount of the change order was used.

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/CO	Difference
DHS 0-4A	Ballenger	Original Contract	\$ 39,809,630.95			9/30/2008	
Pending Change Orders:							
#4A-Revised Beg.wall	\$ (139,908.78)	*	38,571.45	37	1/28/2009		
#9-Wall Stem qty	\$ (30,291.71)	9/29	292,500.00	85	4/21/2009		
#11-Dewatering		***	26,267.39	87	6/15/2009		
HCDD#1 Est.	\$ 39,968,634.64		(17,556.40)	88	6/30/2009		
			1,972.31	110	6/30/2009		
			(15,211.32)	89	6/30/2009		(14,547.00) \$
			2,660.75	111	7/14/2009		(664.32)
			<u>40,138,835.13</u>		BOD Approved		
DHS 0-4C	Ballenger	Original Contract	\$ 4,403,851.15			9/30/2008	
Pending Change Orders:							
#3-Wall Stem qty	\$ (5,726.31)	9/29	188.40	38	1/28/2009		
#4-Dewatering		***	4,404,039.55	76	3/17/2009		
HCDD#1 Est.	\$ 4,398,313.24						
DHS 0-5	Ballenger	Original Contract	\$ 21,383,679.67			7/1/2008	
Pending Change Orders:							
#12-extension of time	\$ -	9/22	(378,056.50)	8	8/19/2008		
#16-gatewell structure	\$ 11,649.55	9/29	(532,205.07)	9	8/19/2008		
HCDD#1 Est.	\$ 19,274,935.53		(257,720.74)	10	8/19/2008		
			(100,097.52)	11	9/30/2008		
			-	39	1/28/2009		
			(15,286.50)	113	6/30/2009		
			45,779.18	124	8/25/2009		
			(882,806.54)	130	9/1/2009		
			<u>19,263,285.98</u>				
DHS 0-6A	Ballenger	Original Contract	\$ 28,553,870.93			9/2/2008	
Pending Change Orders:							
#13B-Wall Realignment		***	(530,085.28)	55	1/28/2009		28.98
#14-Rerouting irr.line	\$ 22,896.11	9/22	(86,888.03)	56	1/28/2009		(530,114.26) \$
#16-Deletion of contract		***	(781,964.42)	57	1/28/2009		(86,894.09) \$
#17-rev. wall beg. Str.		***	-	40	1/28/2009		
#18-Stem qty	\$ (18,330.70)	***	6,115.25	112	7/14/2009		6118.24 \$
#20-Bollards		***	109,492.12	127	8/25/2009		
#21-Proj. Recon		***	14,007.09	125	8/25/2009		
HCDD#1 Est.	\$ 26,992,491.38	***	(296,621.69)	131	9/1/2009		
			26,987,925.97				

DHS Segment	Contractor	Change Order No.	Amount	225	BOD	PF225/CO	Difference
DHS 0-9 Phase I	Williams Bros.	Original Contract	\$ 20,263,897.40			7/8/2008	
Pending Change Orders:						9/30/2008	
#8A-Wall penetration	\$ 74,517.68	9/22	(2,524,024.11)	18		9/30/2008	(2,524,024.00) \$
#14-Stem qty	\$ (109,400.51)	*	1,121,450.00	23		9/30/2008	
#15-Proj. Recon		***	(113,076.63)	24		11/12/2008	
HCDD#1 Est.	\$ 17,459,098.83		(22,500.00)	30		11/12/2008	
				31		7/14/2009	
			(15,165.00)	108		7/28/2009	*7-17-09 Approved by Scott
			17,493,981.66	134		8/25/2009	
DHS 0-9 Phase II	McAllen Const.	Original Contract	\$ 13,423,119.85			9/2/2008	
Pending Change Orders:						1/6/2009	
#25-Stem Qty	\$ 11,115.00	9/29	(62,904.68)	68		1/28/2009	
#18-Add'l Silt Fence	\$ 37,922.88	9/29	(77,036.45)	69		1/28/2009	
#19-Fabricated Boll.	\$ 331,695.88	9/29	45,047.80	70		1/28/2009	
#22-Reinforcing Steel	\$ 10,435.75	9/22		45		1/28/2009	
#26-Add'l Silt Fence	\$ 14,020,933.21		(11,680.00)	71		1/28/2009	
HCDD#1 Est.			(7,997.20)	72		1/28/2009	
			82,656.18	80		3/3/2009	
			(25,762.99)	81		4/7/2009	
				78		4/7/2009	
			150,996.13	50		4/7/2009	
			2,258.30	107		6/2/2009	
			7,727.50	100		6/2/2009	
			89,507.62	118		6/15/2009	
			5,195.64	119		6/15/2009	
			6,636.00	138		8/25/2009	
			13,629,763.70	139		8/25/2009	
DHS 0-10	Williams Bros	Original Contract	\$ 18,763,215.00			7/8/2008	
Pending Change Orders:						9/30/2008	
#7A-Wall Penetration	\$ 17,961.60	9/22	(593,346.00)	25		9/30/2008	
#14-Stem Qty	\$ (134,877.72)	*	1,034,700.00	26		9/30/2008	
#15-Proj. Recon		***	(87,737.90)	32		11/12/2008	
HCDD#1 Est.	\$ 18,950,066.98		(27,900.00)	33		11/12/2008	
				109		7/14/2009	
			(21,948.00)	132		8/25/2009	
			19,066,983.10				

