



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

October 28, 2020  
**AGENDA ITEM #10**

---

Discuss and consider approving Amendment No. 1 to the Professional Engineering Design Services contract with Rodriguez Transportation Group, Inc. for construction phase services on the 183A Phase III Project

Strategic Plan Relevance:	Regional Mobility
Department:	Engineering
Contact:	Justin Word, P.E., Director of Engineering
Associated Costs:	\$800,000 (included within the current Not to Exceed)
Funding Source:	General Fund (to be reimbursed with Project Funds)
Action Requested:	Consider and act on draft resolution

**Project Description** - The Mobility Authority is proposing to extend 183A north from Hero Way to north of SH 29 to accommodate forecasted traffic volumes along the US 183 corridor. The 6.6-mile Phase III proposed tollway project will initially have two tolled lanes in each direction with an option to widen to three lanes in the future. The proposed tollway will be located mostly in the existing right-of-way within the median of the US 183 corridor. The extension will also feature a shared use path north from Hero Way to the proposed Seward Junction Loop project.

**Previous Actions** - On September 30, 2020 the Board awarded a construction contract to The Lane Construction Corporation. Previously, on January 30, 2019 the Mobility Authority Board approved a contract with Rodriguez Transportation Group, Inc. for professional engineering design services for the 183A Phase III Project and authorized the Executive Director to negotiate and execute Work Authorizations that cumulatively will not exceed \$12,475,739.66. When this professional engineering design services contract was awarded, the Mobility Authority's practice was to authorize design services and construction phase services separately. Both the design and construction phase services were anticipated and included in the scope of work described in the Request for Qualifications. The not to exceed budget approved in the original contract includes the construction phases services.

**Action Requested** - During construction, the design engineer reviews and approves shop drawings, responds to requests for information, answers general questions regarding the design from the contractor, and provides project management support. These construction phase services are within the current contractual not to exceed amount, so no additional funds are being requested.

The contract is currently set to terminate on January 31, 2024 unless otherwise extended. The proposed amendment extends the contract to December 31, 2024 which is in-line with the currently forecasted open to tolling date.

**Action requested/Staff Recommendation** - Staff recommends approval of a contract amendment with Rodriguez Transportation Group to add construction phase services for the 183A Phase III Project and extending the contract termination date with Rodriguez Transportation Group, Inc. from January 31, 2024 to December 31, 2024.

**Financing** - General Fund (to be reimbursed with Project Funds).

Backup Provided: Draft Resolution  
Draft Contract Amendment No. 1

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 20-0XX**

**APPROVING AMENDMENT NO. 1 TO THE  
PROFESSIONAL ENGINEERING DESIGN SERVICES CONTRACT  
WITH RODRIGUEZ TRANSPORTATION GROUP, INC. FOR  
CONSTRUCTION PHASE SERVICES ON THE 183A PHASE III PROJECT**

WHEREAS, by Resolution No. 19-002, dated January 30, 2019, the Board of Directors approved a contract with Rodriguez Transportation Group, Inc. (“RTG”) for Professional Engineering Design Services for the design of the 183A Phase III Project (the “Contract”); and

WHEREAS, the original procurement for professional engineering design services for the 183A Phase III Project contemplated the provision of construction phase services and the budget for these services was included in the original Contract amount; and

WHEREAS, the Executive Director and RTG have negotiated proposed Amendment No. 1 to the Contract to (1) incorporate construction phase services at no additional cost to the Mobility Authority and (2) extend the term of the Contract through December 31, 2024; and

WHEREAS, the Executive Director recommends that the Board approve proposed Amendment No. 1 to the Contract in the form or substantially the same form attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED, that the Board approves Amendment No. 1 to the contract with Rodriguez Transportation Group, Inc. for Professional Engineering Design Services on the 183A Phase III Project, and authorizes the Executive Director to finalize and execute Amendment No. 1 in the form or substantially the same form attached hereto as Exhibit A.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 28<sup>th</sup> day of October 2020.

Submitted and reviewed by:

Approved:

---

Geoffrey Petrov, General Counsel

---

Robert W. Jenkins, Jr.  
Chairman, Board of Directors

**Exhibit A**

**AMMENDMENT NO. 1 TO CONTRACT  
FOR PROFESSIONAL ENGINEERING SERVICES**

**THIS AMMENDMENT NO. 1 TO THE CONTRACT FOR ENGINEERING DESIGN SERVICES** is made pursuant to the terms and conditions of Article 5 of the Contract for professional engineering design Services (the “Contract”) entered into by and between the Central Texas Regional Mobility Authority (the Authority”) and Rodriguez Transportation Group, Inc (the “Engineer”) dated 2/21/2019.

The following terms and conditions of the Contract are hereby amended as follows:

**ARTICLE 2.** The contract termination date shall be extended to December 31, 2024, unless extended by written instrument establishing a new term.

**ARTICLE 5 (F) (2) More Time Needed.** If the Engineer determines or reasonably anticipates that the work authorized in a Work Authorization cannot be completed before the specified completion date, the Engineer shall promptly notify the Authority. The Executive Director, at his sole discretion, may extend the Work Authorization period by execution of a Work Authorization or Supplemental Work Authorization, using the form attached hereto.

**ARTICLE 7 (B) Reinstatement.** A Work Authorization may be reinstated and resumed in full force and effect within thirty (30) days of receipt of written notice from the Executive Director to resume the work. Both parties may waive the thirty (30) day notice in writing.

**ATTACHMENT A.** The Scope of Services to be provided by The Engineer shall be amended to include Construction Phase Services.

The total amount payable under the Contract remains at an amount not to exceed **\$12,475,739.66**.

This Amendment to the Contract shall become effective on the date of final execution of the parties hereto. All other terms and conditions of the Contract not hereby amended are to remain in full force and effect.

**IN WITNESS WHEREOF**, this Amendment to the Contract is executed in duplicate counterparts and hereby accepted and acknowledged below.

**THE ENGINEER**

**CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY**

\_\_\_\_\_  
(Signature)

Mark E. Rodriguez

(Printed Name)

President

(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

Mike Heiligenstein

(Printed Name)

Executive Director

(Title)

\_\_\_\_\_  
(Date)

# CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

## CONTRACT FOR

## PROFESSIONAL ENGINEERING DESIGN SERVICES

**THIS CONTRACT FOR PROFESSIONAL ENGINEERING DESIGN SERVICES** (the “Contract”) is made by and between the Central Texas Regional Mobility Authority, 3300 N. I-35, Suite 300, Austin, Texas 78705, (the “Authority,”) and Rodriguez Transportation Group, Inc. having its principal business address at 11211 Taylor Draper Lane Suite 100 Austin, TX 78759 (the “Engineer”).

### WITNESSETH

**WHEREAS**, the Authority desires to contract for services generally described as professional engineering design services, and more specifically described in Article 1 (the “Services”); and,

**WHEREAS**, pursuant to a qualifications-based selection conducted in accordance with the Professional Services Procurement Act (Tex. Gov’t Code Sec. 2254.001, et. seq.), and the Authority’s Policy Code regarding the procurement of professional services, the Authority has selected the Engineer to provide the needed Services; and

**WHEREAS**, the Engineer has agreed to provide the Services subject to the terms and conditions hereinafter set forth.

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

### AGREEMENT

#### ARTICLE 1 SCOPE OF SERVICES

The Engineer will perform the Services and provide the items necessary for fulfillment of the Contract as identified in Attachment A, Services to be Provided by the Engineer. All Services provided by the Engineer shall comply with the terms and conditions of this Contract and any Work Authorizations issued pursuant hereto. All Services provided by the Engineer will conform to standard engineering practices and applicable rules and regulations of the Texas Engineering Practices Act and the rules of the Texas Board of Professional Engineers.

This Contract does not obligate the Authority or the Executive Director to proceed with the Services or authorize the performance of work through a Work Authorization.

**ARTICLE 2  
CONTRACT PERIOD**

This Contract becomes effective when fully executed by all parties hereto and it shall terminate on December 31, 2024, unless extended by written instrument establishing a new term.

**ARTICLE 3  
COMPENSATION**

Compensation for the performance of the Services shall be provided as follows:

**A. Maximum Amount Payable.** The total amount payable under the Contract without modification is an amount not to exceed \$12,475,739.66.

