



Agreement for Construction Services

This Agreement for Construction Services ("Agreement") between Williamson County, Texas, a political subdivision of the State of Texas ("Owner") and AAR Incorporated ("Contractor") is entered into in accordance with the following terms and conditions:

ARTICLE 1 SCOPE OF WORK: The Owner desires to retain Contractor to provide the construction services described herein. The Contractor shall have the overall responsibility for and shall provide complete construction services and furnish all materials, equipment, tools and labor as necessary or reasonably inferable to complete the following described construction services, or any phase of such services, in accordance with the Owner's requirements and the terms of this Agreement (hereinafter collectively referred to as the "Work"):

Complete removal and disposal of asbestos-containing materials identified by ATC Consultants at the structure located 2930 CR 239, Georgetown, Texas, in accordance with the terms of this Agreement and the Scope of Work attached hereto as Exhibit I.

Additional Work: Should Owner choose to add additional work, such additional work shall be described in a separate written amendment to this Agreement wherein the additional work shall be described and the parties shall set forth the amount of compensation to be paid by Owner for the additional work. Contractor shall not begin any additional work and Owner shall not be obligated to pay for any additional work unless a written amendment to this Agreement has been signed by both parties.

ARTICLE 2 CONTRACT PRICE: Owner agrees to pay to the Contractor, for the satisfactory performance of the Work, the sum of EIGHT THOUSAND SEVEN HUNDRED EIGHTY SEVEN AND NO/100 DOLLARS (\$8,787.00) in accordance with the terms and conditions of this Agreement.

ARTICLE 3 SPECIFICATIONS: The Work shall be performed pursuant to and in accordance with the specifications set out in Exhibit I, Scope of Work and all laws, statutes and regulations related to the removal and disposal of asbestos-containing materials.

ARTICLE 4 SUBSTANTIAL AND FINAL COMPLETION:

4.1 Commencement of Work. Contractor shall commence the Work upon instruction to do so from the Owner and Construction shall be deemed to have commenced on the date of such instruction.

4.2 Final Completion. The Work shall be fully and finally completed within **30** calendar days from the date the Work is commenced; provided, however, Owner may extend said time period in the event bad weather affects the progress of the Work. Owner shall, at its sole discretion, determine when the

Work has been fully and finally completed to its satisfaction.

ARTICLE 5 PAYMENT: Contractor shall receive one lump sum payments of the Contract Price when Final Completion of all Work has been achieved as deemed by the Owner; provided that Contractor is not in breach of this Agreement at that time.

ARTICLE 6 CONTRACTOR'S GENERAL RESPONSIBILITIES AND COVENANTS:

6.1 Contractor shall perform all services specifically allocated to it hereunder, as well as those services reasonably inferable and necessary for completion of the Work. The Contractor shall keep the Owner informed of the progress and quality of the Work. Contractor agrees and acknowledges that Owner is entering into this Agreement in reliance on Contractor's represented expertise and ability to provide the Work described in this Agreement. Contractor agrees to use its best efforts, skill, judgment, and abilities to perform its obligations in accordance with the highest standards used in the profession and to further the interests of Owner in accordance with Owner's requirements and procedures. Contractor's duties as set forth herein shall at no time be in any way diminished by reason of any approval by the Owner nor shall the Contractor be released from any liability by reason of such approval by the Owner, it being understood that the Owner at all times is ultimately relying upon the Contractor's skill and knowledge in performing the services required hereunder.

6.2 Contractor is responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. The safety program shall comply with all applicable requirements of the current federal Occupational Safety and Health Act and all other applicable federal, state and local laws and regulations.

6.3 Contractor shall be an independent contractor under this Agreement and shall assume all of the rights, obligations, liabilities, applicable to it as such independent contractor hereunder and any provisions in this agreement which may appear to give Owner the right to direct Contractor as to details of doing the Work herein covered or to exercise a measure of control over the Work shall be deemed to mean that Contractor shall follow the desires of Owner in the results of the Work only. Owner shall not retain or have the right to control the Contractor's means, methods or details pertaining to the Contractor's performance of the Work described herein, nor shall Owner have the power to direct the order in which Contractor's Work is performed under this agreement. Owner and Contractor hereby agree and declare that Contractor is an Independent Contractor and as such meets the qualifications of an Independent Contractor under Texas Worker's Compensation Act, Texas Labor Code, Section 406.141, that the Contractor is not an employee of Owner for purposes of this Agreement, and that the Contractor and its employees, agents and sub-subcontractors shall not be entitled to worker's compensation coverage or any other type of insurance coverage held by Owner.

6.4 As part of Contractor obligation to coordinate the Work, Contractor shall:

- i. cooperate with the Owner's Designated Representative ("ODR") and endeavor to further the interests of the Owner and the Work;
- ii. provide an on-site, full-time superintendent for the duration of the Work;
- iii. visit the Work site and inspect the existing facilities, systems and conditions to insure an accurate understanding of the existing conditions as required;
- iv. at Owner's request, attend public meetings and hearings concerning the development of the Work;
- v. review the drawings, specifications, and other plans for compliance with all applicable laws and code requirements;
- vi. advise Owner of any tests that should be performed;

- vii. organize and maintain a competent, full-time staff at the Work site with clearly defined lines of authority and communication as necessary to coordinate construction activities, monitor and direct progress of the Work;
- viii. attend Owner's regularly scheduled Work progress meetings and fully advise the ODR of the Work status including schedule, costs, quality and changes;
- ix. assist Owner in obtaining any required permits and or approvals as required by law; and
- x. shall coordinate, monitor and inspect the Work of subcontractors to ensure conformance with the specifications and with the terms of this Agreement.

