



## **MINUTES**

**OCTOBER 17, 2017**

### **BRAZOS COUNTY COMMISSIONERS COURT**

### **REGULAR MEETING**

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A regular meeting of the Commissioners' Court of Brazos County, Texas was held in the Brazos County Commissioners Courtroom in the Administration Building, 200 South Texas Avenue, in Bryan, Brazos County, Texas, beginning at 10:00 a.m. on Tuesday, October 17, 2017 with the following members of the Court present:

Duane Peters, County Judge, Presiding;  
Steve Aldrich, Commissioner of Precinct 1, Absent;  
Sammy Catalena, Commissioner of Precinct 2;  
Nancy Berry, Commissioner of Precinct 3;  
Irma Cauley, Commissioner of Precinct 4;  
Karen McQueen, County Clerk.

The attached sheets contain the names of the citizens and officials that were in attendance.

1. Invocation and Pledge of Allegiance

-U.S. and Texas Flag - Commissioner Aldrich

Judge Peters led the prayer and pledge in Commissioner Aldrich's absence.

2. Call for Citizen input and/or concerns

Lynn Yeager, Executive Director of the Prenatal Clinic addressed the Court to thank them for their support of the clinic and for the Proclamation for Healthy Babies Month. Mrs. Yeager explained that she was not able to attend last week's meeting because her grandchild was born that morning. Mrs. Yeager introduced Administrative Assistant Mayra Mendoza and invited everyone to attend the Ribbon Cutting for the Healthy Babies Month Celebration on Wednesday, October 25, 2017 at 4:30 p.m. at the Prenatal Clinic.

3. Presentations and/or Discussions

Presentation of the Dedication of Historical Court Cases.

District Clerk Marc Hamlin presented to the Court historic documents regarding Judge R. E. B. Baylor. Judge Baylor was the first District Judge in Brazos County and the third District Judge in Texas. Judge Baylor is also the founder of Baylor University and Mary Hardin Baylor. Mr. Hamlin said that a copy of the documents will be presented to the Baylor University Board of Regents on Friday, October 20, 2017. Mr. Hamlin stated the original documents will be displayed at the Brazos County Courthouse. He thanked Facility Services Director Ernest Stutts, John Lyon, and Isaias Conde for building a lighted case to house the original book of documents. Mr. Hamlin stated the importance of preserving our documented history.

**Consider and take action on agenda items 4-35:**

4. Consider and take action on the Application of Bryan Auto Recycling Sales and Glass, LLC for the operation of a salvage yard.

Commissioner Berry offered a motion to approve the application for the operation of a salvage yard contingent on compliance with the City of Bryan.

Gina Mosavi who is the co-owner of Bryan Auto Recycling Sales and Glass asked if contingent means the permit will be granted even if they have not finished compliance with the City of Bryan. Mrs. Mosavi explained that it will take time to meet all of the City's requirements.

Kim Hinton with the Road and Bridge department suggested approving the permit now and then review it after time is given to meet the City's requirements. She said that if they are not compliant the permit could be pulled.

After some discussion, Commissioner Berry offered an amended motion to approve the permit with periodic reviews to ensure progress is made toward compliance with the City of Bryan. The motion was seconded by Judge Peters and passed unanimously.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by County Judge Duane Peters. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

5. Reappointment of Elizabeth Dickey to the Local Workforce Development Board; term of appointment is 01/16/18 - 06/30/20.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

6. Request approval to wire transfer \$777,659.24 to Texas Health and Human Services Commission (HHSC) as part of the Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver. This intergovernmental transfer (IGT) will provide



funds for several qualifying local hospital which will be matched with federal funds by HHSC.

A copy is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

7. Brazos County Constable, Pct. 4 is requesting approval to accept donated excess police duty gear from College Station City Marshal's Office.

A copy is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Sammy Catalena. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

8. Acceptance of \$100 donation from Insurors of Texas. Funds will be used for the Employee Luncheon.

A copy is attached.

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

9. Request from Constable Pct. 3 to apply for a NRA Grant.

A copy of the grant application is attached.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

10. Payment Authorization to Austin Environmental in the amount of \$500 for asbestos inspection in restrooms at Brazos Center, purchase order was not obtained in advance.

This payment authorization was requested by the Purchasing Department.

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

11. Payment authorization to BH Media Group Holdings (The Eagle) in the amount of \$830.34 for Advertisement in the Eagle for Purchasing; a purchase order was not obtained in advance.

This payment authorization was requested by the Purchasing Department.

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters.

Absent: Aldrich.

12. Payment authorization to TELS Constructions in the amount of \$13,600.00 for the demolition of two structures using FY 2017 funds.

This payment authorization was requested by the Purchasing Department.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

13. Payment authorization to Aramark Uniform Services, Inc. in the amount of \$40.90 for rental uniform expenses for Fleet Services; Invoice received after fiscal year end.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Sammy Catalena. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

14. Payment Authorization to CME Testing and Engineering, Inc. in the amount of \$10,339.02 for General Testing Services of Various County Roads; invoices exceeded the blanket Purchase Order in place for these services.

This payment authorization was requested by the Road and Bridge Department.

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

15. Payment Authorization to Kraft Power in the amount of \$340.08 for parts for the generator for Facility Services; the purchase order was closed prior to receiving invoice.

Motion: , Moved by Commissioner Nancy Berry, Seconded by Commissioner Sammy Catalena. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

16. Payment Authorization to R and R Outfitters in the amount of \$1,220.00 for Body Armor for the Sheriff's Office; a purchase order was not obtained in advance.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

17. Requesting approval to transfer a 2002 Ford E350 known as Unit #Juv5455 to Facilities Services to fill a FY18 CIP request. Fleet Services will loan the Juvenile Services department a 2009 Dodge Charger known as Unit #Jail176 to fill the void until their new vehicle arrives.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner

Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

18. Request for out of state travel for Juvenile Services Counselor Latonya Hendricks to attend the Annual Research and Treatment Conference in Kansas City Missouri; dates of travel are October 25-28, 2017.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

19. Approval of the job description for Class Code 2666 - Engineering Tech Temp., 900 hrs. for Road and Bridge department.

A copy of the job description is attached.

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

20. Internet Service Agreement between Brazos Transit District and Brazos County.

A copy of the service agreement is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

21. Approval of Texas Association of Counties (TAC) Health Employee Benefits Pool (HEBP) Documents:

- a. Administrative Services Agreement
- b. Contract Documents
- c. ARTS (ACA Reporting and Tracking Service) Agreement

A copy is attached.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

22. Amended Funding Agreement with Scotty's House Child Advocacy Center for FY 2018.

A copy of the amended funding agreement is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

23. Request from the Information Technology Department to approve the Registration Services Agreement between Brazos County and the American Registry for Internet Numbers, Ltd. ("ARIN")

Information Technology Director Eric Caldwell stated this gives us administrative rights to manage our IP addresses.

A copy of the service agreement is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

24. Interlocal Agreement between City of College Station and Brazos County for the Arrington Road reconstruction project.

Judge Peters noted that an email was received by Marie Wolfe.

Commissioner Berry noted that one of Mrs. Wolfe's questions was about reducing traffic lanes from 3 lanes to 2 lanes on Arrington Road. Commissioner Berry stated that the request to go to 2 lanes was made by Marie Wolfe at the Metropolitan Planning Organization (MPO) meeting.

Judge Peters agreed with Commissioner Berry and said that Mrs. Wolfe made comments on agenda items 24, 26, and 27 and her email will be attached to the minutes.

A copy of the interlocal agreement is attached.

A copy of the email from Marie Wolfe is attached.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

25. Approval of attached pricing proposal for design and oversight services related to the design- build rehabilitation of McAllester Lane in the amount of \$44,290.

A copy is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Other. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

26. Change order to purchase order # 17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.

A copy of the change order is attached.

See attached email from Marie Wolfe.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

27. Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.

The Court voted unanimously to accept the recommendation of the Purchasing Agent and awarded Bid Contract 17-301, Extension of Mesa Verde to Knife River and approved the unit price contract in the amount of \$1,196,445.20.

A copy of the bid tabulation and contract is attached.

See attached email from Marie Wolfe.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

28. Consider and take action on the Wellborn Special Utility District cost estimate of \$4,550.00 for the relocation of a 2 inch waterline and 2 meters to accommodate the expansion and improvements to Cherokee Drive. Site is located in Precinct 1.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

29. Request permission to enter private property owned by Ann Duke on Merka Road 0.46 mile southeast of Old Reliance Road. County will cut down berm on new right of way and going into private property for a more manageable ditch back slope. Work is being done for future improvements to Merka Road. Site is located in Precinct 2.