**SER and Ballenger PR
DRAINAGE DISTRICT**

Date: 04/27/2010
Submitted By: Minerva Luna, DRAINAGE DISTRICT
Department: DRAINAGE DISTRICT

Information

CAPTION

- A. Request approval of Payment Request No. 20 to Ballenger Construction Company, for the Construction of Banker Weir Improvement Project (3.74 miles).
- B. Request approval to process manual check to Ballenger Construction Company for the above mentioned project pending completion of the audit process.
- C. Request approval of Payment Request No. 18 to SER Construction Partners, LTD for the Construction of DHS 0-6BC (1.38 miles).
- D. Request approval to process manual checks to SER Construction Partners, LTD. for the above mentioned project pending the approval of the County Auditor and pending the electronic transfer of funds from the Department of Homeland Security (DHS).

BACKGROUND

Fiscal Impact

Attachments

- Link: [Banker Weir PR 20](#)
- Link: [DHS 0-6BC PR 18](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Erika Zamora	04/16/2010 01:10 PM	APRV
2	Perla Lopez	Perla Lopez	04/21/2010 01:41 PM	APRV
3	Final Approval	Angela Garcia	04/23/2010 04:17 PM	APRV

Form Started By: Minerva Luna
Started On: 04/16/2010 11:02 AM

Final Approval Date: 04/23/2010

ITEM NO	UNIT	TOTAL QUANTITY	BID PRICE	TOTAL BID PRICE	NO.	CHANGE ORDERS			UNIT QTY. COMPLETE THIS PERIOD	UNIT QTY. COMPLETE TO DATE	AMOUNT PRIOR INVOICES	AMOUNT COMPLETE TO DATE	AMOUNT DUE THIS INVOICE	BALANCE TO COMPLETE
						QTY. +/-	UNIT PRICE +/-	VARIANCE AMOUNT +/-						
1	STA	198	\$ 1,500.00	\$ 297,000.00					198.00		297,000.00			
2	CY	18,500	\$ 6.00	\$ 111,000.00				0.00	18,500.00		111,000.00			
3	CY	17,500	\$ 6.00	\$ 105,000.00				0.00	17,500.00		105,000.00			
4	CY	263,200	\$ 12.56	\$ 3,305,792.00				0.00	263,200.00		3,305,792.00			
5	CY	26,800	\$ 6.00	\$ 160,800.00	4		6.00	0.00	24,120.00		144,720.00			
6	CY	29,100	\$ 6.00	\$ 174,600.00				0.00	29,100.00		174,600.00			
7	CY	2,450	\$ 300.90	\$ 737,205.00				0.00	2,450.00		737,205.00			
8	CY	1,500	\$ 85.66	\$ 128,490.00				0.00	1,500.00		128,490.00			
9	SY	618	\$ 18.17	\$ 11,229.06				0.00	618.00		11,229.06			
10	CY	7,950	\$ 31.00	\$ 246,450.00				0.00	7,950.00		246,450.00			
11	SY	7,800	\$ 7.74	\$ 60,372.00				0.00	7,800.00		60,372.00			
12	SY	11,300	\$ 9.79	\$ 110,627.00				0.00	11,300.00		110,627.00			
13	GAL	3,800	\$ 3.89	\$ 14,782.00				0.00	3,800.00		14,782.00			
14	SY	146,000	\$ 0.28	\$ 40,880.00				0.00	146,000.00		40,880.00			
15	LF	9,215	\$ 17.00	\$ 156,655.00				0.00	9,215.00		156,655.00			
16	SF	1,600	\$ 39.71	\$ 63,536.00				0.00	1,600.00		63,536.00			