6.5 Contractor shall identify every subcontractor it intends to use for the Work to the Owner in writing at least ten (10) days before entering into any subcontract. Contractor shall not use any subcontractor to which Owner has a reasonable objection. If Owner does not object to a particular subcontractor with said ten (10) days, such subcontract may be considered acceptable to Owner. Following Owner's acceptance of a subcontractor, that subcontractor shall not be changed without Owner's written consent, which shall not be unreasonably withheld.

6.6 Contractor's designated representative, which is set forth below Contractor's signature herein below, shall be responsible for the day-to-day management of the Work on behalf of Contractor. The designated representative shall be the Owner's primary contact during the Work and shall be available as required for the benefit of the Work and the Owner. The contractor's designated representative shall be authorized to act on behalf of and bind the Contractor in all matters related to the Work including, but not limited to, execution of Change Orders.

6.7 NO ALTERATIONS OR CHANGES SHALL BE MADE, HOWEVER, EXCEPT UPON THE WRITTEN ORDER OF THE OWNER, OR THE ODR.

6.8 Contractor shall promptly correct any defective Work at Contractor's sole expense, unless the Owner specifically agrees, in writing, to accept the Work.

6.9 Contractor shall maintain and deliver the close out documents that describe changes or deviations from the original specifications that occurred during the Work.

ARTICLE 7 OWNER'S RESPONSIBILITIES

7.1 The Owner shall:

- a. identify a person as its ODR who is authorized to act in the Owner's behalf with respect to the Work. The ODR shall examine the documents submitted by the Contractor and shall render decisions on behalf of the Owner to the extent allowed by Texas law;
- b. at Owner's cost, will secure the services of surveyors, soils engineers, existing facility surveys, testing and balancing, environmental surveys or other special consultants to develop such additional information as may be necessary for the Work;
- c. furnish required information and services and shall render approvals and decisions as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Contractor's services and of the Work;
- d. shall have the right to reject any defective Work. Should Contractor refuse or neglect to correct any such Work within a reasonable time after notice, Owner may have the Work corrected and recover all expenses incurred from Contractor on demand; and
- e. Owner shall furnish to the Contractor a sufficient number of plans, drawings and specifications sets.

ARTICLE 8 INSURANCE AND INDEMNITY

8.1 Insurance. The Contractor shall carry insurance in the types and amounts indicated below for the duration of the Agreement, which shall include items owned by Owner in the care, custody and control of Contractor prior to and during construction. Contractor must also complete and file the declaration pages from the insurance policies with Owner whenever a previously identified policy period expires during the term of the Agreement, as proof of continuing coverage. Contractor shall update all expired policies prior to submission of any payment requests hereunder. Failure to update policies shall be reason for payment to be withheld until evidence for renewal is provided to the Owner.

8.1.1 The Contractor shall provide and maintain, until the Work covered in this Agreement is completed and accepted by the Owner, the minimum insurance coverage in the minimum amounts as described below. Coverage shall be written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and rated A- or better by A.M. Best Company or otherwise acceptable to Owner.

Type of Coverage	Limits of Liability	
a. Workers Compensation	Statutory	
b. Employer's Liability		
Bodily Injury by Accident	\$250,000 Ea. Accident	
Bodily Injury by Disease	\$250,000 Ea. Employee	
Bodily Injury by Disease	\$250,000 Policy Limit	
c. Comprehensive general liability including completed operations and contractual liability insurance for bodily injury, death, or property damages in the following amounts:		

COVERAGE	PER PERSON	PER OCCURRENCE
Comprehensive General Liability (including premises, completed operations and contractual)	\$500,000	\$500,000
Aggregate policy limits:	\$500,000	

Comprehensive automobile and auto liability insurance (covering owned, hired, leased and non-owned vehicles):

COVERAGE	PER PERSON	PER OCCURRENCE
Bodily injury (including death)	\$500,000	\$500,000
Property damage	\$500,000	\$500,000
Aggregate policy limits	No aggregate limit	

8.1.2 The above insurance requirements are not intended to be compounded with the Contractor's standing insurance policies. If the Contractor already has in force insurance policies which provide the required coverage, there is no need to purchase duplicate coverage for this project.

8.1.3 Policies must include the following clauses, as applicable.

- a. "This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice, or ten (10) days for non-payment of premium, has been given to Williamson County."
- b. "It is agreed that the Contractor's insurance shall be deemed primary with respect to any insurance or self insurance carried by Williamson County for liability arising out of operations under the Agreement with Williamson County."
- c. "Williamson County, its officials, directors, employees, representatives, and volunteers are added as additional insured as respects operations and activities of, or on behalf of the named insured performed under Agreement with the Owner." This is not applicable to the workers' compensation policy.
- d. "The workers' compensation and employers' liability policy will provide a waiver of subrogation in favor of Williamson County."

8.1.4 Workers' Compensation Insurance Coverage:

In the event that Contractor employs any individual to perform any portion of the Work, Contractor shall comply with Texas Labor Code, §406.096, which requires workers' compensation insurance coverage for all employees providing services on a building or construction project for a governmental entity.

a. Definitions:

(1) Certificate of Coverage ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Texas Workers' Compensation Commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the Duration of the Work.

(2) Duration of the Work - includes the time from the beginning of the Work until the Work has been completed and accepted by the Owner.

(3) Coverage - Workers' compensation insurance meeting the statutory requirements of the Texas Labor Code, §401.011(44).