**B. Methods for Compensation.** The method for compensating Engineer for Services performed shall be specified in the Work Authorization issued pursuant to Article 5 and shall be one of the following types:

(1) Cost-Plus

Subject to the terms of a Work Authorization issued pursuant to Article 5 below (including any maximum amount to be paid as stated therein), the Authority will agree to pay, and the Engineer will agree to accept as full and sufficient compensation and reimbursement for the performance of all Services as set forth in this Contract and the Work Authorization, hourly rates for the staff working on the assignment computed as follows:

Direct Labor Cost x (1.0 + OH Rate) x (1.0 + Profit %, in decimal form)

where Direct Labor Cost equals employee's actual annual salary divided by 2080 hours per year (subject to any applicable cap); OH Rate equals the Engineer's most recent auditable overhead rate under 48 C.F.R. Part 31, Federal Acquisition Regulations (FAR) or otherwise approved overhead rate pursuant to this subsection 2.A; and Profit % reflects a ten percent (10%) profit. No increase shall be made to the specified profit percentage.

The Direct Labor Cost caps for the classifications of employees working for the Authority as of the Contract execution of this Contract are reflected in Attachment B. Revisions to Direct Labor Cost caps for employee classifications and the auditable overhead rate may be proposed no more frequently than once per calendar year, and no sooner than 12 months after Contract execution, and are subject to the written approval of the Executive Director or his designee.

The actual annual salaries for all Key Team Members and employees anticipated to work a minimum of 40 hours/month will be set as of the Contract execution. Revisions to actual annual salaries billed to the Authority may be proposed no more frequently than once per calendar year, and no sooner than 12 months after Contract execution, are limited to no more than a 3% increase per year, and are subject to the written approval of the Executive Director or his designee. Actual annual salaries billed to the Authority in excess of the 3% annual increase threshold will

be considered only on a case by case basis and shall be approved by the Executive Director or his designee in writing.

The Authority shall have the right to review and/or audit the Engineer's Direct Labor Costs, auditable overhead rates, and annual salaries of Key Team Members upon written request. Once approved, the range of Direct Labor Costs and auditable overhead rate will be used going forward until the next annual adjustment is requested and approved. Changes to the auditable overhead rate will not be applied retroactively to Direct Labor Costs incurred in the previous year. If the Engineer or a subconsultant of the Engineer does not have a FAR Part 31 overhead rate, they may submit, for Authority approval, alternate documentation supporting an appropriate auditable overhead rate. If an auditable overhead rate is not submitted or available, fixed hourly rates must be submitted per subsection 3.B.4. During the term of this Contract the Engineer shall provide to the Executive Director or his designee, prior to requesting any adjustment to its auditable overhead rate, a copy of the report establishing a new FAR Part 31 rate for the Engineer.

The payment of the hourly rates and allowed costs shall constitute full payment for all Services, liaisons, products, materials, and equipment required to deliver the Services.

#### (2) Unit Cost

Subject to the terms of a Work Authorization issued pursuant to Article 5 below (including any maximum amount to be paid as stated therein), the Authority will agree to pay the Engineer, and the Engineer will agree to accept as full and sufficient compensation and reimbursement for the performance of all Services as set forth in this Contract and the Work Authorization, an agreed upon unit price times the number of units completed for each billing. This method of payment is generally reserved for work which has a definable work product but the quantity is uncertain and the Engineer assumes the risks for all costs. Each invoice submitted shall identify the specific Contract task(s) listed in Exhibit B and the completed work product/deliverable for the agreed upon price listed in Exhibit D Budget.

#### (3) Lump Sum

Subject to the terms of a Work Authorization issued pursuant to Article 5 below (including any maximum amount to be paid as stated therein), the Authority will agree to pay Engineer, and the Engineer will agree to accept as full and sufficient compensation and reimbursement for the performance of all Services as set forth in

this Contract and the Work Authorization, a Lump Sum amount for the specified category of services.

The Lump Sum will include compensation for Engineer's services and services of subconsultants, if any. Appropriate amounts will be incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses.

The portion of the Lump Sum amount billed for Engineer's Services will be based upon Engineer's estimate, as approved by the Authority, of the proportion of the total Services completed during the billing period to the Lump Sum amount.

#### (4) Specified Rate

Subject to the terms of a Work Authorization issued pursuant to Article 5 below (including any maximum amount to be paid as stated therein), and for the specified category of services, the Authority will agree to pay the Engineer, and the Engineer will agree to accept as full and sufficient compensation and reimbursement for the performance of all Services as set forth in this Contract and the Work Authorization, an amount equal to the cumulative hours charged to the specific project by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class for all Services performed on the specific project, plus Reimbursable Expenses and sub consultant's charges, if any.

Standard Hourly Rates include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.

Engineer's Reimbursable Expenses Schedule and Standard Hourly Rates are attached and included in Attachment B.

The total estimated compensation for the specified category of services shall be stated in the Work Authorization. This total estimated compensation will incorporate all labor at Standard Hourly Rates, Reimbursable Expenses, and sub consultants' charges, if any.

The amounts billed will be based on the cumulative hours charged to the specified category of services during the billing period by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class, plus Reimbursable Expenses and Engineer's sub consultant's charges, if any.

Revisions to the Standard Hourly Rates may be proposed no more frequently than once per calendar year, and no sooner than 12 months after contract execution, and are subject to written approval of the Executive Director or his designee.

**C. Limitations on Rates Utilized.** The Engineer represents that at all times, subject to the limitations on timing and approval in subsection 2.A, throughout the term of this Contract that it shall not use an auditable overhead rate that exceeds the rate determined in accordance with FAR Part 31 (or successor regulations); and shall be based on actual salary amounts for the individuals performing the Services; that the Direct Labor Costs shall not exceed the caps reflected

in Attachment B and shall be based on actual salary amounts for the individuals performing the Services.

**D. Reimbursable Expenses.** As indicated above, and subject to the terms of any Work Authorization, the compensation computed in accordance with subsections 3.A. and B. is anticipated by the Authority and the Engineer to be full and sufficient compensation and reimbursement for the Services, and includes all customary out-of-pocket expenses anticipated to result from the Engineer's performance under the Contract that are included in the computation of the approved overhead rate. Roadway tolls incurred by Engineer or any of its subconsultants in connection with the performance of the Services will not be a reimbursable expense under this Contract. Notwithstanding the foregoing, and subject to the limitations herein, the Engineer shall be entitled to reimbursement for reasonable out-of-pocket expenses actually incurred by the Engineer that are necessary for the performance of its duties under this Contract and which are not included in the approved overhead rate, said expenses being limited to travel costs at the Current State Rate, printing costs for specified reports and deliverables, automobile expenses being reimbursed at the federal mileage rates for travel originating from the office of the Engineer employee or subconsultant, and other expenses directly approved, in advance, by the Executive Director or his designee (collectively, "Reimbursable Expenses"). Except as otherwise authorized in an executed Work Authorization, and only then to the extent reimbursable by the Texas Department of Transportation ("TxDOT") under the terms of any form of financial assistance agreement, the Authority shall not reimburse the Engineer for travel, lodging, and similar expenses incurred by the Engineer to bring additional staff to its local office or to otherwise reassign personnel to provide basic engineering support of the Engineer's performance of the Services, provided, however, that the Authority shall reimburse, but only in accordance with the terms of this subsection, such costs incurred by the Engineer to bring to its local office or the Authority's facilities, with advance approval by the Executive Director or his designee, staff with specialized skills or expertise required for the Services and not customarily available from a staff member providing services of the type described in this Contract.

Engineer acknowledges that all expenses and costs paid or reimbursed by the Authority using federal or state funds shall be paid or reimbursed in accordance with, and subject to, applicable policies of the Authority and other applicable state and federal laws, including the applicable requirements of OMB Circular A-87, which may reduce the amount of expenses and costs reimbursed to less than what was incurred.

The Engineer shall acquire all goods and services subject to the reimbursement by the Authority under this Contract on a tax-free basis pursuant to the Authority's tax-exempt status described in subsection 2.G. This provision applies to the extent the Authority's tax exempt status can reasonably be extended to purchases made directly by the Engineer.

**E. Subconsultants.** For the purposes of this Contract, a "subconsultant" is an individual or entity contracted by the Engineer to provide services related to or part of those which the Engineer owes to the Authority under this Contract. The Engineer may engage a subconsultant to provide services, and the Authority will reimburse the Engineer for the Engineer's cost of engaging the subconsultant for those services, if the Engineer provides a written description of the proposed services and the proposed price (using rates approved in Attachment B), to the Authority before the Services are provided and the Authority has provided to the Engineer a written approval for the Services and the proposed price. If an approved subconsultant bills on an hourly rate, each invoice from the subconsultant submitted to the Authority for reimbursement must report the tasks

performed by each billing person and the amount of time spent performing the task. The Engineer may not charge a mark-up or commission on a subconsultant's invoice, and the Authority will not reimburse the Engineer in an amount that exceeds the price proposal from the subconsultant that was approved by the Authority.