17	LF	81	\$ 885.26	\$ 71,706.06				0.00	81.00		71,706.06			
18	EA	6	\$ 6,661.22	\$ 39,967.32				0.00	6.00		39,967.32			
19	EA	12	\$ 1,941.29	\$ 23,295.48				0.00	12.00		23,295.48			
20	EA	3	\$ 25,000.00	\$ 75,000.00				0.50	2.50		62,500.00		12,500.00	
21	EA	2	\$ 4,156.83	\$ 8,313.66	4		1.00	0.00	1.00		4,156.83			
22	LF	170	\$ 81.17	\$ 13,798.90	4.6		81.17	0.00	24.00		1,948.08			1,298.72
23	EA	3	\$ 11,000.00	\$ 33,000.00	4		11,000.00	0.00	2.00		22,000.00			
24	EA	3	\$ 2,148.48	\$ 6,445.44				0.00	3.00		6,445.44			
25	EA	3	\$ 3,860.12	\$ 11,580.36				0.00	3.00		11,580.36			
26	EA	3	\$ 4,171.33	\$ 12,513.99	4.6		4,171.33	0.00	3.00		11,580.36		12,513.99	
27	EA	2	\$ 710.68	\$ 1,421.36				0.00	2.00		1,421.36			
28	LF	80	\$ 89.01	\$ 7,120.80				0.00	80.00		7,120.80			
29	SY	12,400	\$ 1.15	\$ 14,260.00				0.00	12,400.00		14,260.00			
30	LF	4,200	\$ 12.48	\$ 52,416.00				0.00	4,200.00		52,416.00			
31	LF	112	\$ 241.79	\$ 27,080.48				0.00	112.00		27,080.48			
32	LS	1	\$ 19,218.80	\$ 19,218.80				0.00	1.00		19,218.80			
33	LF	40,500	\$ 2.28	\$ 92,340.00	4		2.28	0.00	39,600.00		90,288.00			
34	EA	6	\$ 29.12	\$ 174.72	4		29.12	0.00	0.00		-			
35	EA	20	\$ 485.52	\$ 9,706.40				0.00	20.00		9,706.40			
36	LF	300	\$ 1.38	\$ 414.00	4		1.38	0.00	24.00		33.12			
37	LS	1	\$ 9,706.46	\$ 9,706.46				0.00	1.00		9,706.46			
38	LS	1	\$ 9,706.46	\$ 9,706.46				0.00	1.00		9,706.46			
39	LS	1	\$ 19,644.72	\$ 19,644.72				0.00	1.00		19,644.72			
40	CY	3,900	\$ 6.17	\$ 24,063.00				0.00	3,900.00		24,063.00			
42	LS	0	\$ -	\$ -	1		5,563.14	0.00	1.00		5,563.14			
43	CY	0	\$ -	\$ -	3		8,000.00	0.00	8,000.00		37,120.00			
44	LS	0	\$ -	\$ -	2		12,860.62	0.00	1.00		12,860.62			
45	LS	0	\$ -	\$ -	5		1,294.09	0.00	1.00		1,294.09			
SUBTOTAL ORIGINAL CONTRACT AMOUNT: \$ 6,307,692.47														
SUPPLEMENTAL BID ITEM														
S1	LS	1	\$ 44,115.72	\$ 44,115.72				0.00	1.00		44,115.72			
CONTRACTOR TO CLEAR AREA OF ANY OBSTRUCTIONS WITHIN CHIMNEY PARK STA. (844+00 TO 100+00) THAT IMPEDES THE CONSTRUCTION OF THE LEVEE IMPROVEMENTS														

ORIGINAL CONTRACT AMOUNT WITH SUPPLEMENTAL BID ITEM:	NET CHANGES BY CHANGE ORDER(S)	TOTAL CONTRACT AMOUNT TO DATE	Estimated % Project Completion to Date:	Actual Damages:	Current Days:	1 of 3	Actual Damages:	Current Days:	1 of 3	Actual Damages:	Current Days:
\$ 6,351,808.19	\$ 12,441.32	\$ 6,364,249.51	99.96%								
LESS RETAINAGE @ 10%	\$ 636,295.07	\$ 5,727,954.44									
RELEASED RETAINAGE PR #14	\$ 310,535.92	\$ 5,417,418.52									
LESS Previous Requests for Payments AID per day	\$ 56,024,322.64	\$ -									
TOTAL AMOUNT DUE THIS REQUEST	\$ 12,869.00	\$ 12,869.00									

