

ENGINEERING SERVICES AGREEMENT

THIS AGREEMENT is made and entered by and between COLLIN COUNTY, TEXAS, a political subdivision of the State of Texas, hereinafter referred to as "County", and, CHIANG, PATEL & YERBY, INC., a ~~Texas~~ Corporation, hereinafter referred to as "Engineer", to be effective from and after the date as provided herein.

WITNESSETH:

WHEREAS, the County desires to engage the services of the Engineer to prepare construction plans, specifications, details and special provisions and to perform other related engineering services in connection with the Bloomdale Median Opening in Collin County, hereinafter referred to as the "Project"; and

WHEREAS, the Engineer desires to render such engineering services for the County upon the terms and conditions provided herein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That for and in consideration of the covenants contained herein, and for the mutual benefits to be obtained hereby, the parties hereto agree as follows:

I. Employment of the Engineer

The County hereby agrees to retain the Engineer to perform professional engineering services in connection with the Project; Engineer agrees to perform such services in accordance with the terms and conditions of this Agreement, exercising the same degree of care, skill, and diligence as is ordinarily possessed and exercised by a member of the same profession, currently practicing, under similar circumstances.

II. Scope of Services

2.1 The parties agree that Engineer shall perform such services as are set forth herein and described in Exhibit "A", which is attached hereto and thereby made a part of this Agreement. Work for each phase shall be preceded by a Notice to Proceed issued by County. The parties understand and agree that deviations or modifications in the form of written change orders may be authorized from time to time by the County.

2.2 The Engineer will serve as the County's professional engineering representative under this Agreement, providing professional engineering, consultation, advice and furnishing customary services incidental thereto. The Engineer agrees to cooperate and coordinate with other design professionals, the County and its contractors to help facilitate efficient construction of the Project and maintain the Project schedule.

2.3 The Engineer shall advise the County with regard to the necessity for subcontract work such as special surveys, tests, test borings, or other subsurface investigations in connection with design and engineering work to be performed hereunder. The Engineer shall also advise the County concerning the results of same. Such survey, test, and investigations shall be furnished to the County.

2.4 The presence or duties of the Engineer's personnel at a construction site, whether as on-site representatives or otherwise, do not make the Engineer or its personnel in any way responsible for those duties that belong to County's construction contractors or other entities, and do not relieve the construction contractors or any other entity of their obligations, duties, and responsibilities, including but not limited to, all construction methods, means, techniques, sequences and procedures necessary for completing all portions of the construction work in accordance with the Contract Documents and any health or safety precautions required by such construction work. The Engineer and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions.

2.5 The Engineer will make periodic recommendations for periodic construction progress payments to the construction contractor. Recommendations by the Engineer to the County for periodic construction progress payments to the construction contractor will be based on the Engineer's knowledge, information, and belief from sampling and observation that the work has progressed to the point indicated. Such recommendations do not represent that there are not other matters at issue between the County and the construction contractor that affect the amount that should be paid.

2.6 The Engineer agrees to provide a complete and coordinated set of drawings and specifications for the construction of the Project, exercising the same degree of care, skill, and diligence as is ordinarily possessed and exercised by a member of the same profession, currently practicing, under similar circumstances. Construction drawings, specifications, and other construction documents prepared by the Engineer or its consultants and submitted to the County for approval or contractors for bidding or negotiation purposes shall be complete and capable of construction "as is". While the utility of communications between design professionals and construction contractors for the purpose of clarifying design intent is recognized, the Project should be capable of construction without the necessity of formal revisions or contract modifications to provide missing design information after construction contracts are awarded. Said documents shall comply with all applicable codes, ordinances, statutes, and regulations governing the design of the Project.

2.7 The Engineer shall assist the County in the preparation and filing of documents required for the approval of governmental authorities having jurisdiction over the Project.