**F. Non-compensable Time.** Time spent by the Engineer's personnel or subconsultants in an administrative or supervisory capacity not related to the performance of the Services is not compensable and shall not be billed to the Authority. Time spent on work in excess of what would reasonably be considered appropriate under industry standards for the performance of such Services is not compensable, unless that additional time spent resulted from the Authority's delay in providing information, materials, feedback, or other necessary cooperation to the Engineer. The Authority will not pay any hourly compensation to the Engineer for Services or deliverables required due to an error, omission, or fault of the Engineer.

**G. Consistency of Classification/Duties and Hourly Rates.** Time spent by the Engineer's employees or subconsultants to perform services or functions capable of being carried out by other, subordinate personnel with a lower hourly rate shall be billed at a rate equivalent to that of the applicable qualified subordinate personnel.

**H. Taxes.** All payments to be made by the Authority to the Engineer pursuant to this Contract are inclusive of federal, state, or other taxes, if any, however designated, levied, or based. The Authority acknowledges and represents that it is a tax-exempt entity under Sections 151.309, *et seq.*, of the Texas Tax Code. Title to any consumable items purchased by the Engineer in performing this Contract shall be deemed to have passed to the Authority at the time the Engineer takes possession or earlier, and such consumable items shall immediately be marked, labeled, or physically identified as the property of the Authority, to the extent practicable.

#### **ARTICLE 4 INVOICE REQUIREMENTS**

The Engineer shall submit its monthly invoices certifying the fees charged and any Reimbursable Expenses for Services provided during the previous month, and shall also present a reconciliation of monthly invoices (and related estimates) to which the work relates. Each invoice shall be in such detail as is required by the Authority and, if the work is eligible for payment through an agreement with TxDOT, in such detail as TxDOT may require, including a breakdown of Services provided on a project-by-project basis, together with other Services requested by the Authority. Upon request of the Authority, the Engineer shall also submit certified time and expense records directly related to Services provided to the Authority, and copies of invoices that support invoiced fees and Reimbursable Expenses. All invoices must be consistent with the rates established by this Contract and the compensation method specified in the Work Authorization. Unless waived in writing by the Executive Director, or his designee, no invoice may contain, and the Authority will not be required to pay, any charge for billable hours which is more than (90) days old at the time of invoicing.

**A. Form of Invoices.** The invoice shall show: (1) the Work Authorization number for each Work Authorization included in the billing; (2) the total amount earned thru the billing period; and (3) the amount due and payable as of the date of the current billing statement for each Work

Authorization. The invoice shall indicate if the work has been completed or if the invoice is for partial completion of the work. The invoice shall be in the form provided by the Authority.

**B. Disadvantaged Business Enterprise (DBE)/Historically Underutilized Business (HUB) Forms.** The Engineer will be responsible for completing and including with each invoice all TxDOT required DBE/HUB reporting forms included in Exhibits E, and F of Attachment C - Work Authorization(s).

**C. Time and Place of Payment.** Upon receipt of an invoice that complies with all invoice requirements set forth in this Contract, the Authority shall make a good faith effort to pay the amount, which is due and payable within thirty (30) days, provided that if all or a portion of the Services reflected in the invoice are to be reimbursed by TxDOT through an agreement between TxDOT and the Authority, the Authority shall make a good faith effort to pay such amounts within thirty (30) days of receipt of such payments from TxDOT. **If the Authority disputes a request for payment by the Engineer, the Authority agrees to pay any undisputed portion of the invoice when due. The basis for any such dispute must be stated in writing within thirty (30) days after the Authority's receipt of the monthly invoice.**

**D. Withholding Payments.** The Authority reserves the right to withhold payment of all or portion of the Engineer's invoice in the event of any of the following: (1) a dispute over all or part of the work performed or costs thereof is not resolved within a thirty (30) day period following receipt of the invoice; (2) verification of satisfactory work performed has not been completed; or (3) if required reports (including third-party verifications, if any) are not received.

**E. Invoice and Progress Report Submittal Process.** The protocol for invoice and progress report submittal, review, and approval will be as follows:

- (1) The invoice submittal shall include:
  - Progress report
  - Forecast for completion of the scope
  - Invoice
  - Supporting documents as requested
- (2) A progress report shall be submitted to Authority at least once each calendar month;
- (3) An update to the project schedule (using critical path method analysis) indicating the project's overall status versus the baseline schedule (originally submitted with the Project Management Plan) shall be submitted to Authority at least once each calendar month;
- (4) In the event that invoices are not submitted on a monthly basis, a monthly submittal of the progress report information will be required nevertheless;
- (5) The invoice submittal shall not be later than the 10<sup>th</sup> day of the month following service unless otherwise directed;
- (6) As it relates to the Authority's end of fiscal year closeout efforts, the Engineer shall submit the invoice including their services through June 30<sup>th</sup> for a given year no later than July 7<sup>th</sup> of that same year;

- (7) The Authority and/or the Authority's GEC (as defined below) will review the invoices to confirm that supporting documentation is included, and for compliance with the Contract and consistency with the submitted progress report; and
- (8) The invoice will either be recommended for approval by the Authority and/or GEC, or the Authority and/or GEC will return it to the Engineer for required correction.

**F. Effect of Payments.** No payment by the Authority shall relieve the Engineer of its obligation to perform on a timely basis the Services required under this Contract. If, prior to acceptance of any Service, product or other deliverable, the Authority determines that said Service, product or deliverable does not satisfy the requirements of this Contract, the Authority may reject same and require the Engineer to correct or cure same within a reasonable period of time and at no additional cost to the Authority.

**G. Audit.** The Authority shall have the right to examine the books and records of the Engineer. The Engineer shall maintain all books, documents, papers, accounting records and other evidence pertaining to cost incurred and shall make such materials available at its office during the Contract period and for four (4) years from the date of final payment under this Contract or until any pending litigation has been completely and fully resolved and the Authority approves of the destruction of records, whichever occurs last. The Authority or any of its duly authorized representatives, TxDOT, the Federal Highway Administration ("FHWA"), the United States Department of Transportation Office of Inspector General and the Comptroller General shall have access to any and all books, documents, papers and records of the Engineer which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

## **ARTICLE 5 WORK AUTHORIZATIONS**

**A. Use.** The Engineer shall not begin any work until the Executive Director and the Engineer have signed a Work Authorization and received a Notice to Proceed as defined in the Work Authorization. Costs incurred by the Engineer before a Work Authorization is fully executed or after the completion date specified in the Work Authorization are not eligible for reimbursement. Services performed shall be in strict accordance with the scope, schedule, and budget set forth in each Work Authorization issued pursuant to this Contract, and no Services shall be performed which are not the subject of a validly issued Work Authorization. The Executive Director will issue Work Authorizations using the form attached as Attachment C (or in a form substantially similar to Attachment C) to authorize all work under this Contract. No work shall begin on the activity until the Work Authorization is approved and fully executed. All work must be completed on or before the completion date specified in the Work Authorization.

**B. Contents.** Each Work Authorization shall include: (1) types of Services to be performed and a full description of the work required to perform those Services (2) a full description of general administration tasks exclusive to that Work Authorization (3) a work schedule (including beginning and ending dates) with milestones; (4) the basis of payment whether cost-plus, unit cost, lump sum, or specified rate; (5) a Work Authorization budget as

described in subsection C below ; and (6) DBE/HUB Requirements. The Engineer shall not include additional contract terms and conditions in the Work Authorization.

**C. Work Authorization Budget.** A Work Authorization budget shall be prepared by the Engineer and shall set forth in detail the following: (1) the computation of the estimated cost of the work as described in the Work Authorization; (2) the estimated time (hours/days) required to complete the work using the fees set forth in Attachment B; (3) a work plan that includes a list of the work to be performed; and (4) a maximum cost (not-to-exceed) amount or unit or lump sum cost and the total cost or price of the work as defined in the Work Authorization.

**D. No Guaranteed Work.** Work Authorizations will be issued at the sole discretion of the Executive Director. While it is the Executive Director's intent to issue Work Authorizations hereunder, the Engineer shall have no cause of action conditioned upon the lack of, failure to issue, or number of Work Authorizations issued.

**E. Incorporation into Contract.** Each Work Authorization shall be signed by both parties and become a part of the Contract. No Work Authorization will waive the Authority's or the Engineer's responsibilities and obligations established in this Contract. The Engineer shall promptly notify the Authority of any event that will affect completion of the Work Authorization in accordance with the terms thereof.