Project Name:
Contractor:
Address:
City/State/Zip:

REQUEST FOR PAYMENT
MISSION LEEVE IMPROVEMENT PROJECT BANKER WEIR TO INSPIRATION RD. (3.74 MILES)
BALLENGER CONSTRUCTION COMPANY
24200 N. FM 509
HARLINGEN, TEXAS 78550

Project Number: 4287.03.3.74 MILES
Date: 3/29/2010

CONTRACT NO. 08-005-04-29
WORK THRU: 3/25/2010

PROGRESS BILLING WORKSHEET - NO. 1

JOE CHARLES BALLENGER, JR. PRESIDENT	ITEM NO	UNIT	TOTAL QUANTITY	BID UNIT PRICE	TOTAL BID PRICE	CHANGE ORDERS					UNIT QTY. COMPLETE PRIOR INVOICES	UNIT QTY. COMPLETE THIS PERIOD	UNIT QTY. COMPLETE TO DATE	AMOUNT PRIOR INVOICES	AMOUNT COMPLETE TO DATE	AMOUNT DUE THIS INVOICE	BALANCE TO COMPLETE
						NO.	QTY. +/-	UNIT PRICE +/-	VARIANCE AMOUNT +/-	UNIT QTY.							
PREPARE RIGHT OF WAY	1	STA	198	\$ 1,500.00	\$ 297,000.00												
REMOVE AND STOCKPILE TOPSOIL (4-IN)	2	CY	18,500	\$ 6.00	\$ 111,000.00												
RAISE LEVEE (BENCH EXCAVATION)	3	CY	17,500	\$ 6.00	\$ 105,000.00												
RAISE LEVEE (COMPACTED EMBANKMENT)	4	CY	263,200	\$ 12.56	\$ 3,305,792.00												
RAISE LEVEE (TOPSOIL 4-IN)	5	CY	26,800	\$ 6.00	\$ 160,800.00												
RAISE LEVEE (DRIVEWAY EMBANKMENT)	6	CY	29,100	\$ 6.00	\$ 174,600.00	4	24,120.00	\$ 6.00	\$ (16,080.00)								
RIP RAP (CONCRETE)	7	CY	2,450	\$ 300.90	\$ 737,205.00												
RIP RAP (STONE TYPE R - DR - 24 IN THICK)	8	CY	1,500	\$ 85.66	\$ 128,490.00												
ROADWAY SUBGRADE 8" DEPTH	9	SY	618	\$ 18.17	\$ 11,229.06												
ROADWAY FLEXIBLE BASE (CALICHE TYPE D GR 6 CL. 4)	10	CY	7,950	\$ 31.00	\$ 246,450.00												
1-1/2 INCH ASPHALT PAVING	11	SY	7,800	\$ 7.74	\$ 60,372.00												
2 INCH ASPHALT PAVING	12	SY	11,300	\$ 9.79	\$ 110,627.00												
PRIME OIL (MC-90 @ 0.20 GAL/SY)	13	GAL	3,800	\$ 3.99	\$ 15,162.00												
HYDROMULCH SEEDING	14	SY	146,000	\$ 0.28	\$ 40,880.00												
METAL BEAM GUARD RAIL	15	LF	9,215	\$ 17.00	\$ 156,655.00												
WIRE RETAINING WALL	16	SF	1,600	\$ 39.71	\$ 63,536.00												
STEEL SHEET PILING (AZ-18) 25 FT DEPTH	17	LF	81	\$ 885.26	\$ 71,706.06												
LEVEE ACCESS GATES	18	EA	6	\$ 6,661.22	\$ 39,967.32												
WATERLINE AND APPEARANCE ADJUSTMENT	19	EA	12	\$ 1,941.29	\$ 23,295.48												
GATEWELL (74 INCH X 96 INCH) COMPLETE IN PLACE	20	EA	3	\$ 25,000.00	\$ 75,000.00												
30 INCH CONCRETE HEADWALL	21	EA	2	\$ 4,156.83	\$ 8,313.66	4	1.00	\$ 4,156.83	\$ (4,156.83)								
30 INCH REINFORCED CONCRETE PIPE CLASS III	22	LF	170	\$ 81.17	\$ 13,798.90	4.6	40.00	\$ 81.17	\$ (10,552.10)								
MILK CHUTE (REMOVE REBAR/REINSTATE)	23	EA	3	\$ 11,000.00	\$ 33,000.00	4	2.00	\$ 11,000.00	\$ (11,000.00)								
CRATE (62 INCH BY 48 INCH)	24	EA	3	\$ 2,148.48	\$ 6,445.44												