III. Schedule of Services

3.1 The Engineer agrees to commence its services immediately upon execution of this Agreement, or as otherwise directed in writing by the County, and to proceed diligently with said services to completion as described in the Completion Schedule attached hereto as Exhibit "B" and thereby made a part of this Agreement. Engineer shall not be considered in default of this Agreement for delays in performance caused by circumstances beyond its reasonable control. Should such circumstances occur, the Engineer shall, within a reasonable time of being prevented from performing, give written notice to the County describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

3.2 In the event that the Engineer is delayed in the progress of the work on the Project by an act or neglect of the County, County's employees, or separate contractors employed by the County, or by changes ordered in the Project, fire, adverse weather conditions not reasonably anticipated, unavoidable casualties or other causes beyond the Engineer's control, or delay authorized by the County pending arbitration, or by other causes which the County and Engineer agree may justify delay, then the Contract Time shall be reasonably extended by Change Order. The County shall have the right at any time to delay

or suspend the work or any part thereof for any reasonable time and if this happens, the Engineer's sole remedy for any delays or suspension shall be any extension of time. The County shall not be independently liable to the Engineer for any delay or interference caused by circumstances beyond the County's control or any delay caused by any other person or entity.

IV. Compensation and Method of Payment

The parties agree that Engineer shall be compensated for all services provided pursuant to this Agreement in the amount and manner described and set forth in the Payment Schedule attached hereto as Exhibit "C" and thereby made a part of this Agreement. Engineer further agrees that it will prepare and present such monthly progress reports and itemized statements as are described in said Exhibit "C". Payment will be made in accordance with The Texas Government Code, Title 10, Subtitle F, Chapter 2251. Engineer further agrees to the following terms prior to payment being due by County:

A. Invoice and Payment

- (1) The Engineer shall provide the County sufficient documentation to reasonably substantiate the invoices.
- (2) The Engineer will issue monthly invoices for all work performed under the Agreement.
- (3) In the event of disputed or contested billing, only that portion so contested will be withheld from payment, and the undisputed portion will be paid. The County will exercise reasonableness in contesting any portion thereof. NO interest will accrue on any contested portion of the billing until mutually resolved.
- (4) In the event of any conflict between Paragraph IV and Chapter 2251 of the Texas Government Code, The Texas Government Code shall prevail.

V. Information to be provided by the County

5.1 The County agrees to furnish to Engineer, prior to the Engineer's commencement of its services, all that information set forth and described on Exhibit "D", which is attached hereto and thereby made a part of this Agreement.

5.2 The County will make its facilities accessible to the Engineer as required for the Engineer's performance of its services. The Engineer represents that it understands the scope of this Agreement and has reviewed and inspected the Project sites, and can fully perform its obligations pursuant to this Agreement. Any failure of the Engineer to acquaint itself with the available information will not relieve the Engineer from its responsibilities pursuant to this Agreement.

5.3 The County shall disclose, to the extent known to the County, the results of prior tests, inspections or investigations conducted for the Project upon request by the Engineer.

VI. Progress Meetings

In addition to providing the monthly progress reports as required under Paragraph IV herein above, Engineer agrees to attend all monthly progress meetings scheduled by County, and at such meetings to outline work accomplished and special problem or delays encountered in connection with the Project during the previous report period, as well as planned work activities and special problems and delays anticipated for the next report period. The Engineer agrees to cooperate and coordinate with other

design professionals, the County and its contractors to help facilitate efficient construction of the Project and maintain the Project schedule.

VII. Insurance

Engineer agrees to meet all insurance requirements as set forth on Exhibit "E" which is attached hereto and thereby made a part of this Agreement.

VIII. Indemnity

8.1 The Engineer agrees to the fullest extent permitted by law, to indemnify and hold harmless the County and its officers, agents and employees of and from damages, injuries (including death), claims, property damages (including loss of use), losses, demands, suits, judgments and costs, including reasonable attorney's fees and expenses, arising out of or occasioned by Engineer's breach of any of the terms or provisions of this Agreement, or by any other negligent act, error or omission of the Engineer, its agents, servants, employees, subcontractors, licensees, invitees, or any other persons or entities for whose acts the Engineer is legally liable.

8.2 In claims against any person or entity indemnified under this Section 8.1 by an employee of the Engineer, anyone directly or indirectly employed by the Engineer or anyone for whose acts the Engineer may be liable, the indemnification obligation under this Section 8.1 shall not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the Engineer under workers' compensation acts, disability benefit acts or other employee benefit acts.