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

30. Expenditure Journal Entries:
- a. Expenditure Journal Entries FY 16/17 130096 - 130100
  - b. Expenditure Journal Entries FY 17/18 100035 - 100041

A copy is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

31. Budget Amendments.

a. Budget Amendments FY 16/17 55.1

55.1 Reallocate funds for the Sheriff's Office - Jail.

b. Budget Amendments FY 17/18 3.1 - 3.16

Judge Peters noted that Budget Amendment 3.14 has been removed.

- 3.1 Reallocate funds for Fleet Services.
- 3.2 To recognize revenue from the 2016 JAG Program.
- 3.3 Transfer funds from Non-Departmental to Information Technology.
- 3.4 Reallocate funds for the Hotel Occupancy Tax Fund.
- 3.5 Transfer funds from Non-Departmental to Information Technology.
- 3.6 Reallocate funds for the Justice of the Peace Security Fund.
- 3.7 Transfer funds from Contingency Fund to Constable, Precinct 3.
- 3.8 Transfer funds from Non-Departmental to the Sheriff's Office - Jail and Constable, Precinct 1.
- 3.9 Transfer funds from Non-Departmental to Constable, Precinct 2.
- 3.10 Transfer funds from Non-Departmental to Constable, Precinct 2.
- 3.11 Transfer funds from Non-Departmental to Information Technology.
- 3.12 Transfer funds from Non-Departmental to Sheriff's Office - Jail.
- 3.13 Transfer funds from Non-Departmental to County Attorney.
- 3.15 Reallocate funds for Risk Management.
- 3.16 Transfer funds from Non-Departmental to Risk Management.

Motion: Approve, Moved by Commissioner Nancy Berry, Seconded by Commissioner Irma Cauley. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

32. Personnel Change of Status.

Personnel Action Forms

A copy of the Personnel Change of Status requests is attached.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

33. Payment of Claims.

Claims 7160322-7160552

Motion: Approve, Moved by Commissioner Sammy Catalena, Seconded by Commissioner Nancy Berry. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

34. Convene into Executive Session pursuant to Texas Government Code Section 551.074 to discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the position of County Engineer.

At this point, the County Judge announced the Court would consider items 36 through 41 then return to convene into Executive Session.

Having considered the previously noted agenda items, at 10:28 a.m. the County Judge stated that the Court would convene into Executive Session to deliberate pursuant to

Texas Government Code 551.074 as stated above.

The following individuals were asked to stay for the meeting:

Candy Gallego, Executive Assistant

Bruce Erratt, Civil Counsel

Ed Bull, Civil Counsel

Jennifer Salazar, Human Resources Director

Judge Peters announced that the Workshop Session scheduled at 10:30 a.m. would begin once the Executive Session ends.

35. Consider and possible action on Executive Session.

At 10:38 a.m. the County Judge announced the meeting open to the public and on motion by Commissioner Cauley, seconded by Commissioner Catalena, the Court voted unanimously to approve Gary Arnold as Interim Department Head of Road and Bridge and to approve the related Personnel Action Form change of status.

Motion: Approve, Moved by Commissioner Irma Cauley, Seconded by Commissioner Sammy Catalena. Passed. 4-0. Ayes: Berry, Catalena, Cauley, Peters. Absent: Aldrich.

36. Acknowledgement of Road and Bridge Maintenance Expenditures Report (FY17) from July through September 2017.

The Court acknowledged receipt of the Road and Bridge Maintenance Expenditures Report for July 2017 through September 2017.

37. Acknowledgement of the Brazos Central Appraisal District Independent Auditor's Report and Financial Statements for year ended December 31, 2016.

The Court acknowledged receipt of the Brazos Central Appraisal District Independent Auditor's Report and Financial Statements for year ended December 31, 2016.

38. Acknowledgement of Monthly Reports Submitted in September 2017.

The Court acknowledged receipt of the Extension Service reports submitted in September 2017 and acknowledged receipt of reports from the following County and Precinct Offices showing revenues collected and remitted to the County Treasurer:

District Clerk

Justice of the Peace Precinct 1

Justice of the Peace Precinct 2

Justice of the Peace Precinct 3

Justice of the Peace Precinct 4

Constable Precinct 1

Constable Precinct 2

Constable Precinct 3

Constable Precinct 4

39. Sheriff's report on inmate population.

Sheriff Chris Kirk stated there were 656 inmates in jail, 557 inmates are male and 99 are

female, 46 have electronic monitors and 7 are pending for monitors.

40. Announcement of interest items and possible future agenda topics.

There were no announcements.

41. Call for Citizen input and/or concerns

There was no citizen's input.

42. Adjourn.



The foregoing minutes of the Commissioners Court meeting held October 17, 2017 have been examined and are approved in open Court this 7th day of November, 2017, in Bryan, Brazos County, Texas .



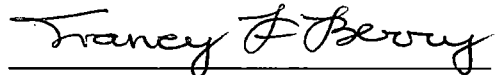
Duane Peters  
County Judge



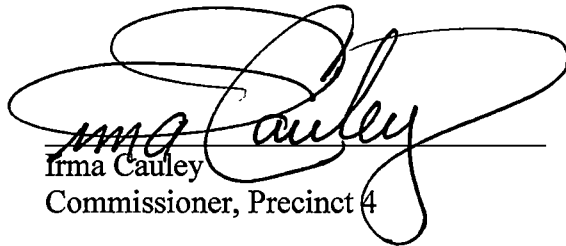
Steve Aldrich  
Commissioner, Precinct 1



Sammy Catalena  
Commissioner, Precinct 2



Nancy Berry  
Commissioner, Precinct 3

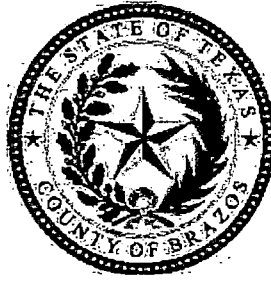


Irma Cauley  
Commissioner, Precinct 4

Attest:



Karen McQueen  
County Clerk



**BRAZOS COUNTY  
BRYAN, TEXAS**

FILED

2017 OCT 13 P 2:26

KAREN McQUEEN, COUNTY CLERK  
BRAZOS COUNTY, BRYAN, TEXAS  
BY: *Teresa* DEPUTY

*Ramirez*

**NOTICE OF MEETING AND AGENDA**

**BRAZOS COUNTY COMMISSIONERS COURT**

**THE COMMISSIONERS COURT OF BRAZOS COUNTY WILL MEET  
IN REGULAR SESSION ON OCTOBER 17, 2017 AT 10:00 AM IN THE  
COMMISSIONERS COURTROOM OF THE COUNTY  
ADMINISTRATION BUILDING, 200 SOUTH TEXAS AVE., SUITE 106,  
BRYAN, TX 77803**

- 
1. Invocation and Pledge of Allegiance  
-U.S. and Texas Flag - Commissioner Aldrich
  2. Call for Citizen input and/or concerns
  3. Presentations and/or Discussions  
Presentation of the Dedication of Historical Court Cases.

**Consider and take action on agenda items 4-35:**

4. Consider and take action on the Application of Bryan Auto Recycling Sales & Glass, LLC for the operation of a salvage yard.
5. Reappointment of Elizabeth Dickey to the Local Workforce Development Board; term of appointment is 01/16/18 - 06/30/20.
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  - a. Administrative Services Agreement
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  - c. ARTS (ACA Reporting & Tracking Service) Agreement
22. Amended Funding Agreement with Scotty's House Child Advocacy Center for FY 2018.
23. Request from the Information Technology Department to approve the Registration Services Agreement between Brazos County and the American Registry for Internet Numbers, Ltd. ("ARIN")
24. Interlocal Agreement between City of College Station and Brazos County for the Arrington Road reconstruction project.
25. Approval of attached pricing proposal for design and oversight services related to the design- build rehabilitation of McAllester Lane in the amount of \$44,290.
26. Change order to purchase order # 17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.

27. Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.
28. Consider and take action on the Wellborn Special Utility District cost estimate of \$4,550.00 for the relocation of a 2 inch waterline and 2 meters to accommodate the expansion and improvements to Cherokee Drive. Site is located in Precinct 1.
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  - a. Budget Amendments FY 16/17 55.1
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32. Personnel Change of Status.  
Personnel Action Forms
33. Payment of Claims.
34. Convene into Executive Session pursuant to Texas Government Code Section 551.074 to discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the position of County Engineer.
35. Consider and possible action on Executive Session.
36. Acknowledgement of Road and Bridge Maintenance Expenditures Report (FY17) from July through September 2017.
37. Acknowledgement of the Brazos Central Appraisal District Independent Auditor's Report and Financial Statements for year ended December 31, 2016.
38. Acknowledgement of Monthly Reports Submitted in September 2017.
39. Sheriff's report on inmate population.
40. Announcement of interest items and possible future agenda topics.
41. Call for Citizen input and/or concerns
42. Adjourn.