**F. Supplemental Work Authorizations.** Before additional work may be performed or additional costs incurred beyond those authorized in a Work Authorization, a change in a Work Authorization shall be enacted by a written Supplemental Work Authorization in the form identified and attached hereto as Attachment D. Supplemental Work Authorizations, if required, must be executed by both parties. The Authority shall not be responsible for actions by the Engineer or any costs incurred by the Engineer relating to additional work not directly associated with the performance or prior to the execution of the Supplemental Work Authorization. The Authority shall take such time as it deems necessary, in its sole discretion, to review the Supplemental Work Authorization.

**(1) Notice.** If the Engineer is of the opinion that any assigned work is beyond the scope of this Contract and constitutes additional work beyond the Services to be provided under this Contract or a Work Authorization, it shall promptly notify the Authority and submit written justification presenting the facts of the work and demonstrating how the work constitutes supplementary work.

**(2) More Time Needed.** If the Engineer determines or reasonably anticipates that the work authorized in a Work Authorization cannot be completed before the specified completion date, the Engineer shall promptly notify the Authority. The Executive Director, at his sole discretion, may extend the Work Authorization period by execution of a Work Authorization or Supplemental Work Authorization, using the form attached hereto.

**(3) Changes in Scope.** Changes that would modify the scope of the work authorized in a Work Authorization must be enacted by a written Supplemental Work Authorization. If the change in scope affects the amount payable under the Work Authorization, the Engineer shall prepare a revised Work Authorization budget for the Executive Director's approval. The Executive Director shall analyze the proposed justification, work hour estimate and cost. Upon approval of the need,

the Executive Director shall negotiate the Supplemental Work Authorization scope with the Engineer, and then process the final Supplemental Work Authorization, subject to final written approval by the Executive Director.

**(4) Limitation of Liability.** The Authority shall not be responsible for actions by the Engineer or any costs incurred by the Engineer relating to additional work not directly associated with (or incurred prior to) the execution of a Supplemental Work Authorization.

**G. Deliverables.** Upon satisfactory completion of the Work Authorization, the Engineer shall submit the deliverables as specified in the executed Work Authorization to the Authority for review and acceptance.

## **ARTICLE 6 PROGRESS**

**A. Progress meetings.** As required and detailed in the Work Authorizations or as otherwise directed by the Authority, the Engineer shall from time to time during the progress of the work confer with the Authority. The Engineer shall prepare and present such information as may be pertinent and necessary or as may be requested by the Authority in order to evaluate features of the work.

**B. Conferences.** At the request of the Authority and as required and detailed in the Work Authorizations, conferences shall be held at the Engineer's office, the office of the Authority, or at other locations designated by the Authority. These conferences may also include evaluation of the Engineer's Services and work when requested by the Authority.

**C. Reports.** The Engineer shall promptly advise the Authority in writing of events that have a significant impact upon the progress of a Work Authorization, including:

(1) problems, delays, adverse conditions that will materially affect the ability to meet the time schedules and goals, or preclude the attainment of project work units by established time periods; this disclosure will be accompanied by a statement of the action taken or contemplated, and any Authority or state/federal assistance needed to resolve the situation; and

(2) favorable developments or events that enable meeting the work schedule goals sooner than anticipated.

**D. Corrective Action.** Should the Authority determine that the progress of work does not satisfy the milestone schedule (or other deadlines) set forth in a Work Authorization, the Authority shall review the work schedule with the Engineer to determine the nature of corrective action needed. The Authority's participation in reviewing the work schedule and determining corrective actions needed will not, in any way, excuse the Engineer from any responsibility or costs of failure to timely perform the Services.

**E. More Time Needed.** If the Engineer determines or reasonably anticipates that the work authorized in a Work Authorization cannot be completed within the work schedule contained therein, the Engineer shall promptly notify the Authority and shall follow the procedure set forth

in the Work Authorization. The Authority may, at its sole discretion, modify the work schedule to incorporate an extension of time.

## **ARTICLE 7 SUSPENSION OF WORK AUTHORIZATION**

**A. Notice.** Should the Executive Director desire to suspend a Work Authorization (or a portion of the work authorized thereunder) but not terminate the Contract, the Executive Director may provide written notification to the Engineer, giving ten (10) business days prior notice. Both parties may waive the ten (10) business day notice requirement in writing.

**B. Reinstatement.** A Work Authorization may be reinstated and resumed in full force and effect within thirty (30) days of receipt of written notice from the Executive Director to resume the work. Both parties may waive the thirty (30) day notice in writing.

**C. Limitation of Liability.** The Authority shall have no liability for work performed or costs incurred prior to the date authorized by the Authority to begin work, during periods when work is suspended, or after the completion of the Contract or Work Authorization.

## **ARTICLE 8 CHANGES IN WORK**

**A. Work Previously Submitted as Satisfactory.** If the Engineer has submitted work in accordance with the terms of this Contract and Work Authorization(s) but the Authority requests changes to the completed work or parts thereof which involve changes to the original scope of Services or character of work under the Contract and Work Authorization(s), the Engineer shall make such revisions as requested and as directed by the Authority, provided the work is reflected in a Supplemental Work Authorization.

**B. Work Does Not Comply with Contract.** If the Engineer submits work that does not comply with the terms of this Contract or Work Authorization(s), the Authority shall instruct the Engineer to make such revision as is necessary to bring the work into compliance with the Contract or Work Authorization(s). No additional compensation shall be paid for this work.

## **ARTICLE 9 OWNERSHIP OF DATA**

**A. Work for Hire.** All services provided under this Contract are considered work for hire and, as such, all data, basic sketches, charts, calculations, plans, specifications, electronic files, and other documents created or collected under the terms of this Contract are the property of the Authority.

**B. Ownership of Plans.** Notwithstanding any provision in this Contract or in common law or statute to the contrary all of the plans, tracings, estimates, specifications, computer records, discs, tapes, proposals, sketches, diagrams, charts, calculations, correspondence, memoranda, survey notes, and other data and materials, and any part thereof, created, compiled or to be compiled by or on behalf of the Engineer, including all information prepared for or posted on the Authority's website and together with all materials and data furnished to it by the Authority, are

and at all times shall be and remain the property of the Authority and shall not be subject to any restriction or limitation on their further use by or on behalf of the Authority. Engineer hereby assigns any and all rights and interests it may have in the foregoing to the Authority, and Engineer hereby agrees to provide reasonable cooperation as may be requested by the Authority in connection with the Authority's efforts to perfect or protect rights and interests in the foregoing; and if at any time demand be made by the Authority for any of the above materials, records, and documents, whether after termination of this Contract or otherwise, such shall be turned over to the Authority without delay. The Authority hereby grants the Engineer a revocable license to retain and utilize the foregoing materials for the limited purpose of fulfilling Engineer's obligations under this Contract, said license to terminate and expire upon the earlier to occur of (a) the completion of Services described in this Contract or (b) the termination of this Contract, at which time the Engineer shall deliver to the Authority all such materials and documents. If the Engineer or a subconsultant desires later to use any of the data generated or obtained by it in connection with the Projects or any other portion of the work product resulting from the Services, it shall secure the prior written approval of the Authority. The Engineer shall retain its copyright and ownership rights in its own back-office databases and computer software that are not developed for the Authority or for purposes of this Contract. Intellectual property developed, utilized, or modified in the performance of Services for which the Engineer is compensated under the terms of this Contract shall remain the property of the Authority, Engineer hereby agrees to provide reasonable cooperation as may be requested by the Authority in connection with the Authority's efforts to perfect or protect such intellectual property. The Authority retains an unrestricted license for software packages developed in whole or in part with Authority funds.

**C. Separate Assignment.** If for any reason the agreement of the Authority and the Engineer set forth in subsection 9.B. regarding the ownership of work product and other materials is determined to be unenforceable, either in whole or in part, the Engineer hereby assigns and agrees to assign to the Authority all right, title, and interest that Engineer may have or at any time acquire in said work product and other materials, without royalty, fee or other consideration of any sort, and without regard to whether this Contract has terminated or remains in force. The Authority hereby acknowledges, however, that all documents and other work product provided by the Engineer to the Authority and resulting from the Services performed under this Contract are intended by the Engineer solely for the use for which they were originally prepared. Notwithstanding anything contained herein to the contrary, the Engineer shall have no liability for the use by the Authority of any work product generated by the Engineer under this Contract on any project other than for the specific purpose and project for which the work product was prepared.

**D. Disposition of Documents.** All documents and electronic files prepared by the Engineer and all documents furnished to the Engineer by the Authority shall be delivered to the Authority upon request. The Engineer, at its own expense, may retain copies of such documents or any other data which it has furnished the Authority under this Contract, but further use of the data is subject to express written permission by the Authority.