IX. Independent Contractor

In the performance of services hereunder, the Engineer shall be deemed an independent contractor and shall not, with respect to its acts or omissions, be deemed an agent, subcontractor or employee of the County.

X. Assignment and Subletting

The Engineer agrees that neither this Agreement nor the services to be performed hereunder will be assigned or sublet without the prior written consent of the County. The Engineer further agrees that the assignment or subletting or any portion or feature of the services required in the performance of this Agreement shall not relieve the Engineer from its full obligations to the County as provided by this Agreement.

XI. Audits and Records/Prohibited Interest

11.1 The Engineer agrees that at any time during normal business hours, and as often as County may deem necessary, Engineer shall make available to representatives of the County for examination all of its records with respect to all matters covered by this Agreement, and will permit such representatives of the County to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement, all for a period of one (1) year from the date of final settlement of this Agreement or of such other or longer period, if any, as may be required by applicable statute or other lawful requirements.

11.2 The Engineer agrees that it is aware of the prohibited interest requirements of the state law which are applicable to persons entering into contracts with the County and will abide by the same. Further, a lawful representative of Engineer shall execute the Affidavit shown in Exhibit "F". Engineer understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the agreement voidable.

11.3 The Engineer acknowledges to the County that it has made full disclosure in writing of any existing conflicts of interest or potential conflicts of interest, including personal financial interest, direct or indirect, in property abutting the proposed Project and business relationships with persons or entities with interest in abutting properties.

XII. Contract Termination

The parties agree that County shall have the right to terminate this Agreement without cause upon thirty (30) days written notice to Engineer. In the event of such termination without cause, Engineer shall deliver to County all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by Engineer in connection with this Agreement. Engineer shall have the right to terminate this Agreement upon thirty (30) days written notice to County in the event of the County's breach of any material term of this Agreement, including but not limited to compensation and method of payment. Regardless of which party initiates termination, Engineer shall be entitled to compensation for any and all services completed to the satisfaction of County in accordance with the provisions of this Agreement prior to termination.

XIII. Cost Estimates

The parties recognize and agree that any and all Engineer's estimates of probable construction costs (estimates) prepared by Engineer in connection with the Project represent the best judgment of Engineer as a design professional familiar with the construction industry, but that the Engineer has no control over costs or the price of labor, equipment or materials or over the Contractor's methods of pricing and does not guarantee that any bids solicited or received in connection with the Project will not vary from estimates prepared by Engineer.

XIV. Ownership of Documents

Original drawings and specifications (Instruments of Service) created by Engineer are the property of the Engineer; however, the Project is the property of the County, and Engineer may not use the drawings and specifications for any purpose not relating to the Project without County's consent. County shall be furnished with such reproductions of drawings and specifications as County may reasonably require. Upon completion of the services or any earlier termination of this Agreement under Article XII, and payment in full of all monies due Engineer, Engineer will revise drawings to reflect significant changes made during construction as per the marked-up prints, drawings, and other data furnished to the Engineer by or through the County or Contractor. Engineer will promptly furnish the County with one (1) complete set of reproducible record prints. All such reproductions shall be the property of the County who may use them without the Engineer's permission for any proper purpose relating to the Project, including but not limited to, maintenance of the Project, additions to the Project, or completion of the Project. The aforementioned revisions will be based upon information supplied by the County's construction contractor and will be assumed by Engineer to be complete and accurate. As such, Engineer shall not be responsible for errors or omissions resulting therefrom. Prints shall be furnished, as

an additional service, at any other time requested by County. The County may use such drawings in any manner it desires; provided, however, that the Engineer shall not be liable for the use of such drawings for any project other than the Project described herein.

XV. Complete Contract

15.1 This Agreement, including the exhibits hereto numbered "A" through "F", constitute the entire agreement by and between the parties regarding the subject matter hereof and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified or canceled by a duly executed written instrument, signed by the County and the Engineer.