LADDER (INSTALLED)	25	EA	3	\$ 3,860.12	\$ 11,580.36												
REMOVE EXISTING STRUCTURE (GATEWELL)	26	EA	3	\$ 4,171.33	\$ 12,513.99	4.6	3.00	\$ 4,171.33	\$ -								
REMOVE EXISTING 30 INCH HEADWALL	27	EA	2	\$ 710.68	\$ 1,421.36												
REMOVE CONCRETE HEADWALL (STA 0+00 GALVAN ROAD)	28	LF	80	\$ 89.01	\$ 7,120.80												
GEOTEXTILE FABRIC	29	SY	12,400	\$ 1.15	\$ 14,260.00												
UNDERDRAIN (PVC) INCLUDE FILTER MATERIAL & FABRIC	30	LF	4,200	\$ 12.48	\$ 52,416.00												
48 INCH CORRUGATED METAL PIPE	31	LF	112	\$ 241.79	\$ 27,080.48												
STRIPING AND MARKING	32	LS	1	\$ 19,218.80	\$ 19,218.80												
TEMPORARY EROSION CONTROL (FILTER FABRIC FENCE)	33	LF	40,500	\$ 2.28	\$ 92,340.00	4	39,600.00	\$ 2.28	\$ (2,052.00)								
TEMPORARY EROSION CONTROL (ENTRANCE / EXIT)	34	EA	6	\$ 29.12	\$ 174.72	4	0.00	\$ 29.12	\$ (174.72)								
REPLACE SIGNS	35	EA	20	\$ 485.32	\$ 9,706.40												
FRENCH EXCAVATION SAFETY PROTECTION	36	LF	300	\$ 1.38	\$ 414.00	4	24.00	\$ 1.38	\$ (380.88)								
TRAFFIC CONTROL ANZALDAS PARK ENTRANCE	37	LS	1	\$ 9,706.46	\$ 9,706.46												
TRAFFIC CONTROL CHIMNEY PARK ENTRANCE	38	LS	1	\$ 9,706.46	\$ 9,706.46												
TRAFFIC CONTROL MILITARY ROAD	39	LS	1	\$ 19,644.72	\$ 19,644.72												
INSTALL CALICHE (4 INCH)	40	CY	3,900	\$ 6.17	\$ 24,063.00												
INSTALL 4" UNDERDRAIN W/ INLET BOX AND SPLASH PAD	42	LS	0	\$ -	\$ -	1	1.00	\$ 5,563.14	\$ 5,563.14								
PURCHASE AND HAUL TOPSOIL	43	CY	0	\$ -	\$ -	3	8,000.00	\$ 4.64	\$ 37,120.00								
HYDROSEED CLUB PARKING LOT & RAMP TRANSITION	44	LS	0	\$ -	\$ -	2	1.00	\$ 12,860.62	\$ 12,860.62								
INSTALL ADDITIONAL 4" UNDERDRAIN W/ INLET BOX AND SPLASH PAD	45	LS	0	\$ -	\$ -	5	1.00	\$ 1,294.09	\$ 1,294.09								
MATERIAL ON HAND																	
SUBTOTAL ORIGINAL CONTRACT AMOUNT: \$ 6,307,692.47																	
SUPPLEMENTAL BID ITEM:																	
CONTRACTOR TO CLEAR AREA OF ANY OBSTRUCTIONS WITHIN CHIMNEY PARK STA. (84+00 TO 100+00) THAT IMPEDES THE CONSTRUCTION OF THE LEVEE IMPROVEMENTS	S1	LS	1	\$ 44,115.72	\$ 44,115.72												
ORIGINAL CONTRACT AMOUNT WITH SUPPLEMENTAL BID ITEM: \$ 6,351,808.19																	
NET CHANGES BY CHANGE ORDER(S): \$ 12,441.32																	
TOTAL CONTRACT AMOUNT TO DATE: \$ 6,364,249.51																	
Estimated % Project Completion to Date: 99.98%																	
Actual Damages: Current Days:																	
To-Date Days: LESS RETAINAGE @ 10% \$ 638,295.07 \$ 1,429.89																	
RELEASSED RETAINAGE PR #14 \$ 310,535.92 \$ -																	
LESS Previous Requests for Payments \$ 6,024,322.64 \$ -																	
A/D per day \$ - \$ -																	
TOTAL AMOUNT DUE THIS REQUEST \$ 12,869.00 \$ 12,869.00																	