**E. Release of Design Plan.** The Engineer: (1) will not release any design plan created or collected under this Contract except to its subconsultants as necessary to complete the Contract; (2) shall include a provision in all subcontracts which acknowledges the Authority's ownership of the design plan and prohibits its use for any use other than the project identified in this Contract; and (3) is responsible for any improper use of the design plan by its employees, officers, or

subconsultants, including costs, damages, or other liability resulting from improper use. Neither the Engineer nor any subconsultants may charge a fee for any portion of the design plan created by the Authority.

## **ARTICLE 10 PUBLIC INFORMATION AND CONFIDENTIALITY**

**A. Public Information.** The Authority will comply with Government Code, Chapter 552, the Texas Public Information Act in the release of information produced under this Contract.

**B. Confidentiality.** The Engineer shall not disclose information obtained from the Authority under this Contract without the express written consent of the Authority. All employees of the Engineer and its subconsultants working on the Project may be required to sign a non-disclosure and confidentiality agreement.

**C. Access to Information.** The Engineer is required to make any information created or exchanged with the Authority pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act as determined by the Authority, available in a format that is accessible by the public at no additional charge to the Authority.

## **ARTICLE 11 PERSONNEL, EQUIPMENT AND MATERIAL**

**A. Engineer Resources.** The Engineer shall furnish and maintain an office for the performance of all Services, in addition to providing adequate and sufficient personnel and equipment to perform the Services required under the Contract. The Engineer certifies that it presently has adequate qualified personnel in its employment for performance of the Services required under this Contract, or it will be able to obtain such personnel from sources other than the Authority.

**B. Removal of Employee.** All employees of the Engineer assigned to this Contract shall have such knowledge and experience as will enable them to perform the duties assigned to them. The Authority may instruct the Engineer to remove any employee from association with work authorized in this Contract if, in the sole opinion of the Authority, the work of that employee does not comply with the terms of this Contract; the conduct of that employee becomes detrimental to the work; or for any other reason identified by the Authority

**C. Authority Approval of Replacement Personnel.** The Engineer may not replace any Key Team Member, as designated in the applicable Work Authorization, without prior written approval of the Authority. If any Key Team Member cease to work on this Contract, the Engineer must notify the Authority in writing as soon as possible, but in any event within (3) three business days. The notification must give the reason for removal. The Engineer must receive written approval from the Authority of proposed replacement Key Team Member. The Authority's approval will be based upon the proposed replacement Key Team Member qualifications to provide the required Services. Approval will not be unreasonably withheld.

**D. Liquidated Damages.** The selection of Engineer to provide the Services under this Contract was based, in part, on the Key Team Member identified in Engineer's **proposal**. Because of the importance and unique nature of the Services to be provided by Key Team Member identified in Attachment E it is impractical to calculate the actual losses that would be suffered by

the Authority by the loss of Key Team Member from the Contract. Therefore, the Engineer agrees to compensate the Authority for its losses by paying liquidated damages in the amount of \$2,500 per day per Key Team Member position in Attachment E if any Key Team Member are removed by the Engineer by reassignment without prior written approval from the Authority. Liquidated damages will accrue from the date the Engineer removes the Key Team Member in Attachment E from the Contract if the parties do not agree on a replacement within (14) calendar days after the Key Team Member are removed from the Contract. If a replacement is agreed upon within that fourteen (14) calendar day period the Liquidated damages will be waived. Liquidated damages shall cease when the parties agree on a substitute or when the Contract is terminated.

**E. Ownership of Acquired Property.** Except to the extent that a specific provision of this Contract states to the contrary, and as provided in Section 9.B above, the Authority shall own all intellectual and other property acquired or developed under this Contract and all equipment purchased by the Engineer or its subconsultants under this Contract. All intellectual property and equipment owned by the Authority shall be delivered to the Authority when the Contract or applicable Work Authorization terminates, or when it is no longer needed for work performed under this Contract, whichever occurs first. In the event that a capital item is purchased for the sole use of the Authority, title shall pass or transfer to the Authority prior to any use of the item by the Engineer.

## **ARTICLE 12 SUBCONTRACTING**

**A. Prior Approval.** The Engineer shall not assign, subcontract, or transfer any portion of professional services related to the work under this Contract unless specified in an executed Work Authorization or otherwise without first obtaining the prior written approval from the Authority. Request for approval should include a written description of the proposed services, and, using rates established in Attachment B, a proposed price.

**B. DBE/HUB Compliance.** The Engineer's subcontracting program shall comply with the requirements of Exhibits E, and F of Attachment C - Work Authorization(s).

**C. Required Provisions.** All subcontracts for professional services shall include the provisions included in this Contract and any provisions required by law. The Engineer is authorized to pay subconsultants in accordance with the terms of the subcontract.

**D. Engineer Responsibilities.** No subcontract shall relieve the Engineer of any of its responsibilities under this Contract and of any liability for work performed under this Contract, even if performed by a subconsultant or other third party performing work for or on behalf of the Engineer.

**E. Invoice Approval and Processing.** All subconsultants shall prepare and submit their invoices on the same billing cycle and format as the Engineer (so as to be included in invoices submitted by the Engineer).

## **ARTICLE 13 INSPECTION OF WORK**

**A. Review Rights.** Under this Contract, the Authority, TxDOT, and the U.S. Department of Transportation, and any authorized representative of the Authority, TxDOT, or the U.S. Department of Transportation, shall have the right at all reasonable times to review or otherwise evaluate the work performed hereunder and the premises in which it is being performed.

**B. Reasonable Access.** If any review or evaluation is made on the premises of the Engineer or a subconsultant under this Article, the Engineer shall provide and require its subconsultants to provide all reasonable facilities and assistance for the safety and convenience of the persons performing the review in the performance of their duties.

#### **ARTICLE 14 SUBMISSION OF REPORTS**

All applicable study reports shall be submitted in preliminary form for approval by the Authority before a final report is issued. The Authority's comments on the Engineer's preliminary report must be addressed in the final report. Draft reports shall be considered confidential unless otherwise indicated by the Authority.

#### **ARTICLE 15 VIOLATION OF CONTRACT TERMS**

**A. Increased Costs.** Violation of Contract terms, breach of contract, or default by the Engineer shall be grounds for termination of the Contract pursuant to Article 16, and any increased or additional cost incurred by the Authority arising from the Engineer's default, breach of contract or violation of contract terms shall be paid by the Engineer.

**B. Remedies.** This Contract shall not be considered as specifying the exclusive remedy for any default, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

**C. Excusable Delays.** Except with respect to defaults of subconsultants, the Engineer shall not be in default by reason of any failure in performance of this Contract in accordance with its terms (including any failure to progress in the performance of the work) if such failure arises out of causes beyond the control and without the default or negligence of the Engineer. Such causes may include, but are not restricted to, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

#### **ARTICLE 16 TERMINATION**

**A. Termination.** The Contract may be terminated before the stated completion date by any of the following conditions:

- (1) by mutual agreement and consent, in writing from both parties;
- (2) by the Authority by notice in writing to the Engineer as a consequence of failure by the Engineer to perform the Services set forth herein in a

satisfactory manner or if the Engineer violates the provisions of Article 23, Gratuities, or Exhibit F to Attachment C, DBE/HUB Requirements;

(3) by either party, upon the failure of the other party to fulfill its obligations as set forth herein, following thirty (30) days written notice and opportunity to cure;

(4) by the Authority for its convenience and in its sole discretion, not subject to the consent of the Engineer, by giving thirty (30) days written notice of termination to the Engineer; or

(5) by satisfactory completion of all Services and obligations described herein.

**B. Measurement.** Should the Authority terminate this Contract as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the Engineer. In determining the value of the work performed by the Engineer prior to termination, the Authority shall be the sole judge. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the Authority terminate this Contract under paragraph A (3) or (4) above, the Engineer shall not incur costs during the thirty-day notice period in excess of the amount incurred during the preceding thirty (30) days.

**C. Value of Completed Work.** If the Engineer defaults in the performance of this Contract or if the Authority terminates this Contract for fault on the part of the Engineer, the Authority will give consideration to the following when calculating the value of the completed work: (1) the actual costs incurred (not to exceed the rates set forth in the applicable Work Authorization) by the Engineer in performing the work to the date of default; (2) the amount of work required which was satisfactorily completed to date of default; (3) the value of the work which is usable to the Authority; (4) the cost to the Authority of employing another firm to complete the required work; (5) the time required to employ another firm to complete the work; (6) delays in opening a revenue generating project and costs (including lost revenues) resulting therefrom; and (7) other factors which affect the value to the Authority of the work performed.