### **PUBLIC COMMENTS**

Public Comment during the Commission Meeting may be for all matters, both on and off the agenda, and be limited to four minutes per person. Persons are invited to submit comments in writing on the agenda items and/or attend and make comment at the Commission meeting. Members of the public are reminded that the Brazos County Commissioners Court is a Constitutional Court, with both judicial and legislative powers, created under Article V, Section 1 and Section 18 of the Texas Constitution. As a Constitutional Court, the Brazos County Commissioners Court also possesses the power to issue a Contempt of Court Citation under Section 81.024 of the Texas Local Government Code. Accordingly, members of the public in attendance at any Regular, Special and/or Emergency meeting of the Court shall conduct themselves with proper respect and decorum in speaking to, and/or addressing the Court; in participating in public discussions before the Court; and in all actions in the presence of the Court. Those members of the public who are inappropriately attired and/or who do not conduct themselves in an orderly and appropriate manner will be ordered to leave the meeting. Refusal to abide by the Court's Order and/or continued disruption of the meeting may result in a Contempt of Court Citation.

It is not the intention of the Brazos County Commissioners Court to provide a public forum for the demeaning of any individual or group. Neither is it the intention of the Court to allow a member (or members) of the public to insult the honesty and/or integrity of the Court, as a body, or any member or members of the Court, or County employees, individually or collectively. Accordingly, profane, insulting or threatening language directed toward the Court and/or any person in the Court's presence and/or racial, ethnic or gender slurs or epithets will not be tolerated. Violation of these rules may result in the following sanctions:

1. cancellation of a speaker's time;
  2. removal from the Commissioners Court;
  3. a Contempt Citation; and/or
  4. such other and/or criminal sanctions as may be authorized
- under the Constitution, Statutes and Codes of the State of Texas.

The County Commissioners Court can deliberate or take action only if a matter has been listed on an agenda properly posted prior to the meeting. During the public comment period, speakers may address matters not listed on the published agenda. The Open Meeting Law does not expressly prohibit responses to public comments by the Commissioners Court. However, responses from the County Judge or Commissioners to unlisted public comment topics could become deliberation on a matter without notice to the public. To ensure the public has notice of all matters the Commissioners Court will consider, the County Judge and/or Commissioners may choose not to respond to public comments, except to correct factual inaccuracies, recite existing policy in response to an inquiry or to ask that a matter be listed on a future agenda. See Texas Open Meetings Act Section 551.042.

### **INVOCATION**

Any invocation that may be offered before the official start of the Court meeting shall be to and for the benefit of the Court. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Court and do not necessarily represent the religious beliefs or views of the Court in part or as a whole. No member of the community is required to attend or participate in the invocation and such decision will have no impact on their right to actively participate in the business of the Court.

The Commissioners Courtroom of the County Administration Building, 200 South Texas Ave., Suite 106, Bryan, TX 77803 is wheelchair accessible. Handicap parking spaces are available. Any request for sign interpretive services must be made two working days before the meeting. To make arrangements, please call (979) 361-4102.

# BRAZOS COUNTY COMMISSIONER'S COURT

17<sup>th</sup> DAY OF October, 2017  
10:00 AM/~~PM~~, \_\_\_\_\_

Name

(PLEASE PRINT)

Organization

(PLEASE PRINT)

Bethany JonesCounty JudgeNina MeansBudgetMelissa PerezRiskPatrick GendronCitizenJim StewartSheriff's Office (Chief Deputy)Chris KirkSheriffDom VAWZJUVDonald LampoConstable Pct 2Prarthana BanerjiRoad & BridgeDannell KolwerR & BBuzi PrattAuditorLAURIE T DAVISTREASWm. CHARLES WENDTPURCH.Jennifer SalangaHR

# BRAZOS COUNTY COMMISSIONER'S COURT

17<sup>th</sup> DAY OF October, 2017  
10:00 AM/PM, \_\_\_\_\_

Name

(PLEASE PRINT)

Organization

(PLEASE PRINT)

<u>KAREN McQUEEN</u>	<u>Co. Clerk</u>
<u>[Signature]</u>	<u>County Clerk's Office</u>
<u>Super Orjaga</u>	<u>The Prenatal Clinic</u>
<u>Mayra Mendoza</u>	<u>The Prenatal Clinic</u>
<u>Gina Mosavi</u>	<u>Bryan Auto Recycling</u>
<u>Paresa Mosavi</u>	<u>Bryan Auto Recycling</u>
<u>Marc Hamlin</u>	<u>DC</u>
<u>[Signature]</u>	<u>CA</u>
<u>[Signature]</u>	<u>CA</u>
<u>Megan Lott</u>	<u>R&amp;B</u>
<u>[Signature]</u>	<u>BCSO</u>
<u>Bill OLIVER</u>	<u>WTRW</u>
<u>ERIC CALDWELL</u>	<u>IT</u>
<u>[Signature]</u>	<u>Exp</u>
<u>[Signature]</u>	<u>R: B</u>

BRAZOS COUNTY  
COMMISSIONER'S COURT

17<sup>th</sup> DAY OF October, 20 17  
10:00 AM/~~PM~~,

Name  
(PLEASE PRINT)

Organization  
(PLEASE PRINT)

Lorie Floyd  
Ashley Cureton  
Shamecia Davis  
Candy Gallego

TAC  
TAC  
TAC  
Comm. Court





**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT:

NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Consider and take action on the Application of Bryan Auto Recycling Sales & Glass, LLC for the operation of a salvage yard.

TO: Commissioners Court

DATE: 10/13/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

[Vega\\_BCS\\_Salvage\\_Yard\\_Order.doc](#)

**Description**

Order

**Type**

Cover Memo

**ORDER NO. 17-014**

**AN ORDER OF THE BRAZOS COUNTY COMMISSIONERS COURT,  
PURSUANT TO TEXAS TRANSPORTATION CODE CHAPTER 396 AND  
ITS ORDER ESTABLISHING RULES FOR JUNKYARDS,  
AUTOMOTIVE WRECKING AND SALVAGE YARDS, CONSIDERING  
THE APPLICATION OF VICTOR LUCIO.**

**WHEREAS**, Brazos County, Texas ("County") is a county of the State of Texas, having been duly created and organized under the constitution and laws of Texas, and further, the Brazos County Commissioners Court ("Commissioners Court") is the governing body of said County; and,

**WHEREAS**, pursuant to the Texas Transportation Code Chapter 396, and other authority, the County Commissioners, on March 12, 2013, established rules for junkyards, automotive wrecking, and salvage yards ("Rules"); and,

**WHEREAS**, on August 17, 2017, Brazos County received an application for junkyards, automotive wrecking and salvage yards license from Mike Mosavi for the Operation of a Salvage Yard for Bryan Auto Recycling Sales & Glass, LLC; and,

**WHEREAS**, on October 10, 2017, after proper notice, the Commissioners Court conducted a Public Hearing as required by Article 6, Section A of the Rules; and,

**WHEREAS**, not more than sixty (60) days have passed following the public hearing required by the Rules; and,

**WHEREAS**, the Commissioners Court finds and determines that all public notice, hearing, administrative, and procedural matters required by law have been timely initiated and completed regarding the Application;

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** by the Brazos County Commissioners Court, for and in behalf of said County and in the public interest, as follows:

THE PERMIT/LICENSE APPLIED FOR BY Mike Mosavi IS

✓ GRANTED (Conditional)

       DENIED

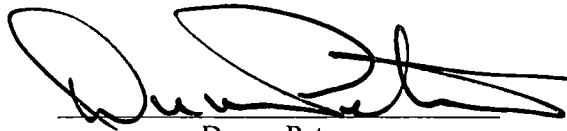
**Conditions:** Quarterly review to make sure Bryan Auto Recycling Sales & Glass, LLC is working towards compliance with City of Bryan. County reserves the right to revoke permit if Mike Mosavi is found to not be in compliance with County or City of Bryan Salvage Yard Ordinances.

The Commissioners Court denies the approval of the license/permit of Mike Mosavi for the following reason(s):

- \_\_\_\_\_ the location of the proposed yard would be detrimental to the public health, safety, or welfare;
- \_\_\_\_\_ the location of the proposed yard would create a hazard to the environment;
- \_\_\_\_\_ the location of the nearest boundary of the proposed yard would be within one thousand (1,000) feet of the nearest property line of property on which there is a church, a school, a park, a hospital, a nursing home, or a residence (single-family home, duplex, apartment, townhouse, or mobile home), or the nearest boundary of a residential subdivision for which County has approved a survey's plat;
- \_\_\_\_\_ the location of the proposed yard would be incompatible with the surrounding development;
- \_\_\_\_\_ the location of the proposed yard would be detrimental to the economic welfare of Brazos County;
- \_\_\_\_\_ the location of the proposed yard would be within one thousand five hundred (1,500) feet of a lake, river, tributary or pond;
- \_\_\_\_\_ the location of the proposed yard would be within the one hundred (100) year flood plain;
- \_\_\_\_\_ the applicant has not complied with Article 5 of these rules.