SUPPLEMENTAL BID ITEM:																
CONTRACTOR TO CLEAR AREA OF ANY OBSTRUCTIONS WITHIN CHIMNEY PARK STA. (84+00 TO 100+00) THAT IMPEDES THE CONSTRUCTION OF THE LEVEE IMPROVEMENTS																
ITEM NO	UNIT	QUANTITY	BID UNIT PRICE	TOTAL BID PRICE	NO.	QTY. +/-	UNIT PRICE +/-	VARIANCE AMOUNT +/-	UNIT QTY.	COMPLETE THIS PERIOD	UNIT QTY. COMPLETE TO DATE	AMOUNT PRIOR INVOICES	AMOUNT COMPLETE TO DATE	AMOUNT DUE THIS INVOICE	BALANCE TO COMPLETE	
S1	LS	1	\$ 44,115.72	\$ 44,115.72												
TOTAL CONTRACT AMOUNT TO DATE: \$ 6,364,249.51																
Estimated % Project Completion to Date: 99.98%																
Actual Damages: Current Days:																
To-Date Days: LESS RETAINAGE @ 10% \$ 638,295.07 \$ 1,429.89																
RELEASSED RETAINAGE PR #14 \$ 310,535.92 \$ -																
LESS Previous Requests for Payments \$ 6,024,322.64 \$ -																
A/D per day \$ - \$ -																
TOTAL AMOUNT DUE THIS REQUEST \$ 12,869.00 \$ 12,869.00																

Contractor: BALLENGER CONSTRUCTION COMPANY

CERTIFICATION OF CONTRACTOR

According to the best of my knowledge and belief, I certify that all items and amounts shown on the face of this Application for Payment are correct; that all work has been performed and / or material supplied in accordance with the requirements of the referenced Contract and / or duty authorized deviations, substitutions, alterations, and/or additions; that the foregoing is a true and correct statement of the Contract Amount up to and including the last day of the period covered by the Application for Payment; that no part of the "Balance Due this Payment" has been received and that the undersigned and his subcontractors have complied with all the labor provision of said contract.

Signed: Joe Charles Ballenger, Sr. Date: March 30, 10

Title: CEO

Instructions: Contractor's Certification No. 2: is to be executed for all requests for payments after the first. Notarize all requests for payments.

CONTRACTOR'S Certification No. 2: The undersigned CONTRACTOR certifies that (1) all previous progress payments received from Owner on account of Work done under the Contract referred to above have been applied on account to discharge CONTRACTOR'S legitimate obligations incurred in connection with Work covered by prior Applications for Payment numbered 1 through _____ this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interest or encumbrance; and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

DATE: 3-30-10 By: Joe Charles Ballenger, Sr., CEO

State of Texas County of Other day of March 2010

Elaine Pilar Castillo Notary Public My Commission Expires: August 20, 2013

BALLENGER CONSTRUCTION COMPANY CONTRACTOR

Elaine Pilar Castillo Notary Public, State of Texas My Commission Expires August 20, 2013

Engineer: DANNENBAUM ENGINEERING McALLEN-LLC

INSPECTOR'S CERTIFICATION

I certify that I have checked and verified the above and foregoing Periodic Estimate for Partial Payment; that to the best of my knowledge and belief it is a true and correct statement of work performed and/or material supplied by the contractor, and that partial payment claimed and requested by the Contractor is correctly computed on the basis of work performed and/or material supplied to date. Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Hector Cantu Date: 4/1/10
DOS LOGISTICS INSPECTOR

ENGINEER'S CERTIFICATION

I certify that I have checked and verified the above and foregoing Periodic Estimate for Partial Payment; that to the best of my knowledge and belief it is a true and correct statement of work performed and/or material supplied by the contractor, and that partial payment claimed and requested by the Contractor is correctly computed on the basis of work performed and/or material supplied to date. Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Richard D. Seitz, P.E. Date: 4/1/10
RESIDENT PROJECT REPRESENTATIVE

OWNER CERTIFICATION

I have checked this estimate against the contractor's Schedule of Amount for Contract Payments, the notes and reports of my inspections of the project, and the period reports submitted by the Project Engineer. It is my opinion that the statement of work performed and / or materials supplied is accurate, that the contractor is observing the requirements of the contract, and the payment to the contractor in the amount requested above is recommended.