(4) Persons providing services relating to the Work ("subcontractor") - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform the Work, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services in relation to the Work. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the Work, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

b. The Contractor shall provide Coverage, based on proper reporting of classification codes and payroll amounts and filing of any Coverage agreements, which meets the statutory requirements of Texas labor Code, §401.011(44) for all employees of the Contractor providing services in relation to the Work, for the Duration of the Work.

- c. The Contractor must provide a Certificate of Coverage to the Owner prior to or contemporaneously with the execution of this Agreement.
- d. If the Coverage period shown on the Contractor's current Certificate of Coverage ends during the Duration of the Work, the Contractor must, prior to the end of the Coverage period, file a new Certificate of Coverage with the Owner showing that Coverage has been extended.
- e. The Contractor shall obtain from each person providing services in relation to the Work, and provide to the Owner:
 - (1) a Certificate of Coverage, prior to that person beginning any of the Work, so the Owner will have on file Certificates of Coverage showing Coverage for all persons providing services in relation to the Work; and
 - (2) no later than seven days after receipt by the Contractor, a new Certificate of Coverage showing extension of Coverage, if the Coverage period shown on the current Certificate of Coverage ends during the Duration of the Work.
- f. The Contractor shall retain all required Certificates of Coverage for the Duration of the Work and for one year thereafter.
- g. The Contractor shall notify the Owner in writing by certified mail or personal delivery, within 10 days after the Contractor knew or should have known, of any change that materially affects the provision of Coverage of any person providing services in relation to the Work.
- h. The Contractor shall post on the Work site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services in relation to the Work that they are required to be covered, and stating how a person may verify Coverage and report lack of Coverage.
- i. By signing this Agreement or providing or causing to be provided a Certificate of Coverage, the Contractor is representing to the Owner that all employees of the Contractor who will provide services in relation to the Work and all persons providing services in relation to the Work will be covered by workers' compensation coverage for the Duration of the Work, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- j. The Contractor's failure to comply with any of these provisions is a breach of Agreement by the Contractor which entitles the Owner to declare the Agreement void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the Owner.

8.1.5 The furnishing of the above listed insurance coverage must be tendered prior to execution of the Agreement. The Contractor shall not cause or allow any of its required insurance to be canceled, nor permit any insurance to lapse during the term of the Agreement or as required in the Agreement. If the Contractor fails to obtain, maintain or renew any insurance required by this Agreement, the Owner may, among other remedies available hereunder or at law, obtain insurance coverage directly and recover the cost of that insurance from the Contractor or declare this Agreement void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the Owner.

8.1.6 The Owner reserves the right to review the insurance requirements set forth in this Article during the effective period of the Agreement and to make reasonable adjustments to the insurance coverage and their limits when deemed necessary and prudent by the Owner based upon changes in statutory law, court decisions, or the claims history of the industry as well as the Contractor.

8.1.7 The Owner shall be entitled, upon request, and without expense, to receive complete copies of the policies with all endorsements and may make any reasonable requests for deletion, or

revision or modification of particular policy terms, conditions, limitations, or exclusions, except where policy provisions are established by law or regulation binding upon the Parties or the underwriter of any of such policies. Damages caused by the Contractor and not covered by insurance shall be paid by the Contractor.

8.1.8 The Contractor shall contractually require each person or entity with whom it contracts to provide services in relation to the Work, to comply with each and every insurance requirement that Contractor must comply with hereunder. More specifically, each person or entity with whom Contractor contracts to provide services on the in relation to the Work must comply with each insurance requirement under this Article 8 just as if such person or entity was the Contractor. Thus, every reference to Contractor under each insurance requirement of this Article 8 shall mean and include each person or entity with whom Contractor contracts to provide services in relation to the Work. If any such person or entity with whom Contractor contracts to provide services in relation to the Work fails to obtain, maintain or renew any insurance required by this Agreement, the Owner may, among other remedies available hereunder or at law, obtain insurance coverage directly and recover the cost of that insurance from the Contractor or declare this Agreement void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the Owner.

8.2 INDEMNITY. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE CONTRACTOR AND ITS AGENTS, PARTNERS, EMPLOYEES, AND CONSULTANTS (COLLECTIVELY "INDEMNITORS") SHALL AND DO AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY OWNER, AND HOLD HARMLESS THE OWNER, REPRESENTATIVES OF THE OWNER AND THE COMMISSIONERS COURT OF WILLIAMSON COUNTY, ITS VARIOUS DEPARTMENTS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS (COLLECTIVELY "INDEMNITEES") FROM AND AGAINST ALL CLAIMS IN RELATION TO CONTRACTOR'S PERFORMANCE OF THE WORK DESCRIBED HEREIN. DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, AND EXPENSES, INCLUDING ATTORNEY FEES, OF ANY NATURE, KIND, OR DESCRIPTION (COLLECTIVELY "LIABILITIES") OF ANY PERSON OR ENTITY WHOMSOEVER ARISING OUT OF, CAUSED BY, OR RESULTING FROM THE PERFORMANCE OF THE SERVICES OR ANY PART THEREOF WHICH ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF THE CONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY IT OR ANYONE FOR WHOSE ACTS IT MAY BE LIABLE, EVEN IF IT IS CAUSED IN PART BY THE NEGLIGENCE OR OMISSION OF ANY INDEMNITEE, SO LONG AS IT IS NOT CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNITEE. IN THE EVENT MORE THAN ONE OF THE INDEMNITORS ARE CONNECTED WITH AN ACCIDENT OR OCCURRENCE COVERED BY THIS INDEMNIFICATION, THEN EACH OF SUCH INDEMNITORS SHALL BE JOINTLY AND SEVERALLY RESPONSIBLE TO THE INDEMNITEES FOR INDEMNIFICATION AND THE ULTIMATE RESPONSIBILITY AMONG SUCH INDEMNITORS FOR THE LOSS AND EXPENSE OF ANY SUCH INDEMNIFICATION SHALL BE SETTLED BY SEPARATE PROCEEDINGS AND WITHOUT JEOPARDY TO ANY INDEMNITEE. THE PROVISIONS OF THIS ARTICLE SHALL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH OWNER OR ANY OF THE INDEMNITEES HAS BY LAW. THE INDEMNITIES CONTAINED HEREIN SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT FOR ANY REASON WHATSOEVER.