This order was considered, ordered, approved, and enacted at a public meeting of the Commissioners Court held in compliance with the Texas Open Meetings Act.

October, 2017, **CONSIDERED, ORDERED, APPROVED, AND ENACTED** on the 17<sup>th</sup> day of



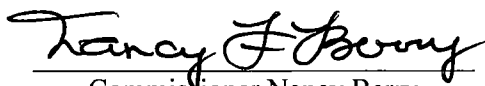
Duane Peters  
County Judge



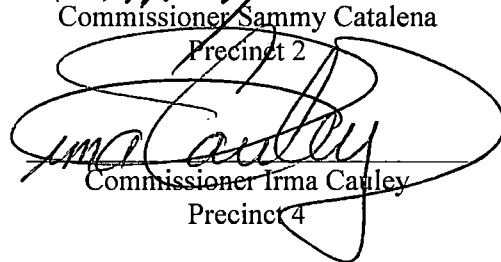
Commissioner Steve Aldrich  
Precinct 1



Commissioner Sammy Catalena  
Precinct 2



Commissioner Nancy Berry  
Precinct 3



Commissioner Irma Cauley  
Precinct 4

**ATTEST:**



Karen McQueen  
County Clerk



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Reappointment of Elizabeth Dickey to the Local Workforce Development Board; term of appointment is 01/16/18 - 06/30/20.  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

[bd\\_reappt\\_unsigned1.pdf](#)

**Description**

Appt Certificate

**Type**

Cover Memo

**H-400: Board Appointments****LOCAL WORKFORCE DEVELOPMENT BOARD APPOINTMENTS**

NAME	CATEGORY REPRESENTED	TERM MONTH/DAY/YEAR THRU MONTH/DAY/YEAR
<u><b>Appointments (New)</b></u>		
<u><b>Reappointments</b></u> <i>Elizabeth "Liz" N. Dickey</i>	<b>CBO</b>	<b>01/16/2018 - 6/30/2020</b>

**AUTHORIZATION****Duane Peters**


Print/Type CEO Name

**Brazos County Judge**

Print/Type CEO Title

**Brazos Valley (16)**

Print/Type name of Workforce Area



CEO Signature

**10/17/17**

Date

Individuals may receive, review and correct information that TWC collects about the individual by emailing to [open\\_records@twc.state.tx.us](mailto:open_records@twc.state.tx.us) or writing to TWC Open Records, Rm 266, 101 East 15th St., Austin, TX 78778-0001.



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Budget Office NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Request approval to wire transfer \$777,659.24 to Texas Health and Human Services Commission (HHSC) as part of the Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver. This intergovernmental transfer (IGT) will provide funds for several qualifying local hospital which will be matched with federal funds by HHSC.

TO: Commissioners Court

FROM: Irene Jett

DATE: 10/11/2017

FISCAL IMPACT: True

BUDGETED: True

DOLLAR AMOUNT: \$0.00

SOURCE OF FUNDS: Local Provider Participation Fund (1600)

REQUIREMENTS: Funds must be wire transferred using the TexNet system.

ACTION REQUESTED OR ALTERNATIVES: Request approval to IGT LPPF funds using a wire transfer.

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">201710_DY6_Additional_UC_IGT_Allocation_Form_(Brazos_County)_10.11.17.pdf</a>	DY 6 UC Allocation Form	Backup Material

## DY6 UC Allocation Form

TRACE Number: **Brazos County Treasurer**

*The Trace Number is in the receipt you receive from the Comptroller once you have submitted your IGT into TexNet.*


**The Trace Sheet and Allocation Form must be submitted together in the same email. All Trace Sheet submissions must be accompanied by an Allocation Form**

Provider Affiliation Identification	Provider Name	9 Digit TPI	Government Entity	RHP Region	IGT Total
600-16-0008-00013	St. Joseph Regional Health Center	127267603	Brazos County Treasurer	17	\$ 477,340.45
600-15-0009-00001	Scott & White Hospital - College Station	326725404	Brazos County Treasurer	17	\$ 281,658.78
600-16-0007-00004	Rock Prairie Behavioral Health	338014903	Brazos County Treasurer	17	\$ 18,660.01

\$ 777,659.24

	Name	Phone	Email
Contact 1	Irene Jett, Budget Officer	(979) 361 4590	<a href="mailto:ijett@brazoscountytexas.gov">ijett@brazoscountytexas.gov</a>
Contact 2	Katie Conner, County Auditor	(979)361-4359	<a href="mailto:kconner@brazoscountytexas.gov">kconner@brazoscountytexas.gov</a>

**APPROVED**

 10/17/17  
 Duane Peters  
 County Judge  
 Date



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Constable, Pct. 4 NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Brazos County Constable, Pct. 4 is requesting approval to accept donated excess police duty gear from College Station City Marshal's Office.

TO: Commissioners Court

FROM: Isaac Butler, Jr.

DATE: 09/26/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

ACTION REQUESTED OR  
ALTERNATIVES: Requesting approval to accept donated excess police duty gear from College Station City Marshal's Office.

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">Donated property from CS City Marshal's Ofc.pdf</a>	Request approval for donated property	Backup Material
<a href="#">Constable Pct. 4 Donation.pdf</a>	Donation Form	Backup Material





7

**BRAZOS COUNTY, TEXAS  
ACCEPTANCE OF DONATED/AWARDED PROPERTY  
DONATION OF COUNTY PROPERTY**

Date: 9/27/2017

☒ Acceptance of Donated/Awarded Property  
(Awarded property requires signed court documentation)

☐ Donation of County Property

☐ Acceptance of Donated Inmate Property  
(Requires signed inmate documentation - NO VALUE ASSESSED)

Item Description: Excess police duty gear (Fabric/Web)

Please provide all information requested below as applicable to the property being accepted or donated. Forms containing any blank fields will be returned for completion.

Make: \_\_\_\_\_ Model: \_\_\_\_\_ Year: \_\_\_\_\_ SN/VIN #: \_\_\_\_\_

☒ Functional ☐ Non-Functional. Explain if Non-Functional \_\_\_\_\_

Additional Description/Information: duty belts, holsters, baton holder, handcuff cases, pepper spray cases, belt keeper

\* Estimated Value: \$359.00 See attached list Check box for Capital Asset (value/initial cost is over \$5000)

Acceptance of Donated Property	Donation of County Property
Check the appropriate account based on estimated value of property being accepted:  <input type="checkbox"/> 61235000 (Donation - Other)* <input checked="" type="checkbox"/> 60010000 (No Asset Tag - Under \$500) <input type="checkbox"/> 67010000 (Minor Property - \$500 - \$4999) <input type="checkbox"/> 80010000 (Capital Property - Over \$5000)	Check the appropriate entity property being donated to:  Government Entity: _____ Organization Name  Other (Due to Statutory requirements prior approval is required by Purchasing: _____ Organization Name

\*Donation - Other to be used for funds donated to Brazos County for use of a non-county expenditure.

I certify that the above mentioned item has been donated or awarded to Brazos County. This item has been received in good faith and upon approval by Commissioner's Court will become a part of the General Fixed Asset Account of Brazos County. The determination to accept or reject the donation will be made at the sole discretions of Commissioners Court based upon such things as usefulness, projected operating, maintenance and insurance costs.

Requesting Department: \_\_\_\_\_  
Constable, Pct. 4  
Department Name

Isaac Butts  
Authorized Signature

Organization Receiving Donated Property: \_\_\_\_\_  
Isaac Butts  
Authorized Signature

Approved by Commissioners Court on this 17<sup>th</sup> day of October 2017

[Signature]  
Commissioners Court Approval



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Acceptance of \$100 donation from Insurors of Texas. Funds will be used for the Employee Luncheon.  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
-------------------------	---------------------------	--------------------



**BRAZOS COUNTY, TEXAS  
ACCEPTANCE OF DONATED/AWARDED PROPERTY  
DONATION OF COUNTY PROPERTY**

Date: 10/12/17

☒ Acceptance of Donated/Awarded Property  
(Awarded property requires signed court documentation)

☐ Donation of County Property

☐ Acceptance of Donated Inmate Property  
(Requires signed inmate documentation – NO VALUE ASSESSED)

Item Description: \$100 Check from Insurers of Texas for Employee Luncheon

Please provide all information requested below as applicable to the property being accepted or donated. Forms containing any blank fields will be returned for completion.