Date: _____

Rene A. Ramirez
CHAIRMAN OF THE BOARD

REQUEST FOR PAYMENT
 DHS SEGMENT 0-6B & 0-6C (1.38 MILES)
 SER CONSTRUCTION PARTNERS, LTD.
 3636 Pasadena Blvd.
 Pasadena, Texas 77503

Project Name: 4410-08 1.38 MILES
 Contractor: 4/9/2010
 Address:
 City/State/Zip:

CONTRACT NO. 08-017-09-02
 WORK THRU: 3/25/2010 thru 4/25/10

REQUEST FOR PAYMENT NO. 18

PROGRESS BILLING WORKSHEET - NO. 1

ITEM NO	UNIT	TOTAL QUANTITY	BID UNIT PRICE	TOTAL BID PRICE	NO.	CHANGE ORDERS			VARIANCE AMOUNT +/-	UNIT QTY. COMPLETE PRIOR INVOICES	UNIT QTY. COMPLETE THIS PERIOD	UNIT QTY. COMPLETE TO DATE	AMOUNT PRIOR INVOICES	AMOUNT COMPLETE TO DATE	AMOUNT DUE THIS INVOICE	BALANCE TO COMPLETE
						QTY. +/-	UNIT PRICE +/-	PRICE +/-								
1	LF	14,600	\$ 3.00	\$ 43,800.00	21A,25.3	15,436.00	\$ 3.00	\$ 2,508.00	0.00	15,436.00	0.00	15,436.00	46,308.00	46,308.00	-	-
2	LS	1	\$ 1,100,000.00	\$ 1,100,000.00	1B,35	1.00	\$ -	\$ -	0.00	1.00	0.00	1.00	1,100,000.00	1,100,000.00	-	-
3	EA	2	\$ 2,000.00	\$ 4,000.00	21A,25.3	2.00	\$ -	\$ -	0.00	2.00	0.00	2.00	4,000.00	4,000.00	-	-
4	CY	11,500	\$ 10.00	\$ 115,000.00	1B,35,36	13,839.00	\$ 10.00	\$ 23,390.00	0.00	12,419.00	1,420.00	13,839.00	124,190.00	138,390.00	14,200.00	-
5	CY	5,260	\$ 600.00	\$ 3,156,000.00	1,21A,25	5,557.36	\$ 601.9665984	\$ 189,356.21	32.00	5,525.36	32.00	5,557.36	3,326,156.21	3,345,356.21	19,200.00	-
6	CY	6,715	\$ 550.00	\$ 3,693,250.00	27,31B	7,285.96	\$ 575.8771451	\$ 503,296.44	12.00	7,273.96	12.00	7,285.96	4,189,946.44	4,196,546.44	6,600.00	-
7	CY	938	\$ 500.00	\$ 469,000.00	1B,34	992.55	\$ 497.8300	\$ 25,121.17	0.00	992.55	0.00	992.55	494,121.17	494,121.17	-	-
8	LF	7,300	\$ 1.00	\$ 7,300.00	31B,36A	7,300.00	\$ 1.00	\$ -	0.00	7,300.00	0.00	7,300.00	7,300.00	7,300.00	-	-
9	SF	2,700	\$ 2.00	\$ 5,400.00	21A,31B	6,281.00	\$ 2.00	\$ 7,162.00	0.00	6,281.00	0.00	6,281.00	12,562.00	12,562.00	-	-
10	EA	1	\$ 120,000.00	\$ 120,000.00	21A,25.3	1.00	\$ -	\$ -	0.00	1.00	0.00	1.00	120,000.00	120,000.00	-	-
11	LF	7,300	\$ 17.00	\$ 124,100.00	1B,34	7,815.00	\$ 16.91	\$ 8,051.65	0.00	7,815.00	0.00	7,815.00	132,151.65	132,151.65	-	-
12	CY	5,877	\$ 60.00	\$ 352,620.00	2,21A,25	1,130.11	\$ 60.00	\$ (284,813.40)	0.00	1,130.11	0.00	1,130.11	67,806.60	67,806.60	-	-