**D. Calculation of Payments.** The Authority shall use the fee structure established by the applicable Work Authorization in determining the value of the work performed up to the time of termination. Nothing herein shall preclude the Authority from offsetting against amounts earned for work completed prior to termination costs resulting from the termination or the circumstances leading to the termination.

**E. Surviving Requirements.** The termination of this Contract and payment of an amount in settlement as prescribed above shall extinguish the rights, duties, and obligations of the Authority and the Engineer under this Contract, except for those provisions that establish responsibilities that extend beyond the Contract period, including without limitation the provisions of Article 18.

**F. Payment of Additional Costs.** If termination of this Contract is due to the failure of the Engineer to fulfill its Contract obligations, the Authority may take over the project and prosecute the work to completion, and the Engineer shall be liable to the Authority for any additional cost to the Authority.

## **ARTICLE 17 COMPLIANCE WITH LAWS**

The Engineer shall comply with all applicable federal, state and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of this Contract, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, nondiscrimination, licensing laws and regulations, the Authority's enabling legislation (Chapter 370 of the Texas Transportation Code), and all amendments and modifications to any of the foregoing, if any. When required, the Engineer shall furnish the Authority with satisfactory proof of its compliance therewith.

## **ARTICLE 18 INDEMNIFICATION**

**THE ENGINEER SHALL INDEMNIFY AND HOLD HARMLESS THE AUTHORITY AND ITS OFFICERS, DIRECTORS, EMPLOYEES, ENGINEERS, AND AGENTS WHICH, FOR THE PURPOSES OF THIS CONTRACT, SHALL INCLUDE THE AUTHORITY'S GEC, GENERAL COUNSEL, BOND COUNSEL, FINANCIAL ADVISORS, TRAFFIC AND REVENUE ENGINEERS, TOLL OPERATIONS/COLLECTIONS FIRMS, AND UNDERWRITERS (COLLECTIVELY THE "INDEMNIFIED PARTIES") FROM ANY CLAIMS, COSTS, OR LIABILITIES OF ANY TYPE OR NATURE AND BY OR TO ANY PERSONS WHOMSOEVER, TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS, ERRORS, OR OMISSIONS OF THE ENGINEER OR ITS OFFICERS, DIRECTORS, EMPLOYEES, SUBCONSULTANTS AND AGENTS WITH RESPECT TO THE ENGINEER'S PERFORMANCE OF THE WORK TO BE ACCOMPLISHED UNDER THIS CONTRACT OR ACTIONS RESULTING IN CLAIMS AGAINST THE INDEMNIFIED PARTIES. IN SUCH EVENT, THE ENGINEER SHALL ALSO INDEMNIFY AND HOLD HARMLESS THE AUTHORITY AND THE INDEMNIFIED PARTIES FROM ANY AND ALL REASONABLE AND NECESSARY EXPENSES, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY THE AUTHORITY IN LITIGATING OR OTHERWISE RESISTING SAID CLAIMS, COSTS OR LIABILITIES. IN THE EVENT THE AUTHORITY AND/OR ANY OF THE INDEMNIFIED PARTIES, IS/ARE FOUND TO BE PARTIALLY AT FAULT, THE ENGINEER SHALL, NEVERTHELESS, INDEMNIFY THE AUTHORITY FROM AND AGAINST THE PERCENTAGE OF FAULT ATTRIBUTABLE TO THE ENGINEER OR ITS OFFICERS, DIRECTORS, EMPLOYEES, SUBCONSULTANTS AND AGENTS OR TO THEIR CONDUCT.**

## **ARTICLE 19 ROLE OF GENERAL ENGINEERING CONSULTANT**

The Authority will utilize a General Engineering Consultant ("GEC") to assist in its management of this Contract. The GEC is an independent contractor and is authorized by the Authority to provide the management and technical direction for this Contract on behalf of the Authority, provided that the GEC is not an agent of the Authority. All the technical and administrative provisions of the Contract shall be managed by the GEC, and the Engineer shall comply with all of the GEC's directives that are within the purview of the Contract. Decisions concerning Contract amendments and adjustments, such as time extensions and Supplemental Work Authorizations,

shall be made by the Authority; however, requests for such amendments or adjustments shall be made through the GEC, who shall forward such requests to the Authority with its comments and recommendations.

Should any dispute arise between the General Engineering Consultant and the Engineer, concerning the conduct of this Contract, either party may request a resolution of said dispute by the Executive Director of the Authority or his designee, whose decision shall be final.

## **ARTICLE 20 ENGINEER'S RESPONSIBILITY**

**A. Accuracy.** The Engineer shall have total responsibility for the accuracy and completeness of all work prepared and completed under this Contract and shall check all such material accordingly. The Engineer shall promptly make necessary revisions or corrections resulting from its errors, omissions, or negligent acts without additional compensation.

**B. Errors and Omissions.** The Authority and Engineer will address errors and omissions as follows:

(1) The Engineer's responsibility for all questions and/or clarification of any ambiguities arising from errors and omissions will be determined by the Authority.

(2) A problem resulting from an error and omission may be identified during the development of the PS&E, as well as before, during, or after construction. The Engineer will be responsible for errors and omissions before, during, and after construction of a project, as well as before and after Contract termination.

(3) The phrase error and omission is used throughout to mean an error, an omission, or a combination of error and omission.

(4) When an apparent error and omission is identified in work provided by the Engineer, the Authority will notify the Engineer of the problem and involve the Engineer in efforts to resolve it and determine the most effective solution, provided that the Authority shall ultimately determine the solution that is chosen.

(5) Errors and omissions identified during PS&E development/prior to project construction should be corrected at the Engineer's expense with no additional cost to the Authority.

(6) During and after construction, errors and omissions can potentially result in significant additional costs to the Authority that they would not have incurred if the construction plans had been correct. The resulting additional costs are considered damages that the Authority will collect from the Engineer, including through offset to amounts owed to the Engineer.

(7) After a project is constructed and is in use, there is a possibility of a contractor claim that may involve a previous error and omission by the Engineer identified during construction; it is also possible the Engineer could be responsible for some or all of the cost of the contractor claim. If there is a possibility of Engineer responsibility, upon notice of the contractor claim, the Authority must notify the Engineer of the situation and provide the Engineer the opportunity to contribute any information

to the Authority that may be useful in addressing the contractor claim. The Engineer will not be involved in any discussions or negotiations with the contractor during the claims process. Upon settlement of all previous claims with the contractor, if additional costs are identified, the Authority should consider the same factors as during construction in determining the Engineer's level of responsibility.

(8) The additional costs which are considered damages to the Authority and are to be recovered should represent actual cost to the Authority.

(9) The Authority will not accept in-kind services from the Engineer as payment for additional costs owed.

(10) The Engineer is responsible for promptly correcting errors and omissions without compensation. In the situation of a dispute concerning whether or not the work is compensable, the Engineer shall not delay the work.

(11) A letter will be transmitted by the Authority formally notifying the Engineer of payment required for the error and omission and will indicate the Engineer's apparent liability for the identified additional costs. The letter will include an outline of the errors and omissions, along with the additional costs, and references to any previous points of coordination and preliminary agreements. Within 30 calendar days of the date of the letter, a response is required from the Engineer with: (a) payment, (b) a request for a meeting, or (c) a request for the Authority to consider whether the Authority should pursue reimbursement for the identified error and omission. If a response or payment is not received from the Engineer, the Authority may consider legal action.

(12) It is the Authority's responsibility to identify errors and omissions and fairly evaluate the responsibility for additional cost when applicable. It is the responsibility of the Authority staff to ensure that the Authority's business practices are professional, fair, equitable, and reasonable.

**C. Professionalism.** The Engineer shall perform the services it provides under the Contract: (1) with the professional skill and care ordinarily provided by competent engineers practicing under the same or similar circumstances and professional license and (2) as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer.

**D. Seal.** The responsible Engineer shall sign, seal and date all appropriate engineering submissions to the Authority in accordance with the Texas Engineering Practice Act and the rules of the Texas Board of Professional Engineers.

**E. Resealing of Documents.** Once the work has been sealed and accepted by the Authority, the Authority, as the owner, will notify the Engineer, in writing, of the possibility that an Authority engineer, as a second engineer, may find it necessary to alter, complete, correct, revise or add to the work. If necessary, the second engineer will affix his seal to any work altered, completed, corrected, revised or added. The second engineer will then become responsible for any alterations, additions or deletions to the original design including any effect or impacts of those changes on the original engineer's design.