Make: \_\_\_\_\_ Model: \_\_\_\_\_ Year: \_\_\_\_\_ SN/VIN #: \_\_\_\_\_

☐ Functional ☐ Non-Functional. Explain if Non-Functional \_\_\_\_\_

Additional Description/Information: \_\_\_\_\_

Estimated Value: \_\_\_\_\_

Check box for Capital Asset (value/initial cost is over \$5000)

Acceptance of Donated Property	Donation of County Property
Check the appropriate account based on estimated value of property being accepted:	Check the appropriate entity property being donated to:
<input checked="" type="checkbox"/> 61235000 (Donation - Other)* <input type="checkbox"/> 60010000 (No Asset Tag - Under \$500) <input type="checkbox"/> 67010000 (Minor Property - \$500 - \$4999) <input type="checkbox"/> 80010000 (Capital Property - Over \$5000)	Government Entity: _____ <div style="text-align: right;">Organization Name</div> Other (Due to Statutory requirements prior approval is required by Purchasing: _____ <div style="text-align: right;">Organization Name</div>

\*Donation - Other to be used for funds donated to Brazos County for use of a non-county expenditure.

I certify that the above mentioned item has been donated or awarded to Brazos County. This item has been received in good faith and upon approval by Commissioner's Court will become a part of the General Fixed Asset Account of Brazos County. The determination to accept or reject the donation will be made at the sole discretions of Commissioners Court based upon such things as usefulness, projected operating, maintenance and insurance costs.

Requesting Department: \_\_\_\_\_

Department Name

Authorized Signature

Organization Receiving Donated Property: \_\_\_\_\_

Authorized Signature

Approved by Commissioners Court on this 17<sup>th</sup> day of October, 2017

Commissioners Court Approval



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: BCC3 NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Request from Constable Pct. 3 to apply for a NRA Grant.  
TO: Commissioners Court  
FROM: CONSTABLE J.P. INGRAM  
DATE: 10/09/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

[GRANT\\_APPROVAL\\_FORM.pdf](#)

**Description**

GRANT APPROVAL FORM 2018

**Type**

Cover Memo



9

**BRAZOS COUNTY, TEXAS  
GRANT APPLICATION APPROVAL FORM**

Date: \_\_\_\_\_

Requesting Department: CONSTABLE PRECINCT 3

Grant Title: NRA FOUNDATION LAW ENFORCEMENT GRANT

Granting Agency: NRA FOUNDATION

Amount Requested: \_\_\_\_\_

Grant Term (Beg/End): JANUARY 2018

Project Description: Grant request for Law Enforcement Practice Ammunition. To be used for practice to qualify with duty weapons, for instructor schools, and advanced training courses. Stop sticks for ending vehicle pursuits safely.

Will this grant fund salary & benefits? ☐ Yes ☒ No

Is there County Match requirement? ☐ Yes ☒ No

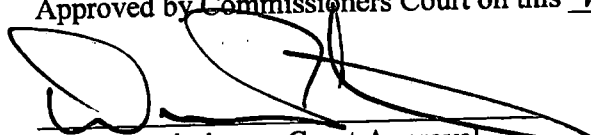
Are there financial reporting requirements? ☒ Yes ☐ No

Who will be reporting? Chief Deputy Calder Lively

\*Please include all available backup documentation with the approval form. All grants are contracts between Brazos County and the granting agency and should be approved by Commissioners Court prior to the application submission.

\_\_\_\_\_  
Authorized Signature

Approved by Commissioners Court on this 17<sup>th</sup> day of October, 2017.

  
Commissioners Court Approval



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT:

NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Payment Authorization to Austin Environmental in the amount of \$500 for asbestos inspection in restrooms at Brazos Center, purchase order was not obtained in advance.

TO: Commissioners Court

DATE: 10/09/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

ACTION REQUESTED OR  
ALTERNATIVES: Payment Authorization to Austin Environmental in the amount of \$500 for asbestos inspection in restrooms at Brazos Center, purchase order was not obtained in advance.

**ATTACHMENTS:**

**File Name**

[Pay\\_Auth\\_Austin\\_Environmental.pdf](#)

**Description**

Payment authorization and invoice

**Type**

Backup Material



<b>Vendor #:</b>	<u>94524</u>	<b>Division:</b>	<u></u>
<b>Pay to:</b>	<u>AUSTIN ENVIRONMENTAL</u>	<b>Today's Date:</b>	<u>10/9/17</u>
<b>Address:</b>	<u>PO BOX 3725</u>		
	<u>BRYAN TX 77805</u>		
	<u></u>		

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
10/7/17	AEB17-137	ASBESTOS INSPECTION FOR REMODEL			500.00
		FOR RESTROOM IN BRAZOS CENTER			
		*will be on count			
		10/17/17			

<b>FREIGHT</b>	
<b><u>TOTAL</u></b>	<b>\$ 500.00</b>

[illegible]

**TOTAL \$ 500.00**

**Approved/County Auditor**



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Purchasing NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Payment authorization to BH Media Group Holdings (The Eagle) in the amount of \$830.34 for Advertisement in the Eagle for Purchasing; a purchase order was not obtained in advance.

TO: Commissioners Court

FROM: Leslie Contreras

DATE: 10/11/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

NOTES/EXCEPTIONS: A purchase order was in place for ads however there was not enough on the purchase order to cover the expense.

**ATTACHMENTS:**

**File Name**

[PA - Eagle.pdf](#)

**Description**

PA Documents

**Type**

Backup Material



Court  
10/17



**BRAZOS COUNTY**  
Payment Authorization

11

Vendor #: 96357  
Pay to: BH Media Group Holdings Inc. / The Eagle  
Address: PO Box 3000  
Bryan, Texas 77805

Division: 16500100  
Today's Date: 10/11/2017

Attach ALL supporting data such as invoices, meal and hotel receipts, airline tickets, seminar brochure(s) or syllabus, brochure(s) or syllabus, registration forms, etc.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
8/27/2017	10000399697-0811	Advertisement in The Eagle	1	180.12	180.12
9/24/2017	10000399675-0811	Advertisement in The Eagle	1	408.20	408.20
9/24/2017	10000403576-0825	Advertisement in The Eagle	1	242.02	242.02

"I, the requisitioner, hereby certify that the item(s) and/or service(s) on this requisition have been or will be used exclusively for the benefit of Brazos County. They have been purchased in compliance with Section 262.021 - Section 262.034 of the Local Government Code. I further certify that I am aware of the criminal penalties resulting from the violation of these State laws."

FREIGHT  
TOTAL \$ **830.34**

FUND	DIVISION	ACCOUNT	PROJECT#	AMOUNT
0100	16500100	61010000		\$ 830.34

Requisitioned By

Approved/County Judge

Approved/County Auditor

TOTAL \$ **830.34**



**BRAZOS COUNTY  
BRYAN, TEXAS**

DEPARTMENT: Purchasing

NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Payment authorization to TELS Constructions in the amount of \$13,600.00 for the demolition of two structures using FY 2017 funds.

TO: Commissioners Court

FROM: Leslie Contreras

DATE: 10/11/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

NOTES/EXCEPTIONS: A PO was not obtained in advance.

**ATTACHMENTS:**

**File Name**

[PA - TELS.pdf](#)

**Description**

PA Form and back up

**Type**

Backup Material

Count  
10/17

12



**BRAZOS COUNTY**  
Payment Authorization

<b>Vendor #:</b>	<u>97096</u>	<b>Division:</b>	<u>28000200</u>
<b>Pay to:</b>	<u>Justin Thomas/ TELS Construction</u>	<b>Today's Date:</b>	<u>10/11/2017</u>
<b>Address:</b>	<u>1513 South Dexter</u>		
	<u>College Station, TX 77840</u>		

Attach **ALL** supporting data such as invoices, meal and hotel receipts, airline tickets, seminar brochure(s) or syllabus, brochure(s) or syllabus, registration forms, etc.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
9/30/2017	17-300	Demolition and removal of two structures	1	13,600.00	13,600.00
		PAY USING FY17 FUNDS			

"I, the requisitioner, hereby certify that the item(s) and/or service(s) on this requisition have been or will be used exclusively for the benefit of Brazos County. They have been purchased in compliance with Section 262.021 - Section 262.034 of the Local Government Code. I further certify that I am aware of the criminal penalties resulting from the violation of these State laws."

**FREIGHT**  
**TOTAL** \$ **13,600.00**

FUND	DIVISION	ACCOUNT	PROJECT#	AMOUNT
0100	28000200	71025000		\$ 13,600.00

*Justin Cont*  
Requisitioned By  
*[Signature]*  
Approved/County Judge

**TOTAL \$ 13,600.00**

Approved/County Auditor



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Fleet Services - Heavy Shop      NUMBER: CC2018 - Payment Authorization  
for Aramark Uniform Services

DATE OF COURT MEETING: 10/17/2017

ITEM: Payment authorization to Aramark Uniform Services, Inc. in the amount of \$40.90 for rental  
uniform expenses for Fleet Services; Invoice received after fiscal year end.