8.3 Except for the obligation of Owner to pay Contractor the Contract Price pursuant to the terms of this Agreement, and to perform certain other obligations pursuant to the terms and conditions explicitly set forth herein, Owner shall have no liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement. Notwithstanding any obligation or liability of Owner to Contractor, no present or future partner or affiliate of Owner or any agent, officer, director, or employee of Owner, Williamson County, or of the various departments comprising Williamson County, or anyone claiming under Owner has or shall have any personal liability to

Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement.

ARTICLE 9 TERMINATION

9.1 Termination for Cause. If either party commits an Event of Breach (a breach of any of the covenants, terms and/or conditions of this Agreement), the non-breaching party shall deliver written notice of such Event of Breach to the breaching party. Such notice must specify the nature of the Event of Breach and inform the breaching party that unless the Event of Breach is cured within three (3) business days of receipt of the notice, additional steps may be taken to terminate this Agreement. If the breaching party begins a good faith attempt to cure the Event of Breach within three (3) business days, then and in that instance, the three (3) business day period may be extended by the non-breaching party, so long as the breaching party continues to prosecute a cure diligently to completion and continues to make a good faith attempt to cure the Event of Breach. If, in the opinion of the non-breaching party, the breaching party does not cure the breach within three (3) business days or otherwise fails to make any diligent attempt to correct the Event of Breach, the breaching party shall be deemed to be in breach and the non-breaching party may, in addition to seeking the remedies available hereunder and under the law, terminate this Agreement.

9.2 Termination for Convenience. The Owner may terminate this Agreement for convenience and without cause or further liability upon thirty (30) days written notice to Contractor. In the event of such termination, it is understood and agreed that only the amounts due to Contractor for goods, commodities and/or services provided and expenses incurred to and including the date of termination, will be due and payable. No penalty will be assessed for Owner's termination of this Agreement for convenience.

ARTICLE 10 MISCELLANEOUS PROVISIONS

10.1 Assignment. This Agreement is a personal service contract for the services of Contractor, and Contractor's interest in this Agreement, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party.

10.2 Governing Law and Venue. This Agreement and all of the rights and obligations of the parties and all of the terms and conditions shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas without reference to its conflicts of law provisions. Williamson County where the Work is located shall be the sole place of venue for any legal action arising from or related to this Agreement or the Work in which the Owner is a party.

10.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted assigns and successors.

10.4 Notices. All notices, consents, approvals, demands, requests or other communications relied on by the parties shall be in writing. Written notice shall be deemed to have been given when delivered in person to the designated representative of the Contractor or Owner for whom it is intended; or sent by U. S. Mail to the last known business address of the designated representative; or transmitted by fax machine to the last known business fax number of the designated representative. Mail notices are deemed effective upon receipt or on the third business day after the date of mailing, whichever is sooner. Fax notices are deemed effective the next business day after faxing.

10.5 Severability. Should any term or provision of this Agreement be held invalid or unenforceable in any respect, the remaining terms and provisions shall not be affected and this Agreement shall be construed as if the invalid or unenforceable term or provision had never been included.

10.6 Force Majeure. If the party obligated to perform is prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of said party, the other party shall grant such party relief from the performance of this Agreement. The burden of proof for the need of such relief shall rest upon the party obligated to perform. To obtain release based on force majeure, the party obligated to perform shall file a written request with the other party.

10.7 No Waiver of Sovereign Immunity. Nothing herein shall be construed as a waiver of sovereign immunity by Owner.

10.8 Current Revenues. Under Texas law, a contract with a governmental entity that contains a claim against future revenues is void; therefore, each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

10.9 Compliance with Laws. Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations. When required, Contractor shall furnish the Owner with certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

10.10 Audit. The Contractor agrees that Owner or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of the Contractor which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. The Contractor agrees that Owner shall have access during normal working hours to all necessary Contractor facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. Owner shall give Contractor reasonable advance notice of intended audits.

10.11 Prompt Pay. Owner agrees to pay Contractor within thirty (30) days from the date when Final Completion of all Work has been achieved as deemed by the Owner; provided that Contractor is not in breach of this Agreement at that time. Interest charges for any late payment shall be paid by Owner in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of Owner's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday. In the event that an error appears in an invoice submitted by Contractor, such as an incorrect amount on an invoice or a lack of documentation that is required to be attached to an invoice to evidence the amount claimed to be due, Owner shall notify Contractor of the error not later than the twenty first (21st) day after the date the Williamson County Auditor receives the invoice. If the error is resolved in favor of Contractor, Contractor shall be entitled to receive interest on the unpaid balance of the invoice submitted by Contractor beginning on the date that the payment for the invoice became overdue. If the error is resolved in favor of the County, Contractor shall submit a corrected invoice to the Williamson County Auditor that must be within thirty (30) days from the date the Williamson County Auditor receives the corrected invoice. The unpaid balance accrues interest as provided by Chapter 2251 of the Texas Government Code if the corrected invoice is not paid by the appropriate date.