15.2 Warranties contained in this Agreement are in addition to and not in lieu of, any and all other liability imposed upon the Engineer by law with respect to the Engineer's duties, obligations, and performance hereunder. The Engineer's liability hereunder shall survive the County's final acceptance and payment for the Project. All representations and warranties set forth in this Agreement, including without limitation, this paragraph, shall survive the final completion of the Work or earlier termination of this Agreement. The Engineer acknowledges that the County is relying upon the Engineer's skill and experience in performing the services pursuant to this Agreement.

XVI. Mailing of Notices

Unless instructed otherwise in writing, Engineer agrees that all notices or communications to the County permitted or required under this Agreement shall be addressed to the County at the following address:

Mr. Ruben Delgado, P.E., Director
Collin County Engineering Department
825 N. McDonald, Suite 160
McKinney, Texas 75069

County agrees that all notices or communications to Engineer permitted or required under this Agreement shall be addressed to Engineer at the following address:

Julia Xia, P.E., Project Manager
CP & Y, Inc.
1700 Redbud Blvd., Suite 460
McKinney, TX 75069

All notices or communications required to be given in writing by one party or the other shall be considered as having been given to the date such notice or communication is posted by the sending party.

XVII. Miscellaneous

A. Paragraph Headings

The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provision in this Agreement.

B. Interpret Contract Fairly

Although this Agreement is drafted by County, should any part be in dispute, the parties agree that the Agreement shall not be construed more favorable for either party.

C. Venue/Governing Law

The parties agree that the laws of the State of Texas shall govern this Agreement, and that it is performable in Collin County, Texas. The venue for any litigation related to this Agreement shall be in Collin County, Texas.

D. Parties Bound

County and Engineer, and their partners, successors, subcontractors, executors, legal representatives, and administrators are hereby bound to the terms and conditions of this Agreement.

E. Severability

In the event a term, condition, or provision of this Agreement is determined to be void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision shall be deleted and the remainder of the Agreement shall remain in full force and effect.

F. Effective Date

This Agreement shall be effective from and after execution by both parties hereto.

G. Term of Agreement

The term of Agreement shall conform to the schedule as stipulated in Exhibit "B" attached herein. No other extension shall be authorized unless granted by written agreement between the County and Engineer.

H. Observe and Comply

Engineer shall at all times observe and comply with all federal and State laws and regulations and with all City ordinances and regulations which in any way affect this Agreement and the work hereunder, and shall observe and comply with all orders, laws, ordinances and regulations which may exist or may be enacted later by governing bodies having jurisdiction or authority for such enactment. No plea of misunderstanding or ignorance thereof shall be considered. Engineer agrees to defend, indemnify and hold harmless County and all of its officers, agents, and employees from and against all claims or liability arising out of the violation or any such order, law, ordinance, or regulation, whether it be by itself or its employees.

WITNESS OUR HANDS AND SEALS on the date indicated below.

12 01 NA 12 01 09

COLLIN COUNTY, TEXAS

Date: July 27, 2009

By: Franklin Ybarbo
Franklin Ybarbo
Purchasing Agent
Court Order No. 2009-486-07-13

Date: July 20, 2009

Chuang, Patel & Yerby, Inc
By: Will T. [Signature]
Title: Vice President

7/27/09
m2

ACKNOWLEDGMENT

12:01 PM 07/20/09

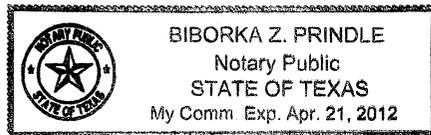
STATE OF TEXAS }

COUNTY OF Collin }

BEFORE ME, July 20, 2009 on this day personally appeared William R. Hindman of CPDY, Inc., a Texas Corporation, known to me (or proved to me on the oath of _____ or through Driver license (description of identity card or other document) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same as the act and deed of the corporation, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20 day of July, 2009.

Biborka Z. Prindle
Notary Public, State of Texas



BIBORKA Z. PRINDLE
Printed Name

My Commission expires on the 21 day of April, 2012.