TO: Commissioners Court

FROM: Amber Arredondo

DATE: 10/11/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

SOURCE OF FUNDS: Use account 56002000-71512000

ACTION REQUESTED OR  
ALTERNATIVES: Requesting approval of payment authorization to Aramark Uniform Services, Inc. in the  
amount of \$40.90 for rental uniform expenses.

**ATTACHMENTS:**

**File Name**

**Description**

**Type**



**BRAZOS COUNTY**  
**Payment Authorization**

13

**Vendor #:** 93352  
**Pay to:** Aramark Uniform Services INC  
**Address:** 10110 Cash Rd  
Stafford, TX. 77477

**Division:** 56002000  
**Today's Date:** 10/05/2017



Attach **ALL** supporting data such as invoices, meal and hotel receipts, airline tickets, seminar brochure(s) or syllabus, brochure(s) or syllabus, registration forms, etc.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
8/31/2017	1266953744	Uniform rental expenses	1	40.90	40.90
		*Invoice attached			

"I, the requisitioner, hereby certify that the item(s) and/or service(s) on this requisition have been or will be used exclusively for the benefit of Brazos County. They have been purchased in compliance with Section 262.021 - Section 262.034 of the Local Government Code . I further certify that I am aware of the criminal penalties resulting from the violation of these State laws."

**FREIGHT**  
**TOTAL** \$ **40.90**

FUND	DIVISION	ACCOUNT	PROJECT#	AMOUNT
	56002000	71512000		\$ 40.90

  
Requisitioned By  
  
Approved/County Judge

**TOTAL \$ 40.90**

Approved/County Auditor



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Road and Bridge      NUMBER: CC2017-Payment Authorization-  
CME Testing & Engineering-Road  
testing services

DATE OF COURT MEETING: 10/17/2017

ITEM: Payment Authorization to CME Testing and Engineering, Inc. in the amount of \$10,339.02  
for General Testing Services of Various County Roads; invoices exceeded the blanket  
Purchase Order in place for these services.

TO: Commissioners Court

FROM: Karen Tyler

DATE: 10/11/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

[Payment Authorization-  
CME Testing and Engineering.pdf](#)

Payment Authorization

Backup Material

[CME Testing and Engineering-Invoices.pdf](#)

Invoices

Cover Memo

BRAZOS COUNTY  
COMMISSIONERS' COURT ACTION FORM

DEPARTMENT Road and Bridge

DEPT. NUMBER 56001000

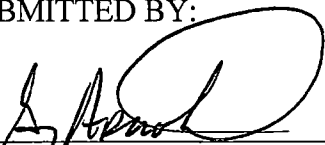
DATE OF COURT MEETING: October 17, 2017

ITEM: Consider and take action on approval of Payment Authorization to CME Testing and Engineering, Inc. in the amount of \$10,339.02 for General Testing Services of Various County Roads; invoices exceeded the blanket Purchase Order in place for these services.

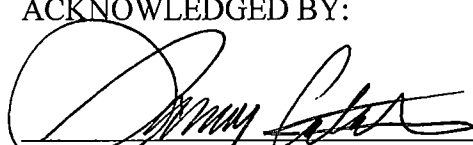
SOURCE OF FUNDS: N/A

NOTES/EXCEPTIONS:

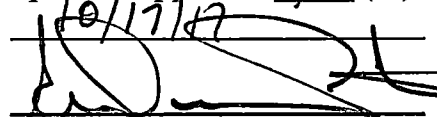
SUBMITTED BY:

  
\_\_\_\_\_  
Gary Arnold  
County Road Administrator  
CC2017

ACKNOWLEDGED BY:

  
\_\_\_\_\_  
Commissioner Sammy Catalena  
Road and Bridge Liaison

This Request is Approved    (or) Denied    by Commissioners' Court

Date: 10/17/17  
  
\_\_\_\_\_  
E. Duane Peters, County Judge



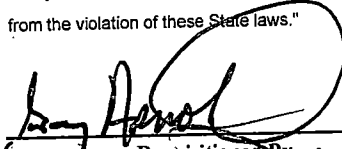

**BRAZOS COUNTY**  
Payment Authorization

Vendor #: 94049 Division: 56001000  
Pay to: CME Testing and Engineering, Inc. Today's Date: 10/5/2017  
Address: 320 Graham Road  
College Station, Texas 77845

Attach **ALL** supporting data such as invoices, meal and hotel receipts, airline tickets, seminar brochure(s) or syllabus, brochure(s) or syllabus, registration forms, etc.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
		Billing Period 4/26 - 5/26/17			
10/2/2017	5979	General Testing Services			
		Dilly Shaw Tap Rd# R2-139 WO# 33200			1,580.69
		General Testing Services			
10/4/2017	5977	Billing Period 1/11 - 9/30/17			
		General Testing Services			
		Various County Roads			8,758.33
		*invoices exceeded blanket Purchase Order			
		in place for General Testing Services			
FREIGHT TOTAL					\$ 10,339.02

"I, the requisitioner, hereby certify that the item(s) and/or service(s) on this requisition have been or will be used exclusively for the benefit of Brazos County. They have been purchased in compliance with Section 262.021 - Section 262.034 of the Local Government Code. I further certify that I am aware of the criminal penalties resulting from the violation of these State laws."

  
Requisitioned By  
  
Approved/County Judge

FUND	DIVISION	ACCOUNT	PROJECT#	AMOUNT
	56001000	80715000		\$ 1,580.69
	56001000	72590000		8,758.33

TOTAL \$ 10,339.02

Approved/County Auditor





**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Facility Services                      NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Payment Authorization to Kraft Power in the amount of \$340.08 for parts for the generator for Facility Services; the purchase order was closed prior to receiving invoice.

TO: Commissioners Court

FROM: Ernest Stutts

DATE: 10/12/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">Payment Authorization Kraft Power.pdf</a>	Payment Authorization	Cover Memo

**BRAZOS COUNTY**  
Payment Authorization

**Vendor #:** 97021  
**Pay To:** Kraft Power  
**Address:** 2852 D and M Dr.  
Gaylord, Michigan 49735

Division: 17000100  
10/12/2017

Attach ALL supporting data such as invoices, meal and hotel receipts, airline tickets seminar brochure(s) or syllabus, registration forms, etc.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
9/26/2017	13303	Purchase order was accidently closed	1		\$ 340.08
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
				FREIGHT	
				TOTAL	\$ 340.08

I, the requisitioner, hereby certify that the item(s) and / or services(s) on this requisition have been used exclusively for the benefit of Brazos County. They have been purchased in compliance with Section 262.021-262.034 of the "County Purchasing Act." I further certify that I am aware of all requirements of Section 262.021-262.034 and I am aware of the criminal penalties resulting from the violation of that Act.

Requirements of Section 22.037, 22.039 and 22.041 and the criminal penalties resulting from the violation of that

Paula L. Lippard  
Requested by

[Signature]  
Approved by County Judge

Approved by County Judge

Approved by County Auditor

FUND	DIVISION	ACCOUNT	PROJECT #	AMOUNT
	17000100	650500000		\$340.08
			TOTAL	\$340.08

PLEASE SEND TO AUDITOR'S OFFICE



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Payment Authorization to R&R Outfitters in the amount of \$1,220.00 for Body Armor for the Sheriff's Office; a purchase order was not obtained in advance.  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">Scanned from a Xerox multifunction device.pdf</a>	PA	Cover Memo



**BRAZOS COUNTY**  
Payment Authorization

Vendor #: 96771  
 Pay to: R&R Outfitters  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Division: 28000100  
 Today's Date: 10.05.2017

Attach **ALL** supporting data such as invoices, meal and hotel receipts, airline tickets, seminar brochure(s) or syllabus, brochure(s) or syllabus, registration forms, etc.

INVOICE DATE	INVOICE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL
09.25.2017	0000228	Armor Express body armor package	2	541.00	1,082.00
		Armor Express Revolution carrier	2	69.00	138.00
		payment for body armor that was purchased			
		and a purchase order was not in place.			
		<i>This is FY17 money</i>			

"I, the requisitioner, hereby certify that the item(s) and/or service(s) on this requisition have been or will be used exclusively for the benefit of Brazos County. They have been purchased in compliance with Section 262.021 - Section 262.034 of the Local Government Code. I further certify that I am aware of the criminal penalties resulting from the violation of these State laws."

**FREIGHT**  
**TOTAL**     \$     **1,220.00**

*Carla Field*  
 Requisitioned By  
  
 Approved/County Judge

FUND	DIVISION	ACCOUNT	PROJECT#	AMOUNT
	28000100	67286000		\$ 1,220.00

**TOTAL \$ 1,220.00**

\_\_\_\_\_  
 Approved/County Auditor



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Fleet Services

NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Requesting approval to transfer a 2002 Ford E350 known as Unit #Juv5455 to Facilities Services to fill a FY18 CIP request. Fleet Services will loan the Juvenile Services department a 2009 Dodge Charger known as Unit #Jail176 to fill the void until their new vehicle arrives.