10.12 Entire Agreement; Modifications. This Agreement supersedes all prior agreements, written or oral, between Contractor and Owner and shall constitute the entire Agreement and understanding between the parties with respect to the Work. This Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by Contractor and Owner.

BY SIGNING BELOW, the Parties have executed and bound themselves to this Agreement effective this the _____ day of _____, 2012.

OWNER:

WILLIAMSON COUNTY, TEXAS,
a political subdivision of the state of Texas

By: _____

Printed Name: _____

Title: _____

Date: 05-21-12

Party Representatives

Owner's Designated Representative:

Joe M. England, PE
Williamson County Engineer
3151 SE Inner Loop, Suite B
Georgetown, TX 78626
Phone: (512) 943-3336
jengland@wilco.org

CONTRACTOR:

AAR INCORPORATED

By: _____

Printed Name: BOB J. POST

Title: DISTRICT MANAGER

Date: 5-21-12

Contractor's Designated Representative:

BOB J. POST
512-751-4007

Phone 512-778-6800
Fax 512-778-6815

EXHIBIT I

SCOPE OF WORK

A. DESCRIPTION OF WORK

1. Complete removal and disposal of asbestos-containing materials identified by ATC Consultants at the structure located 2930 CR 239, Georgetown, Texas, in accordance with the terms of this Agreement and the Scope of Work attached hereto as **Exhibit I**, drawings, the EPA, OSHA, NIOSH, Texas Department of Health, and TxDOT regulations and any other applicable federal, state, and local government regulations. The structure contains approximately 3,200 sq. ft. of ceiling texture and 110 sq. ft. of flooring.
2. The Work shall include, but may not be limited to the following items:
 - i. Removal of friable asbestos-containing thermal system insulation from piping, boilers or other related building systems;
 - ii. Removal of friable asbestos-containing surfacing materials from building surfaces including, but not limited to, plaster, stucco, fireproofing and other such materials;
 - iii. Removal of friable asbestos-containing miscellaneous materials from buildings and structures;
 - iv. Removal of non-friable asbestos-containing roofing, flooring, siding, and other miscellaneous materials from interior and exterior spaces of buildings and structures;
 - v. Removal of non-friable asbestos-containing miscellaneous materials; and
 - vi. Removal of non-friable asbestos-containing cement pipe from roadways.

Additional information regarding the asbestos-containing materials listed above shall be obtained from the asbestos-building survey reports for the above described structure, which Contractor acknowledges receipt of as of the date of its execution of this Agreement.

3. The requirements of Section B above do not relieve the Contractor of its responsibility to assess and limit the exposure of the Contractor's employees to airborne asbestos fibers.
4. Compliance with all applicable federal, state and local regulations and use of the best available technology, procedures and methods for preparation, execution, clean-up, disposal, and safety are absolutely required. This compliance is the sole responsibility of the Contractor.
5. The Contractor shall comply fully with all laws governing the use of equipment and methods for accomplishing the required Work. The Contractor shall procure all necessary permits and licenses to carry out the Work and pay the lawful fees.
6. The intent of this Scope of Work is to accurately describe the Work that is to be performed under this Agreement. It is the Contractor's responsibility to determine the accuracy of the Scope of Work prior to execution of this Agreement and commencement of the Work. The Owner and the Owner's Designated Representative assumes no responsibility for the proper and safe execution of the Work.

B. Commencement of Work

After arrival to the site the Contractor shall:

1. Conduct pre-abatement inspection.
2. Prepare the Work area.
3. Provide proof of worker training, respiratory protection, and medical examinations to Owner.
4. Perform removal as dictated in accordance with the specifications set out in the Agreement, this Scope of Work and all federal, state, and local asbestos laws and regulations.
5. Pack, label, manifest, transport, and dispose of contaminated material.
6. Decontaminate the Work area.
7. Provide access, support, and protection to all authorized visitors and inspectors, including protective clothing and respiratory equipment.

C. Work Sequencing and Schedule

The Contractor will have full access to the Work areas during the abatement. The Contractor is required to prepare daily Work sequence and schedule to complete this project within time allowed under the Agreement.

D. Pre-Abatement Submittals

The Contractor shall furnish Owner with the following:

1. If required, copies of written notifications sent to and received from all regulatory agencies including the EPA, State of Texas and local air pollution agencies.
2. Copies of all required permits and arrangements for transportation and disposal of asbestos-containing or contaminated material, supplies, and the like have been obtained.
3. A Project Plan or Abatement Design to include the proposed schedule, estimated time for completion of each phase, the number of employees proposed to meet the completion of each phase, and the procedures and equipment that will be utilized to complete the Work.
4. Documentation indicating that each employee has had instruction on the hazards of asbestos exposure and other topics required by OSHA 29 CFR 1926.1101 regarding Class I and II asbestos work involving asbestos-containing surfacing materials, thermal system insulation and miscellaneous materials.
5. Information on the proposed equipment to be used during the removal of asbestos containing surfacing materials.
6. Standard operating procedures showing how workmen, visitors and employees will be protected from exposure and how spaces outside the Work areas will be protected from contamination until completion of the Work.
7. Information on the types of respiratory protection systems to be used, if required.
8. Information on fire and emergency evacuation plan.
9. Documentation that medical records and respirator fit testing for all personnel has been performed.
10. Hazard Communication Program.