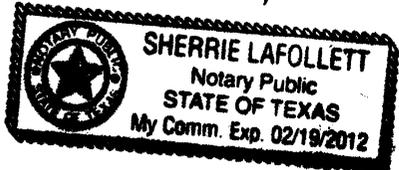
STATE OF TEXAS }

COUNTY OF Collin }

BEFORE ME, Sherrie LaFollett on this day personally appeared Franklin Ybarbo., Purchasing Agent of COLLIN COUNTY, TEXAS, a political subdivision of the State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same as the act and deed of COLLIN COUNTY, TEXAS, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27 day of July, 2009.

Sherrie LaFollett
Notary Public, State of Texas



Sherrie LaFollett
Printed Name

My Commission expires on the 19 day of February, 2012.

EXHIBIT "A"

**SCOPE OF SERVICES FOR ENGINEERING DESIGN OF MEDIAN OPENING/LEFT TURN
LANE FOR BLOOMDALE ROAD EAST OF COMMUNITY AVENUE
(ADJACENT TO COLLIN COUNTY ADMINISTRATION BUILDING)
IN
COLLIN COUNTY, TEXAS**

CP&Y was directed by Collin County to provide engineering plans to construct a median opening and a left turn lane for Bloomdale Road east of Community Avenue based on City of McKinney design criteria. The proposed median opening and left turn lane will provide access to the Collin County Administration Building.

Utilizing existing CAD files from the Bloomdale Road project and Collin County Administration Building project, the Engineer will generate layout, pavement typical section, signage/stripping and construction traffic control sheets for the proposed median opening and left turn lane. A field survey of existing roadway and driveway conditions will not be performed. The Engineer will also prepare an Opinion of Probable Cost for the construction of this work.

I. PROJECT MANAGEMENT & ADMINISTRATIVE TASKS

1. Project Management, Administration and Coordination

The Engineer will attend design meetings with the Owner and other entities on an as-needed basis during the project design.

II. DESIGN PHASE SERVICES

1. General Design

a. Design Criteria

The Engineer will utilize the City of McKinney's roadway design criteria for this project.

2. Roadway Design

a. Paving Layout

These plan sheets will be a minimum of 1"=40' half-size (11"x17") and contain topographic information, pavement edges, limits of sidewalks, limits of barriers and any other information necessary for pavement construction.

b. Other Roadway Design Elements

(i) Typical Sections

A pavement typical section will be prepared, matching the existing design for Bloomdale Road. This section will be based on the pavement and sub-grade design recommended in the geotechnical investigation to and approved by the Owner for the previously constructed Bloomdale Road project.

3. Signing and Striping

The Engineer will prepare Signing and Striping plans at a scale similar to the roadway paving sheets. The plans will be in accordance with the Texas Manual on Uniform Traffic Control Devices (TxMUTCD).

4. Quantities and Estimates

a. Quantities

Project quantities will be calculated and tabulated in a bid schedule. The pay items will be in accordance with the TxDOT's Standard Specifications for Construction of Highways, Streets and Bridges (2004) and supplemented where necessary with special specifications prepared by the Engineer. The bid schedule will be included in the Bid Documents and may be reproduced in the plan set, as required.

b. Construction Cost Analysis

An Engineer's Opinion of Probable Construction Cost will be prepared for the entire project using current unit cost data from TxDOT and the Engineer's database of recent bid information.

5. General Notes

a. General Notes

A list of general notes necessary for the project construction will be compiled by the Engineer.

b. Assemble and Incorporate Standard Drawings

The Engineer shall assemble, collect, and incorporate the necessary standard drawings needed for the plan set.

6. Traffic Control Plans

a. Final Sequence of Work / Traffic Control Plan

(i) Sequence of Work

Due to the limited complexity of this project with regard to construction phasing, the Engineer will not prepare detailed traffic control plans. Instead, the Engineer will prepare sequence of work plans showing the general phasing of construction activities, routing of traffic, and detours. Recommendations will be provided for appropriate signage and safety measures, but specific details will be left to the discretion of the contractor in accordance with the Texas Manual on Uniform Traffic Control Devices (TxMUTCD).

III. SPECIAL SERVICES

1. Public Meetings and/or Hearings

The Engineer will not conduct or attend a public meeting to inform the nearby residents of the nature of the project and to receive input from the community. Should this work become necessary, the County shall have the right to expand the scope of work for this project under the terms of the Additional Engineering and Services portion of this Contract.