TO: Commissioners Court

FROM: Ken Chadwick

DATE: 10/12/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

SOURCE OF FUNDS: N/A

**ATTACHMENTS:**

**File Name**

**Description**

**Type**



**BRAZOS COUNTY FLEET SERVICES**



1601 LOUIS ST. BRYAN, TEXAS 77803  
PHONE: (979) 361-1880 FAX: 361-1884

**MEMORANDUM**

**DATE: OCT. 12, 2017**  
**TO: COMMISSIONERS COURT**  
**FROM: KEN CHADWICK**  
**RE: ASSET TRANSFER OF UNIT # JUV5455 – ASSET # 3100011021**

---

The Juvenile department was granted a new replacement van in FY 2018. The old van is planned to be transferred to Facility Services to be used by the new position (painter) granted to them.

Please consider and approve the following request. Fleet Services has a retired transport vehicle (2009 Dodge Charger Asset # A001001782) which may be loaned to Juvenile Services until the new replacement van is received. The old van which is scheduled to be replaced in the Juvenile department can then be transferred to Fleet Services to be used by the newly created painter position. Once the FY 2018 CIP replacement van is put into service in the Juvenile department the vehicle on loan will be transferred back to Fleet Services.

Thank you for your consideration of this request. Please let me know if you have any questions or concerns.

Ken Chadwick  
Director of Fleet Services

**APPROVED**

Duane Peters  
County Judge

10/17/17  
Date



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Juvenile Department      NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Request for out of state travel for Juvenile Services Counselor Latonya Hendricks to attend the Annual Research and Treatment Conference in Kansas City Missouri; dates of travel are October 25-28, 2017.

TO: Commissioners Court

FROM: Doug Vance

DATE:

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

SOURCE OF FUNDS: Local

REQUIREMENTS: None

NOTES/EXCEPTIONS: None

ACTION REQUESTED OR ALTERNATIVES: Approve juvenile services counselor Latonya Hendricks for out of state travel to attend a conference on Sex Offender Treatment in Kansas City Missouri from October 25-28, 2017.

**ATTACHMENTS:**

**File Name**

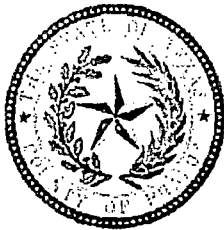
[Hendricks-Brief.pdf](#)

**Description**

Memo

**Type**

Cover Memo



# BRAZOS COUNTY JUVENILE SERVICES DEPARTMENT

Doug Vance, PhD., Director  
Lupe M. Washington, Assistant Director

To: County Judge Duane Peters  
Commissioner Steve Aldrich  
Commissioner Sammy Catalena  
Commissioner Nancy Berry  
Commissioner Irma Cauley

From: Doug Vance, Executive Director  
Juvenile Department

Date: October 11, 2017

Re: Request for Approval for Out of State Travel

The Juvenile Services Department is requesting approval for mental health provider, LaTonya Hendricks, MA, LPC-Intern, ASOTP to attend the Annual Research and Treatment Conference sponsored by the Association for the Treatment of Sexual Abusers (ATSA). She will learn cutting edge information related to both assessment and treatment of sexual abuse victims and perpetrators. She also will obtain continuing education credits that are necessary to maintain her licensure. The conference is in Kansas City, Missouri, on October 25 - 28, 2017. The meetings will be held at Sheraton Kansas City Hotel at Crown Center located at 2345 McGee Street, Kansas City, Missouri, 64108

All costs associated with this convening, including: flight, miscellaneous transportation, all meals, and conference hotel expenses will all be paid for by the Brazos County Juvenile Services Department.

Doug Vance, PhD  
Executive Director

**APPROVED**

Duane Peters  
County Judge

10/17/17  
Date





**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Human Resources NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Approval of the job description for Class Code 2666 - Engineering Tech Temp., 900 hrs. for Road & Bridge department.  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

[2666- approved 10-17-17.docx](#)

**Description**

Class Code 2666

**Type**

Backup Material



# Brazos County Job Description

October 2017

APPROVED

*[Signature]* 10/17/17

Duane Peters

Date

County Judge

19  
Template Revision 1.2 08/15/2012

<b>Class Number:</b>	2666	<b>Title:</b>	Engineering Tech Temporary (900 hrs)
<b>Pay Group:</b>	N/A	<b>Department:</b>	Road & Bridge
<b>FLSA Status:</b>	Non Exempt	<b>Reports To:</b>	Engineer
<b>Approved Date:</b>	10/17/2017	<b>EEOC Category:</b>	Skilled Craft Workers

## General Summary:

Under direction of the County Road and Bridge Civil Engineer, performs responsible higher-level, sub-professional work in support of County Engineering and Planning Activities; Assist with development review activities including assists with design and review of construction plans, drainage analysis, utility analyses and traffic impact analyses for roadway, subdivision and site specific developments; Assist with review of utility permits and utility coordination.

## Essential Duties:

Assist with activities related to roadway design, land and project development; Coordinate and assist with reviewing development projects from engineering design through acceptance of construction; Assist with preparation of estimates; Review development proposals for compliance with county regulations and communicates these regulations to supervisor; Work within general guidelines on broadly defined projects; Other duties may be assigned.

Other Duties as assigned: (5%)

## Supervision

**Received:** From Civil Engineer

**Given:** This is a non-supervisory position; however, may assist in providing communication to consultants, developers, other agencies or County staff as required.

## Education

**Required:** Currently pursuing a Bachelor's degree in civil engineering, supplemented by additional coursework in math, engineering, surveying or a related field plus at least three years of directly related experience; or any combination of equivalent education and experience that provides the required knowledge, skills and abilities. The ideal candidate will have completed their junior year of studies; Good written and oral communication skills; Strong proficiency in AutoCAD, Microsoft Word, Excel, and PowerPoint; Willingness to learn and ability to work with diverse teams on multiple projects.

**Preferred:** BSCE Student with Senior level Classification, 30 hours of coursework in major with a 3.20 GPA in coursework related to major.

## Experience

**Required:** Possess experience in design or construction of capital improvement projects for public infrastructure.

**Preferred:** Prior work experience in Civil Engineering Consultant or Public entities.

## Certificates, Licenses, Registrations

**Required:** Texas Class C Driver's License with a good driving record.

**Preferred:**

## Physical Demands

**Typical:** The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

## Knowledge, Skills, & Abilities

**Typical:** Knowledge of Roadway Design, Land Development and Surveying; Knowledge of Expenditure Control and Record Keeping; Ability to read Engineered Plans and interpret standard drawings and specifications; Ability work under pressure and meet established deadlines; Establish and maintain effective working relationships; Strong problem solving skills and strong verbal/written communication skills.

## Work Environment

**Typical:** Work is performed primarily in an office setting or well-lighted and temperature-controlled working environment. Outdoor work is also required to gather data and information for designs and to review ongoing construction activities.



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Internet Service Agreement between Brazos Transit District and Brazos County.  
TO: Commissioners Court  
DATE: 10/13/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">INTERNET_SERVICE_AGREEMENT.docx</a>	Agreement	Cover Memo

## Memo of Understanding


This agreement is between Brazos County (hereinafter "County") and The Brazos Transit District (hereinafter "BTD") on the date last signed below.

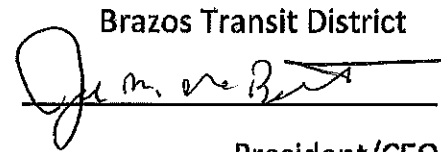
County agrees to provide to District internet connection services with a maximum connection speed of 200 megabits per second for downloads and 20 megabits per second for uploads or at the same speed provided to the County by their internet service provider. County makes no warranty as to these speeds as they are not guaranteed by the Internet Service Provider. As part of these services, County will lease to BTD a dedicated IP address for use by the BTD. County agrees to provide the infrastructure and setup necessary to provide these services. BTD agrees to be responsible for any hardware or software necessary for BTD to utilize these services.

As consideration for the above services, BTD will provide to County TWELVE HUNDRED (1,200) daily parking passes each year. These passes will be delivered to the County Judge's office at the beginning of each calendar year beginning January 2, 2018. For the remainder of the 2017 calendar year BTD will provide 100 passes for the months of November and December. These passes will not expire until used and may be used by County in subsequent months. The use of these passes are for the safety and care of potential witnesses and victims in court cases.

This Agreement shall not expire until terminated in writing with ninety (90) days' notice to the other party.