## ARTICLE 21 NONCOLLUSION

**A. Warranty.** The Engineer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Engineer, to solicit or secure this Contract and that it has not paid or agreed to pay any company or Engineer any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Contract.

**B. Liability.** For breach or violation of this warranty, the Authority shall have the right to annul this Contract without liability or, in its discretion, to deduct from the Contract compensation, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

## ARTICLE 22 INSURANCE

The Engineer and all subconsultants shall furnish the Authority a properly completed Certificate of Insurance approved by the Authority prior to beginning work under the Contract and shall maintain such insurance through the Contract period. The Engineer shall provide proof of insurance (and the Professional Liability Insurance discussed herein) in a form reasonably acceptable by the Authority. The Engineer certifies that it has and will maintain insurance coverages as follows:

**A. Workers Compensation Insurance.** In accordance with the laws of the State of Texas and employer's liability coverage with a limit of not less than \$1,000,000. This policy shall be endorsed to include a waiver of subrogation in favor of the Authority.

**B. Comprehensive General Liability Insurance.** With limits not less than \$1,000,000 for bodily injury, including those resulting in death, and \$1,000,000 for property damage on account of any one occurrence, with an aggregate limit of \$1,000,000.

**C. Comprehensive Automobile Liability Insurance.** Applying to owned, non-owned, and hired automobiles in an amount not less than \$1,000,000 for bodily injury, including death, to any one person, and \$1,000,000 on account on any one occurrence, and \$1,000,000 for property damage on account of any one occurrence. This policy shall not contain any limitation with respect to a radius of operation for any vehicle covered and shall not exclude from the coverage of the policy any vehicle to be used in connection with the performance of the Engineer's obligations under this Contract.

**D. Excess Liability Insurance.** In an amount of \$5,000,000 per occurrence and aggregate.

**E. Valuable Papers Insurance.** In an amount sufficient to assure the full restoration of any plans, drawings, field notes, logs, test reports, diaries, or other similar data or materials relating to the Services provided under this Contract in the event of their loss or destruction, until such time as the work has been delivered to the Authority.

**F. Architects and/or Engineers Professional Liability insurance.** Engineer shall provide and maintain professional liability coverage, with limits not less than \$5,000,000 per claim and \$5,000,000 aggregate. The professional liability coverage shall protect against any negligent

act, error or omission arising out of design or engineering activities, including environmental related activities, with respect to the project, including coverage for negligent acts, errors or omissions by any member of the Engineer and its subconsultants (including, but not limited to design subconsultants and subconsultants) of any tier. The policy must provide that coverage extends a minimum of three (3) years beyond the Engineer's completion of the Services. This policy shall be endorsed to include a waiver of subrogation in favor of the Authority.

**G. General for All Insurance.** The Engineer shall promptly, upon execution of this Contract, furnish certificates of insurance to the Authority indicating compliance with the above requirements. Certificates shall indicate the name of the insured, the name of the insurance company, the name of the agency/agent, the policy number, the term of coverage, and the limits of coverage.

All policies are to be written through companies (a) authorized to transact that class of insurance in the State of Texas; (b) rated (i), with respect to the companies providing the insurance under subarticles 22.a. through d., above, by A. M. Best Company as "A-X" or better (or the equivalent rating by another nationally recognized rating service) and (ii) with respect to the company providing the insurance under subarticle 22.e., a rating by A. M. Best Company or similar rating service satisfactory to the Authority and/or its insurance consultant; and (c) otherwise acceptable to the Authority.

All policies are to be written through companies authorized to transact that class of insurance in the State of Texas. Such insurance shall be maintained in full force and effect during the life of this Contract or for a longer term as may be otherwise provided for hereunder. Insurance furnished under subarticles 22.b., c., and d., above, shall name the Authority as additional insured and shall protect the Authority, its officers, employees, and directors, agents, and representatives from claims for damages for bodily injury and death and for damages to property arising in any manner from the negligent or willful acts or failures to act by the Engineer, its officers, employees, directors, agents, and representatives in the performance of the Services rendered under this Contract. Certificates shall also indicate that the contractual liability assumed in Article 18, above, is included.

The insurance carrier shall include in each of the insurance policies required under subsections 22.a., b., c., d., e., and f., the following statement: "This policy will not be canceled or materially changed during the period of coverage without at least thirty (30) days prior written notice addressed to the Central Texas Regional Authority, 3300 N. IH-35, Suite 300, Austin, Texas 78705, Attn: Executive Director"

**H. Subconsultant.** In the event a subconsultant selected by the Engineer to perform work associated with this Contract is unable to secure insurance coverage in the amounts set forth in subarticles 22.b., d., and f. above, Engineer may provide to the Authority an explanation of coverages that a subconsultant does possess, why those coverages are adequate to cover the potential exposure for the work to be performed by the subconsultant, and an acknowledgement that the Engineer remains liable for the work performed under the Contract, including that performed by the subconsultant. The Authority may decide, in its sole discretion, whether to accept the coverages available to the subconsultant, and may condition its acceptance, if granted, on satisfactory evidence that Engineer will remain liable for work performed by the subconsultant

and that Engineer's insurance will cover the work, actions, errors and omissions of the subconsultant

## **ARTICLE 23 GRATUITIES**

**A. Employees Not to Benefit.** Authority policy mandates that the director, employee or agent of the Authority shall not accept any gift, favor, or service that might reasonably tend to influence the director, employee or agent in making of procurement decisions. The only exceptions allowed are ordinary business lunches and items that have received the advance written approval of the Executive Director of the Authority.

**B. Liability.** Any person doing business with or who reasonably speaking may do business with the Authority under this Contract may not make any offer of benefits, gifts or favors to Authority employees, except as mentioned above. Failure on the part of the Engineer to adhere to this policy may result in the termination of this Contract.

## **ARTICLE 24 DISADVANTAGED BUSINESS ENTERPRISE/HISTORICALLY UNDERUTILIZED BUSINESS REQUIREMENTS**

The Engineer agrees to comply with the DBE/HUB requirements and reporting guidelines set forth in Exhibits E, and F of Attachment C - Work Authorization(s). The DBE/HUB Goal established for this project is as set forth in the Work Authorization. The Engineer also agrees to comply with the DBE/HUB subcontracting plan that was included in the response that the Engineer submitted to the Authority's Request for Qualifications.

## **ARTICLE 25 CERTIFICATE OF INTERESTED PARTIES (FORM 1295)**

The Engineer must comply with the Certificate of Interested Parties (Form 1295) adopted by the Texas Legislature as House Bill 1295, which added section 2252.908 of the Government Code, available for review at the Texas Ethics Commission website:

<https://www.ethics.state.tx.us/tec/1295-Info.htm>

The Engineer, after award, is required to complete and submit Form 1295 if the Engineer has either of the following contracts with a governmental entity or state agency starting as of January 1, 2016:

- (1) Requires an action or vote by the governing body of the entity or agency before the contract may be signed; or
- (2) Has a value of at least \$1 million.

## ARTICLE 26

### MAINTENANCE, RETENTION AND AUDIT OF RECORDS

**A. Retention Period.** The Engineer shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred and Services provided (hereinafter called the Records). The Engineer shall make the Records available at its office during the Contract period and for four (4) years from the date of final payment under this Contract, until completion of all audits, or until pending litigation has been completely and fully resolved, whichever occurs last.

**B. Availability.** The Authority shall have the exclusive right to examine the books and records of the Engineer for the purpose of checking the amount of work performed by the Engineer. The Engineer shall maintain all books, documents, papers, accounting records and other evidence pertaining to cost incurred and shall make such materials available at its office during the contract period and for four (4) years from the date of final payment under this Contract or until pending litigation has been completely and fully resolved, whichever occurs last. The Authority or any of its duly authorized representatives, TxDOT, FHWA, the United States Department of Transportation Office of Inspector General, and the Comptroller General shall have access to any and all books, documents, papers and records of the Engineer which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

## ARTICLE 27

### CIVIL RIGHTS COMPLIANCE

**A. Compliance with Regulations.** The Engineer shall comply with the Acts and Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), FHWA, as they may be amended from time to time, which are herein incorporated by reference and made part of this Contract.

**B. Nondiscrimination.** The Engineer, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subconsultants, including procurement of materials and leases of equipment. The Engineer shall not participate directly or indirectly in the discrimination prohibited by the Acts and Regulations, including employment practices when the Contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

**C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the Engineer for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subconsultant or supplier shall be notified by the Engineer of the Engineer's obligations under this Contract and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, sex, or national origin.

**D. Information and Reports.** The Engineer shall provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the Authority or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of the Engineer is in the exclusive

possession of another who fails or refuses to furnish this information, the Engineer shall so certify to the Authority or the FHWA, as appropriate, and shall set forth what efforts it has made to obtain the information.