IV. Additional Services

1. Engineering Redesign

At various points during the design phase, the Engineer will submit work in progress plan sets for review by the Owner. Such sets should receive a thorough review by the Owner for compliance with the Owner's expectations for the Project. (Note: the Owner is not required to review such plan sets for design conformance, code compliance, or other requirements deemed to be the responsibility of the Engineer). Once these plans are reviewed and returned to the Engineer, they shall be considered accepted by the Owner except as noted in the review comments. **Subsequent changes requested by the Owner shall constitute Additional Services outside of the scope of this agreement. In such cases, the Engineer shall be granted a Supplemental Agreement for additional compensation in an amount sufficient to cover any and all costs incurred by the Engineer while completing the redesign effort.**

2. Public Meetings

As noted above in Section III, the Engineer shall not be required to prepare for or attend any Public Information Meetings and/or formal Public Hearing (as required by the State of Texas in some cases). Any request for such additional meetings shall constitute Additional Services outside of the scope of this agreement.

V. Expenses

The Engineer will necessarily incur reasonable expenses in conjunction with the design and administration of this project. Such expenses have been estimated from similar experiences and included as a line item on the Fee Summary (Exhibit C). These expenses include:

- Travel to and from the job site and meetings related to the project
- Printing of reports, letters and related materials
- Printing of plan sets for review and construction

These expenses will be limited to every extent possible and will be reimbursed by the Owner as part of this agreement. If the scope of the project changes or if the required number of submittals and/or copies changes appreciably from that indicated in Exhibit B, the Engineer reserves the right to seek additional compensation for the additional expenses.

VI. List of Submittals

Construction Plans (100%) - to be submitted in sheet format on 11"x17" pages, suitable for reproduction. Three (3) sets of plans will be provided for the Owner's records. These final plan sets will be copies of the signed and sealed engineering plans to be used in the bidding and construction phases of the project. The original mylar sheets will be maintained by the engineer until construction is complete.

Construction Cost Analysis — at 100% plan stages the Engineer will submit an Opinion of Probable Construction Cost for review by the Owner. This cost analysis will be based on estimates of material quantities and unit cost data from recent bid openings within the project

area. This information is provided to the Owner for informational purposes. The Engineer does not guarantee that the information provided in such analysis will reflect actual construction bid price or the final cost of the project.

EXHIBIT "B"

COMPLETION SCHEDULE

The Engineer will work diligently to complete the design within thirty (30) days from the contract Notice to Proceed date.

EXHIBIT "C"

PAYMENT SCHEDULE

Invoices will be transmitted to the County on a monthly basis based on a percentage of completion up to that time, and payments to the Engineer will be made as follows:

TOTAL COMPENSATION	PROJECT TOTAL
I. Basic Engineering Services	\$4,999.00
II. SUMMARY OF COST FOR BASIC ENGINEERING SERVICES	
ESTIMATE OF COMPENSATION	
DIRECT SALARY COST (See attached summaries)	
Project Manager 4 Hrs. @ \$ 57.10 = \$228.40	
Senior Design Engineer 8 Hrs. @ \$ 41.00 = \$328.00	
Design Engineer 8 Hrs. @ \$ 35.00 = \$280.00	
EIT 22 Hrs. @ \$ 27.50 = \$605.00	
Clerical 4 Hrs. @ \$ 14.60 = \$58.40	
TOTAL DIRECT SALARY	\$1,499.80
SALARY RELATED COSTS 186.96%	\$2,804.03
TOTAL LABOR COSTS	\$4,303.83
FIXED FEE (15% Profit)	\$645.57
EXPENSE (Travel, print, etc.)	\$50.00
TOTAL (Total Lump Sum Fee)	\$4,999.40

EXHIBIT "D"

INFORMATION TO BE PROVIDED BY THE COUNTY

The County will make available to Engineer any and all information, data, etc. as it may have in its possession relating to the project described herein.

EXHIBIT "E"

INSURANCE REQUIREMENTS

1.0 Before commencing work, the vendor shall be required, at its own expense, to furnish the Collin County Purchasing Agent with certified copies of all insurance certificate(s) required by Texas Law indicating the coverage is to remain in force throughout the term of this contract. In addition to any coverage required by Texas Law, the vendor shall provide the following coverages.