13	LF	6,165	\$ 20.00	\$ 123,300.00	3,1B,34	3,891.00	\$ 20.00	\$ (115,520.00)	0.00	3,891.00	0.00	3,891.00	7,780.00	7,780.00	-	-
14	STA	73	\$ 10.00	\$ 730.00	3,25	73.00	\$ -	\$ -	0.00	73.00	0.00	73.00	730.00	730.00	-	-
15	LF	5,072	\$ 1.00	\$ 5,072.00	3,25	5,072.00	\$ -	\$ -	0.00	5,072.00	0.00	5,072.00	5,072.00	5,072.00	-	-
16	SY	5,057	\$ 7.00	\$ 35,399.00	3,25	5,057.00	\$ -	\$ -	0.00	5,057.00	0.00	5,057.00	35,399.00	35,399.00	-	-
17	EA	1	\$ 3,000.00	\$ 3,000.00	3,25	1.00	\$ -	\$ -	0.00	1.00	0.00	1.00	3,000.00	3,000.00	-	-
18	CY	81,640	\$ 20.00	\$ 1,632,800.00	21A,25.3	165,487.50	\$ 20.00	\$ 1,677,270.00	16.00	165,503.50	16.00	165,503.50	3,309,750.00	3,310,070.00	320.00	-
19	CY	75,000	\$ 15.00	\$ 1,125,000.00	3,25	6,667.00	\$ 15.00	\$ (1,024,995.00)	0.00	6,667.00	0.00	6,667.00	100,005.00	100,005.00	-	-
20	CY	2,000	\$ 240.00	\$ 480,000.00	3,25	585.87	\$ 240.00	\$ (399,991.20)	0.00	585.87	193.00	585.87	94,286.80	140,608.80	46,320.00	-
21	EA	14	\$ 400.00	\$ 5,600.00	3,25	14.00	\$ -	\$ -	0.00	14.00	0.00	14.00	5,600.00	5,600.00	-	-
22	SY	4,958	\$ 17.00	\$ 84,286.00	3,25	4,958.00	\$ -	\$ -	0.00	4,958.00	0.00	4,958.00	84,286.00	84,286.00	-	-
23	GAL	992	\$ 7.00	\$ 6,944.00	3,25	992.00	\$ -	\$ -	0.00	992.00	0.00	992.00	6,944.00	6,944.00	-	-
24	LS	1	\$ 6,000.00	\$ 6,000.00	3,25	1.00	\$ -	\$ -	0.00	1.00	0.00	1.00	6,000.00	6,000.00	-	-
25	STA	20	\$ 1,500.00	\$ 30,000.00	21A,31B	23.00	\$ 1,500.00	\$ 4,500.00	0.00	23.00	0.00	23.00	34,500.00	34,500.00	-	-
26	STA	53	\$ 1,700.00	\$ 90,100.00	21A,25.3	58.00	\$ 1,700.00	\$ 8,560.00	0.00	58.00	0.00	58.00	98,600.00	98,600.00	-	-
27	CY	1,082	\$ 9.00	\$ 9,738.00	21A,31B	1,114.00	\$ 9.00	\$ 286.00	0.00	1,114.00	0.00	1,114.00	10,026.00	10,026.00	-	-
28	CY	4,040	\$ 30.00	\$ 121,200.00	186,21A	5,272.00	\$ 30.00	\$ 36,960.00	0.00	5,272.00	0.00	5,272.00	158,160.00	158,160.00	-	-
29	LF	4,850	\$ 6.00	\$ 29,100.00	2,25,31B	4,850.00	\$ -	\$ -	0.00	4,850.00	0.00	4,850.00	29,100.00	29,100.00	-	-
30	SY	52,723	\$ 0.80	\$ 42,178.40	21A,25.3	57,462.00	\$ 0.80	\$ 5,047.20	1,570.00	57,462.00	1,570.00	59,032.00	45,965.60	47,225.60	1,256.00	-
31	LF	310	\$ 350.00	\$ 108,500.00	1B,35,36	260.00	\$ -	\$ -	0.00	260.00	0.00	260.00	91,000.00	91,000.00	-	-
32	EA	2	\$ 12,000.00	\$ 24,000.00	A	2.00	\$ -	\$ -	0.00	2.00	0.00	2.00	24,000.00	24,000.00	-	-