**E. Sanctions for Noncompliance.** In the event of the Engineer's noncompliance with the Nondiscrimination provisions of this Contract, the Authority shall impose such Contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

- (1) withholding of payments to the Engineer under the Contract until the Engineer complies and/or
- (2) cancelling, terminating, or suspending of the Contract, in whole or in part.

## **ARTICLE 28 PATENT RIGHTS**

The Authority and the U. S. Department of Transportation shall have the royalty free, nonexclusive and irrevocable right to use and to authorize others to use any patents developed by the Engineer under this Contract.

## **ARTICLE 29 DISPUTES**

**A. Disputes Not Related to Contract Services.** The Engineer shall be responsible for the settlement of all contractual and administrative issues arising out of any procurement made by the Engineer in support of the Services authorized herein.

**B. Disputes Concerning Work or Cost.** The Executive Director of the Authority shall decide all questions, difficulties and dispute of any nature whatsoever that may arise under or by reason of this Contract, and his decision upon all claims, questions and disputes shall be final. The Engineer shall comply with the provisions of Article 19 in proceeding with such disputes.

## **ARTICLE 30 SUCCESSORS AND ASSIGNS**

The Engineer and the Authority do each hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Contract and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Contract. The Engineer shall not assign, subcontract, or transfer its interest in this Contract without the prior written consent of the Authority.

**ARTICLE 31  
SEVERABILITY**

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

**ARTICLE 32  
PRIOR CONTRACTS SUPERSEDED**

This Contract, including all attachments, constitutes the sole agreement of the parties hereto for the Services authorized herein and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein.

**ARTICLE 33  
CONFLICT OF INTEREST**

**A. Representation by Engineer.** The undersigned Engineer represents that it has no conflict of interest that would in any way interfere with its or its employees' performance of Services for the Authority or which in any way conflicts with the interests of the Authority and certifies that it is in full compliance with the Authority's Policy Code related to Conflicts of Interest. The Engineer shall prevent any actions or conditions that could result in a conflict with the Authority's interests.

**B. Certification Status.** The Engineer certifies that it is not:

- (1) a person required to register as a lobbyist under Chapter 305, Government Code
- (2) a public relations firm
- (3) a government consultant

**C. Environmental Disclosure.** If the Engineer will prepare an environmental impact statement or an environmental assessment under this Contract, the Engineer certifies by executing this Contract that it has no financial or other interest in the outcome of the project on which the environmental impact statement or environmental assessment is prepared.

**D. Engineering Services for the Construction Contractor.** Specific to the Project for which the Services are being provided under this Contract, the Engineer shall not provide services directly to the contractor responsible for constructing the Project unless approved by the Authority.

**ARTICLE 34  
ENTIRETY OF AGREEMENT**

This writing, including attachments and addenda, if any, embodies the entire agreement and understanding between the parties hereto, and there are no agreements and understandings, oral or written, with reference to the subject matter hereof that are not merged herein and

superseded hereby. No alteration, change or modification of the terms of the Contract shall be valid unless made in writing signed by both parties hereto.

### **ARTICLE 35 SIGNATORY WARRANTY**

The undersigned signatory for the Engineer hereby represents and warrants that he or she is an officer of the organization for which he or she has executed this Contract and that he or she has full and complete authority to enter into this Contract on behalf of the firm. These representations and warranties are made for the purpose of inducing the Authority to enter into this Contract.

### **ARTICLE 36 NOTICES**

A notice, demand, request, report, and other communication required or permitted under this Contract, or which any party may desire to give, shall be in writing and shall be deemed to have been given on the sooner to occur of (i) receipt by the party to whom the notice is hand-delivered, with a written receipt of notice provided by the receiving party, or (ii) two days after deposit in a regularly maintained express mail receptacle of the United States Postal Service, postage prepaid, or registered or certified mail, return receipt requested, express mail delivery, addressed to such party at their address set forth below, or to such other address as a party may from time to time designate under this article, or (iii) receipt of an electronic mail transmission (attaching scanned documents in a format such as .pdf or .tif) for which confirmation of receipt by the other party has been obtained by the sending party:

In the case of the Engineer:

Robert Carrillo, Senior Project Manager  
Rodriguez Transportation Group, Inc.  
11211 Taylor Draper Ln, Suite 100  
Austin, TX 78759  
Email: [RCarrillo@rtg-texas.com](mailto:RCarrillo@rtg-texas.com)

In the case of the Authority:

Mike Heiligenstein, Executive Director  
Central Texas Regional Mobility Authority  
3300 North IH 35, Suite 300  
Austin, TX 78705  
Email: [mstein@ctrma.org](mailto:mstein@ctrma.org)

with a copy to:

Robert Goode, Deputy Executive Director  
Central Texas Regional Mobility Authority  
3300 North IH 35, Suite 300  
Austin, TX 78705  
Email: [rgoode@ctrma.org](mailto:rgoode@ctrma.org)

Justin Word, Director of Engineering  
Central Texas Regional Mobility Authority  
3300 North IH 35, Suite 300  
Austin, TX 78705  
Email: [jword@ctrma.org](mailto:jword@ctrma.org)

A party may change the information provided in this article for notification purposes by providing notice to the other party of the new information and the effective date of the change.

### **ARTICLE 37 BUSINESS DAYS AND DAYS**

For purposes of this Contract, “business days” shall mean any day the Authority is open for business and “days” shall mean calendar days.

### **ARTICLE 38 INCORPORATION OF PROVISIONS**

Attachments A through E are attached hereto and incorporated into this Contract as if fully set forth herein.

### **ARTICLE 39 PRIORITY OF DOCUMENTS/ORDER OF PRECEDENCE**

This Contract, and each of the Attachments (together, the “Contract Documents”), are an essential part of the agreement between the Authority and the Engineer, and a requirement occurring in one is as binding as though occurring in all. The Contract Documents are intended to be complementary and to describe and provide for a complete Contract. In the event of any conflict among the Contract Documents or between the Contract Documents and other documents, the order of precedence shall be as set forth below:

- A. Supplemental Work Authorizations;
- B. Work Authorizations;
- C. Contract Amendments;
- D. This Contract;
- E. The Request for Qualifications;
- F. The Engineer’s Response to the Request for Qualifications.

Additional details and more stringent requirements contained in a lower priority document will control unless the requirements of the lower priority document present an actual conflict with the requirements of the higher level document. Notwithstanding the order of precedence among Contract Documents set forth in this Article 39, in the event of a conflict within a Contract Document or set of Contract Documents with the same order of priority (including within

documents referenced therein), the Authority shall have the right to determine, in its sole discretion, which provision applies.

**IN WITNESS WHEREOF**, the **Authority** and the **Engineer** have executed this Contract in duplicate.

**THE ENGINEER**

**CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
Mike Heiligenstein

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

**Attachments to Contract for Professional Engineering Design Services**

<b>Attachments</b>	<b>Title</b>
A	Services to be Provided by the Engineer
B	Rate Schedule
C	Work Authorization
D	Supplemental Work Authorization
E	Key Team Members

## ATTACHMENT A

### SERVICES TO BE PROVIDED BY THE ENGINEER

The Engineers scope of Services generally described as professional engineering design services for development of plans, specifications and estimate (PS&E) for a Project to construct a 4-lane tolled expressway within the median section of the existing US 183/183A corridor from just north of Hero Way to just north of SH 29 (the Project) in Williamson County.

The Engineer will work at the direction and supervision of the Authority and its General Engineering Consultant (GEC) to provide the Services. The Engineer will work cooperatively and collaboratively in assisting the GEC through all aspects and phases of concept validation, PS&E design services in its dealings with Texas Department of Transportation (TxDOT), subcontractors, engineers, legal counsel, consultants, governmental entities, utilities, businesses, property owners, and the general public.

The work elements to be provided by the Engineer for the Project may include:

- Design of grade separated interchanges at San Gabriel Parkway, US 183/Bryson Ridge Trail, Whitewing Drive, Seward Junction South; and, State Highway 29.
- South San Gabriel River crossing.
- Hero Way northbound overpass widening.
- Shared-use path (SUP) design.
- Traffic operations and design including tolling and ITS infrastructure civil design.
- Roadway design.
- Bridge Design.
- Traffic Operations Design.
- Hydraulic Design and Analysis.
- Geotechnical Services.
- Survey and mapping including right of way surveys, parcel plats, legal descriptions, right of way maps; and, design and construction surveys.
- Utility investigations and design.
- Construction bid phase services
- Construction phase services.