E. Personnel Qualifications

All personnel of the Contractor involved with asbestos abatement Work shall be trained, tested, and licensed in the State of Texas prior to any work and shall be thoroughly familiar with the Contractor's standard operating procedures for asbestos abatement work. All personnel shall undergo the medical examinations required by OSHA. The superintendent and the foreman shall be thoroughly familiar with the applicable regulations and practices for asbestos work and shall have participated in at least two abatement projects during the last two years. All personnel shall be trained in the use and care of respirators and shall pass the respirator fit test. A record shall be maintained indicating the manufacturer type and size respirator for the individual fitted. Anyone without the above qualifications shall not be allowed to work in the abatement area at any time.

F. Availability of Trained Personnel

There shall be a sufficient number of trained and qualified workers, foremen, and superintendents to accomplish the work within the required schedule. Since general Work cannot start prior to successful decontamination of the Work area, it is imperative that a sufficient number of trained personnel be engaged throughout the abatement process. No person who is untrained, not fully qualified, or has not been pre-approved, shall be employed to expedite completion of the abatement Work. A full time superintendent who is experienced in administration and supervision of asbestos abatement projects shall be provided during all Contractor operations.

G. Differing Site Conditions

Change orders shall be made in writing when additional asbestos abatement work is required beyond that which is indicated in the survey and abatement specification for this project. The change order should state in sufficient detail the additional work to be performed, the extra cost incurred, and the time required for completion. It shall be approved by the Owner, as set forth in the Agreement.

H. Standard Operating Procedures

The Contractor shall develop and implement a standard operating procedure during abatement work to ensure maximum protection and safeguard against asbestos exposure of the workers, visitors, and employee.

I. Basic Guidance For Class I Asbestos Work

1. **Competent Person:** Every asbestos abatement project undertaken by a licensed contractor shall be supervised by at least one licensed asbestos abatement supervisor. Abatement supervisors shall remain on the job site and in immediate contact with those under their supervision during all periods of asbestos abatement activity. During any period of actual abatement of asbestos, an abatement supervisor shall be stationed within the containment area at least 25% of the time for the purpose of supervising the progress of the abatement work. The competent person shall be an employee who is knowledgeable about construction safety and health and who has received specialized training to identify asbestos hazards, to select the best control strategy, and to take prompt action to correct or eliminate problems. The competent person shall make frequent and regular inspections at least once during each work shift and upon employee request. The supervisory duties of a competent person include:
 - i. Set up the regulated area, enclosure or other containment;
 - ii. Ensure (by on-site inspection) the integrity of the enclosure or containment;
 - iii. Set up procedures to control entry to and exit from the enclosure *and/or* work area;

- iv. Supervise all employee exposure monitoring and ensure that it is conducted;
- v. Responsible for respirator fit testing, personal protection of the workers, security, and control of access at the job site;
- vi. Ensure that employees within the enclosure wear protective clothing and respirators;
- vii. Ensure through on-site supervision that employees set up, use, and remove engineering controls, use work practices and personal protective equipment;
- viii. Ensure that employees use the hygiene facilities and observe the decontamination procedures specified;
- ix. Ensure that through on-site inspection, engineering controls are functioning properly and employees are using proper work practices; and
- x. Ensure that notification requirements are met.

The competent person shall be trained in all aspects of asbestos removal and handling, including abatement, installation, removal and handling; the contents of the asbestos standards; the identification of asbestos; removal procedures, where appropriate; and other practices for reducing the hazard. Such training shall be obtained in a comprehensive course for supervisors that meet the criteria of EPA's Model Accreditation Plan, a state-approved course, or a course equivalent in stringency, content, and length.

2. **Initial Exposure Assessment:** An initial exposure assessment shall be conducted by the competent person to determine whether or not airborne asbestos fibers in excess of the permissible exposure limits may be present. Daily air monitoring will be required unless a negative exposure assessment is obtained. If no exposure monitoring is performed you shall assume that exposure exceeds the permissible exposure limits and implement appropriate work practices.

Respirators are required for all Class I asbestos work regardless of the size of the job or whether or not a negative exposure assessment has been made.

Respirators are required for all Class II asbestos work: where the asbestos-containing material is not removed in a substantially intact state; which is not performed using wet methods; where the employer does not provide a negative pressure assessment; where employees are exposed above the permissible exposure limits; and in emergencies.

The Contractor is required to inform its employee that the employee has the right to choose to be provided with power air-purifying respirator in lieu of a negative pressure respirator, provided such a respirator provides adequate protection.

3. **Regulated Area:** A regulated area shall be established around the Work site. The regulated area shall be demarcated in a manner that minimizes exposure to asbestos both within and outside the area. Signs that are comprehensible to employees shall be provided and displayed. Danger signs in accordance with 29 CFR 1926.1101, shall be displayed, in both the English and Spanish languages, at all entrances to regulated areas, and on the outside of critical barriers.

Eating, drinking, smoking, chewing tobacco or gum, and applying cosmetics shall not be allowed in the work area.

Engineering controls and work practices shall include; wet methods, HEPA-vacuuming, prompt clean up and disposal of debris, use of impermeable drop cloths, and HVAC isolation system are required. A negative pressure enclosure shall be used as a control method. If employees are

working in the areas adjacent to the regulated area while Class I work is being done, critical barriers shall be used for indoor regulated areas or some other isolation method to prevent the spread of airborne asbestos.