1.1 Broad Form Commercial General Liability insurance at minimum combined single limits of (\$1,000,000 per-occurrence and \$2,000,000 general aggregate) for bodily injury and property damage, which coverage shall include products/completed operations, independent contractors, and contractual liability each at \$1,000,000 per occurrence. Coverage must be written on an occurrence form.

1.2 Workers Compensation insurance at statutory limits, including employers liability coverage at minimum limits. In addition to these, the contractor must meet each stipulation below as required by the Texas Department of Insurance, Division of Workers' Compensation; (Note: If you have questions concerning these requirements, you are instructed to contact the DWC.

1.2.1 Definitions: Certificate of coverage ("certificate"). A copy of a certificate of authority to self-insure issued by the commission, or a coverage agreement in a form approved by the DWC (i.e. DWC-81, DWC-82, DWC-83, OR DWC-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 project. Duration of the project includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project includes, but is not limited to, all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, 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 on the project. "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 project.

1.2.2 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 Title 5 of the Texas Labor Code, for all employees of the contractor providing services on the project, for the duration of the project.

1.2.3 The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.

1.2.4 If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.

1.2.5 The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:

1.2.5.1 A certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and

1.2.5.2 no later than seven (7) 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 project.

1.2.6 The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

1.2.7 The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within ten (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 on the project.

1.2.8 The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

1.2.9 The contractor shall contractually require each person with whom it contracts to provide services on a project, to:

1.2.9.1 provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Title 5 of the Texas Labor Code, for all of its employees providing services on the project, for the duration of the project;

1.2.9.2 provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;

1.2.9.3 provide the contractor, prior to the end of the coverage period, 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 project;

1.2.9.4 obtain from each other person with whom it contracts, and provide to the contractor:

1.2.9.4.1 a certificate of coverage, prior to the other person beginning work on the project; and

1.2.9.4.2 a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

1.2.9.5 retain all required certificates of coverage on file for the duration of the project and for one year thereafter;

1.2.9.6 notify the governmental entity in writing by certified mail or personal delivery, within ten (10) days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and

1.2.9.7 contractually require each person with whom it contracts, to perform as required by paragraphs 1.2.1 through 1.2.7, with the certificates of coverage to be provided to the person for whom they are providing services.

1.2.10 By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers compensation coverage for the duration of the project, 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.

1.2.11 The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the governmental entity.

1.3 Commercial Automobile Liability insurance shall be no less than \$500,000 combined single limits per accident for bodily injury and property damage, including owned, non-owned, and hired vehicle coverage.

1.4 Professional Liability Insurance at minimum limits of \$1,000,000. This policy must have a two (2) year extended period of coverage, (i.e. tail coverage). If you choose to have project coverage endorsed onto your base policy, this would be acceptable.

2.0 The required limits may be satisfied by any combination of primary, excess or umbrella liability insurances, provided the primary policy complies with the above requirements and the excess umbrella is following form. The vendor may maintain reasonable and customary deductibles, subject to approval by Collin County.

3.0 With reference to the foregoing insurance requirement, the vendor shall endorse applicable insurance policies as follows:

3.1 A waiver of subrogation in favor of Collin County, its officials, employees, volunteers and officers shall be contained in the workers compensation coverage.

3.2 The vendor's insurance coverage shall name Collin County as additional insured under the General Liability policy.

3.3 All insurance policies shall be endorsed to require the insurer to immediately notify Collin County of any decrease in the insurance coverage limits.

3.4 All insurance policies shall be endorsed to the effect that Collin County will receive at least thirty (30) days notice prior to cancellation, non-renewal or termination of the policy.

3.5 All copies of Certificates of Insurance shall reference the project/contract number.

4.0 All insurance shall be purchased from an insurance company that meets the following requirements:

4.1 A financial rating of B+VII or better as assigned by the BEST Rating Company or equivalent.

5.0 Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain provisions representing and warranting the following:

Agreement No. 06676-09

5.1 Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.

5.2 Sets forth the notice of cancellation or termination to Collin County.