4. **Critical Barriers:** Regulated areas within which asbestos abatement is to be conducted shall be separated from adjacent areas by impermeable barriers such as plastic sheeting attached securely in place. All openings between containment areas and adjacent areas, including but not limited to windows, doorways, elevator openings, corridor entrances, ventilation openings, drains, ducts, grills, grates, diffusers, and skylights, shall be sealed. All penetrations that could permit air infiltration or air leaks through the barrier shall be sealed, with exceptions of the make-up air provisions and the means of entry and exit.
5. **Moveable Objects:** All movable objects shall be removed from the containment area. Cleaning of contaminated items shall be performed if the items are to be salvaged or reused. Otherwise, they shall be properly disposed of as asbestos waste. All non-movable objects that remain in the containment area shall be covered with a minimum of four-mil plastic sheeting, secured in place.
6. **Floor and Wall Preparation:** Floor sheeting shall completely cover all floor surfaces and consist of a minimum of two layers of sheeting with at least a dart impact of 270 grams and tear resistance of machine direction (M.D.) 512 grams and transverse direction (T.D.) of 2067 grams or at least six-mil true thickness. Floor sheeting shall extend up sidewalls at least 12 inches and be sized to minimize the number of seams. No seams shall be located at wall-to-floor joints. Sealing of all floor penetrations against water leakage is mandatory. Wall sheeting shall completely cover all wall surfaces and consist of a minimum of two layers of four-mil sheeting. Wall sheeting shall be installed so as to minimize joints and shall extend beyond wall/floor joints at least 12 inches. No seams shall be located at wall-to-wall joints. Where a fire hazard exists, all plastic sheeting will be certified by the Underwriters Laboratory (UL) as being fire retardant. Where feasible, when containment walls, which exceed 260 linear feet, shall be constructed, a viewing window will be included in the wall for each 260 linear feet or fraction of that distance which will permit the viewing of at least 51% of the abatement work area. The window shall be constructed of Plexiglas, which measures approximately 18 inches by 18 inches. The bottom of the window will be at a reasonable viewing height from the outside floor.
7. **Decontamination System:** A worker decontamination enclosure system in the regulated area shall be used consisting of a clean room, shower room, and equipment room, each separated from the other and from the containment area by airlocks accessible through doorways. Except for the doorways and the make-up air provisions for the enclosure, the worker decontamination system shall be sealed against leakage of air. All personnel shall exit the containment area through the shower before entering the clean room. No asbestos-contaminated individuals or items shall enter the clean room.
8. **Heating, ventilation, and air conditioning system equipment (HVAC):** All HVAC equipment in or passing through the Work area shall be shut down and preventative measures taken to prevent accidental start-ups. All intake and exhaust openings and any seams in system components shall be sealed with at least six-mil sheeting and/or tape. All old filters shall be disposed of as asbestos waste.
9. **Containment-area ventilation:** Units with HEPA filtration, and in sufficient number to provide a negative pressure of at least 0.02 inches of water column differential between the containment and outside, as measured by manometric measurements, and a minimum of four containment air changes per hour, shall be operated continuously for the duration of the project. The duration of

the asbestos abatement project for the purpose of this requirement shall be considered from the time a regulated area is established through the time acceptable final clearance air-monitoring results are obtained in accordance with Texas Administrative Code Title 25 Part I §295.58(i)(3) of this title relating to Operations (General Requirements for Public Buildings). These units shall exhaust filtered air to the outside of the building wherever technically feasible.

10. **Prohibited Work Practices:** The following work practices shall be prohibited: use of high speed abrasive disk saws without HEPA-filtered exhaust; use of compressed air without a capture device; dry sweeping/shoveling; employee rotation to circumvent permissible exposure limits; use of solvents with a flash point of 140 degrees Fahrenheit or below; disposal of improperly labeled or classified asbestos-containing waste material as defined in 40 CFR Part 61, Subpart M.
11. **Medical Surveillance:** Medical surveillance is required for all workers who, for a combined total of 30 days or more, do this type of work or who shall wear a negative pressure air purifying (quarter- or half-mask type) respirator. Excluded from the 30-day count are days in which less than one hour is spent doing Class II or III work on intact material when required work practices are followed.

J. Additional Guidance For Class I and Class II Asbestos Work Where a Negative Exposure Assessment has not been Obtained or Permissible Exposure Levels are Exceeded

For workers who perform any Class I and Class II asbestos work where the initial exposure assessment or air monitoring indicates that airborne asbestos fibers may exceed the Permissible Exposure Limits of 0.1 fiber per cubic centimeter (f/cc) over an 8-hour period or 1.0 f/cc during a 30-minute period, the following additional steps shall be taken:

1. Daily air sampling (which represents a full shift of exposures) shall continue at the work site and airborne asbestos fiber concentrations shall be determined over the course of the job. Air monitoring may discontinue if the monitoring demonstrates fiber concentrations less than the Permissible Exposure Limits.
2. An appropriate respirator, based on level of exposure, shall be worn by each worker. The employer is required to notify employees that each employee has the right to choose to be provided with a powered air-purifying respirator in lieu of a negative pressure respirator, provided such respirator furnishes adequate protection.
3. Protective clothing and equipment shall be provided at no cost to the workers.
4. The regulated area shall be enclosed by critical barriers; such as plastic sheeting, negative pressure enclosures, or some equivalent isolation method. The integrity of the isolation method shall be verified by perimeter area surveillance. The regulated area shall be ventilated by direct ventilation and HEPA filtered local exhaust.
5. Hygiene facilities and practices shall include the following:
 - i. a separate clean-up/decontamination area for employees and equipment shall be established;
 - ii. impermeable drop cloths are required,
 - iii. the decontamination area shall be large enough to guard against contamination outside the regulated area;
 - iv. all personal protective clothing and equipment shall be decontaminated before removal; and
 - v. access to the work area shall be through the decontamination area.
6. The following additional work practices and controls are required (29 CFR 1926.11 01 (g)(2)):

- i. local exhaust ventilation equipped with HEPA filter dust collection systems;
 - ii. enclosure or isolation of processes producing asbestos dust;
 - iii. ventilation of the regulated area to move contaminated air away from the breathing zone of employees and toward a filtration or collection device equipped with a HEPA filter;
 - iv. use of other work practices and engineering controls that the Assistant Secretary of Labor for Occupational Safety and Health, U.S. Department of Labor, or designee, can show to be feasible.
7. Wherever the feasible engineering and work practice controls described above are not sufficient to reduce employee exposure to or below the permissible exposure limit and/or excursion limit (PELs), the employer shall use them to reduce employee exposure to the lowest levels attainable by these controls and shall supplement them by the use of respiratory protection that complies with the requirements of OSHA 29 CFR 1926.1101 (h).

K. Additional Controls for Class I Work Involving Removal of Asbestos-Containing Thermal System Insulation

Additional controls for Class I asbestos work involving the removal of asbestos-containing thermal system insulation include:

1. HVAC systems shall be isolated in the regulated area by sealing with a double layer of 6-mil plastic or the equivalent;
2. Impermeable drop cloths shall be placed on surfaces beneath all removal activity;
3. All objects within the regulated area shall be covered with impermeable drop cloths or plastic sheeting, which is secured by duct tape or an equivalent.
4. The regulated area shall be enclosed by critical barriers such as plastic sheeting, negative pressure enclosures, glove bags or mini-enclosures or some equivalent isolation method.
5. The integrity of the isolation method shall be verified by perimeter area surveillance. The regulated area shall be ventilated by direct ventilation and HEPA filtered local exhaust. If glove bags are used, each glove bag can be used only once and shall be collapsed about the structure by HEPA-vacuuming before removal. All Class I glove bag removal shall be handled by two persons.

L. Additional Controls for Class II Work Involving Removal of Asbestos Containing Vinyl and Asphalt Resilient Flooring Materials

1. Additional controls for Class II asbestos work involving the removal of asbestos-containing vinyl and asphalt resilient flooring (linoleum) materials include:
 - i. Flooring or its backing shall not be sanded;
 - ii. Vacuums equipped with HEPA filters, disposable dust bag, and metal floor tool (not brush) shall be used to clean floors;
 - iii. Resilient sheeting shall be removed by cutting with wetting of the snip point and wetting during delamination. Rip-up of resilient sheet floor material is prohibited;

- iv. All scraping of residual adhesive and/or backing shall be performed using wet methods;
- v. Dry sweeping is prohibited;
- vi. Mechanical chipping is prohibited unless performed in a negative pressure enclosure, which meets the requirements of Section 29 CFR 1926.1101 (g)(5) of the Construction standard; and
- vii. Tiles shall be removed intact, unless the contractor demonstrates that intact removal is not possible.

2. **Requirements for Negative Pressure Enclosure Systems:** Negative pressure enclosure systems may be used where the configuration of the work area does not make the erection of the enclosure infeasible, with the following specifications and work practices:

- i. the negative pressure enclosure may be of any configuration;
- ii. at least 4 air changes per hour shall be maintained in the negative pressure enclosure;
- iii. a minimum of -0.02 column inches of water pressure differential, relative to outside pressure, shall be maintained in the negative pressure enclosure as evidenced by manometric measurements;
- iv. the negative pressure enclosure shall be kept under negative pressure throughout the period of its use;
- v. air movement shall be directed away from employees performing asbestos work within the enclosure, and toward a HEPA filtration or a collection device.

M. ADDITIONAL CONTROLS FOR CLASS II WORK INVOLVING REMOVAL OF ASBESTOS CONTAINING CEMENT PIPE

Asbestos-containing cement pipe will be encountered along roadways and will be removed in its entirety. Additional controls for removal of asbestos-containing cement pipe include:

- 1. The safest way to handle asbestos-containing cement pipe is to make sure the material remains in a non-friable condition;
- 2. The Contractor shall not use removal methods that cause the asbestos-containing water pipe to shatter, crumble, be pulverized, or release fibers. The Contractor shall not sand, saw, grind, chip, or used power tools on asbestos-containing cement pipe;
- 3. The material must be kept wet during removal;
- 4. Do not blowout with compressed air, dry sweep, or vacuum with a non-HEPA rated vacuum cleaner;
- 5. Piping shall be removed from the ground in lengths that are easy to handle (3 to 5 foot sections);
- 6. Contractor shall use any of the work practices for cutting and splicing asbestos containing cement pipe recommended by the American Water Works Association, including:
 - Using carbide tipped blades. Blade cutters are frame adjustable to the circumference of the pipe and have a number of self-tracking rollers that align one or more carbide-tipped cutting blades. Because of the relatively low mechanical input and clean cutting action, hand operated blade cutters do not produce significant amounts of airborne asbestos dust.
 - Using snap cutters. Snap cutters ("squeeze-and-pop" equipment) operate by means of cutting wheels mounted in a chain wrapper around the pipe barrel. Hydraulic pressure,

applied by means of a remote, pneumatically, or manually operated pump, squeezes the cutting wheels into the pipe wall until the cut is made. This type of cutting minimizes the release of fibers.

- Using hammer and chisel to remove coupling. Asbestos-containing cement pipe couplings may be removed by gradually splitting the coupling lengthwise using a chisel and hammer. After the top of the coupling has been split, a crowbar or similar tool is used as a lever to split the bottom of the coupling.
7. Pipe sections and couplings shall be wrapped in two layers of six-mil polyethylene sheeting and sealed with duct tape. The waste material shall be properly labeled in accordance with NESHAPS, OSHA, Texas Department of Health, and TxDOT regulations.