Signed the 17<sup>th</sup> day of October, 2017.

Brazos County  
  
\_\_\_\_\_  
Duane Peters, County Judge

Brazos Transit District  
  
\_\_\_\_\_, President/CEO



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT:

NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Approval of Texas Association of Counties (TAC) Health Employee Benefits Pool (HEBP) Documents:

- a. Administrative Services Agreement
- b. Contract Documents
- c. ARTS (ACA Reporting & Tracking Service) Agreement

TO: Commissioners Court

DATE: 10/12/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

**Description**

**Type**



21

TEXAS ASSOCIATION *of* COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

**ADMINISTRATIVE SERVICES AGREEMENT  
(the Agreement)**

between

**TEXAS ASSOCIATION OF COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL  
(HEBP)**

and

**Brazos County  
(Plan Administrator)**

**Group Number: 217225**

**Effective Date: January 1, 2018**

# **ADMINISTRATIVE SERVICES AGREEMENT**

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**Exhibit Number One: Fee Schedule**

**Addendum A: Transfer Payment and Other Financial Responsibilities**

**Addendum B: Required Notices**

**THIS ADMINISTRATIVE SERVICES AGREEMENT** (the Agreement) is made and entered into as of the Effective Date indicated on the cover page of this Agreement and is by and between **Texas Association of Counties Health and Employee Benefits Pool** (referred to as HEBP) and **Brazos County** (referred to as Plan Administrator or Member).

## **RECITALS**

**WHEREAS**, Plan Administrator, a governmental entity, has voluntarily established a self-funded employee health and welfare benefit plan ("the Plan") for the benefit of certain of its officials, employees, retirees and their dependents and the Plan Administrator shall be the final arbitrator and have the final authority regarding interpretation of the Plan;

**WHEREAS**, Plan Administrator desires to engage HEBP, also a governmental entity, to administer, supervise, and generally manage, certain health benefit coverages and to provide those services described below and in any attachments hereto to Plan Administrator to assist the Plan Administrator in performing its Plan Administration functions. HEBP shall not be deemed to have any discretionary authority or discretionary control regarding management of the Plan or any assets of the Plan; and

**WHEREAS**, HEBP and Member understand and agree that HEBP may use independent contractors to perform some or all of the services to be performed by HEBP pursuant to this agreement;

**NOW THEREFORE**, the parties agree as follows:

## **Section I. Definitions**

- 1.01 **Administrative Charge** means the Monthly consideration that is required by HEBP for the administrative services performed under this Agreement in support of the Plan. These charges are indicated in Item Five of the most current Fee Schedule.
- 1.02 **Agreement** means this Administrative Services Agreement and any amendments, addenda, exhibits, appendices, and/or schedules attached hereto.
- 1.03 **Certificate of Creditable Coverage** means a document that is generated for Participants terminating coverage under Member's Plan. The certificate is provided to Participants as evidence for credit of health coverage held under Member's Plan while it is administered by HEBP.
- 1.04 **Claims Administrative Documents** may include any benefit booklets, exhibits



(including Plan Service Area exhibit), and any other addenda, amendments, or changes hereto.

- 1.05 **Claims Administrator** means the Texas Association of Counties Health and Employee Benefits Pool (HEBP). It is understood by the parties to this Agreement that HEBP may, in its sole discretion, use independent contractors to perform some or all of its responsibilities under this Agreement.
- 1.06 **Effective Date** means the date shown on the cover page of this Agreement.
- 1.07 **Fee Schedule** means the attached specifications setting out certain particulars of this Agreement or any other subsequent set of specifications supplied by HEBP as a replacement Fee Schedule. The specifications or items of the Fee Schedule shall be applicable for the Fee Schedule Period, except that any item of the Fee Schedule may be changed in accordance with the provisions detailed in SECTION III - DUTIES AND RESPONSIBILITIES OF PLAN ADMINISTRATOR, Section 3.05b of this Agreement.
- 1.08 **Fee Schedule Period** means the period of time beginning and ending on the dates shown in Item One of the most current Fee Schedule.
- 1.09 **Member** means Somewhere County, a self-insured governmental entity and member of HEBP.
- 1.10 **Month** means each succeeding calendar month period beginning on the Effective Date of this Agreement.
- 1.11 **Network** means identified physicians, other professional health care providers, hospitals, ancillary providers, and other health care facilities and pharmacies that are available to Participants in the Plan.
- 1.12 **Participant** means an individual official or dependent(s) of an official, employee or dependent(s) of an employee, a retired official, employee or dependent(s) of a retired employee, and certain continued persons and their dependents covered under a continuation provision, whose coverage has become effective in accordance with the terms of Member's Plan.
- 1.13 **Plan** means a program of health and welfare benefits established by Member for the benefit of certain of its officials, employees, retirees and their dependents.
- 1.14 **Plan Administrator** as used in this Agreement, is the Member.
- 1.15 **Plan Service Area** means a geographical area in which a Network of preferred providers is offered and available, and is used to determine eligibility for managed health care benefits under Member's Plan.

- 1.16 **Plan Year** means the twelve-month period beginning on the Effective Date indicated on the cover page of this Agreement and continuing for twelve consecutive calendar Months thereafter (unless an alternative period of time is specified).
- 1.17 **Records** means a Participant's medical, financial, or personal data (including patient-specific diagnoses) or data that enable one to derive such Participant's medical, financial, or personal data.
- 1.18 **Run-Off Claim** means a claim incurred preceding termination of this Agreement that is considered for payment during the Run-Off Period.
- 1.19 **Run-Off Period** means the twelve-Month period immediately following termination of this Agreement.
- 1.20 **Subscriber** means an individual official, employee, retired employee or continued person whose coverage has become effective under this Agreement.
- 1.21 **Subscriber Unit** means the specific coverage issued for an individual Subscriber and his or her covered dependent(s), if any, under the Plan whose coverage is identified by a unique Subscriber identification (ID) number.
- 1.22 **Supplemental Billing** means an invoice billing for costs due and payable to HEBP that is separate and apart from the Administrative Charge detailed in this Agreement. Any customized materials or additional services or supplies mutually agreed between the parties and not documented in the most current Fee Schedule may be subject to Supplemental Billing.
- 1.23 **Termination Administrative Charge** means the consideration that is required by HEBP for the services performed during the Run-Off Period.
- 1.24 **Timely** means within ten (10) calendar days following the occurrence of an event or the creation of any legal or contractual obligation within thirty (30) calendar days following the receipt of a billing statement, or within forty-five (45) calendar days following receipt of a billing statement for a political subdivision whose governing body only meets once a month or less frequently, unless an alternative standard is specified and agreed to in writing by the Plan Administrator and HEBP. A charge, equal to the amount specified in SECTION VIII, MISCELLANEOUS PROVISIONS, **Daily Charge** subsection, may be assessed for late remittances.
- 1.25 **Valid Claim** means a claim incurred for supplies and/or services rendered to a Participant that is determined by the Claims Administrator or the Plan Administrator to be a covered benefit under the Plan during the term of this Agreement. For additional information regarding Valid Claim, which may also

include Network access fees and Subscriber liability recalculations, refer to Addendum B attached to and made a part of this Agreement.

---

## **Section II. Duties and Responsibilities of HEBP**

**2.01 Participant Eligibility.** In connection with the processing of claims for benefits, HEBP will determine if a Participant is enrolled under the Plan based on eligibility and other information provided by the Plan Administrator. HEBP does not have discretionary authority to determine eligibility under Member's Plan. Plan Administrator shall make all final determinations regarding eligibility.

### **2.02 Claims Services.**

- a. **Claims Administration.** HEBP shall administer claims as provided in this Agreement. HEBP is empowered by the Plan Administrator to do all things it deems necessary to carry out the terms and purposes of Member's Plan only as expressly stated in this Agreement or as mutually agreed to in writing between the parties hereto. HEBP has discretion, subject to Member's final authority, to determine whether claims are payable under the Member's Plan.
- b. **Claims Processing.** HEBP will receive claims, enter claims data into the claims processing system, determine whether benefits are payable in accordance with the Plan Administrator's specifications, provide utilization review, apply allowable amount determinations, and administer coordination of benefits with other plans, when appropriate. HEBP will use its best efforts to correctly process claims and pay benefits in accordance with information provided by the Plan Administrator.
- c. **Claims Payment.** If HEBP determines that a claim for benefits is a Valid Claim, or if Plan Administrator directs HEBP, in writing, to honor a claim for benefits, HEBP will arrange for the payment of the claim pursuant to the terms of this Agreement and Addendum A: Transfer Payment and Other Financial Responsibilities.
- d. **Claims Notification.** HEBP will prepare and mail explanation of benefit forms for medical and dental claims.
- e. **Claims Recovery.** The Plan Administrator acknowledges that, because of the great volume of claims processed by HEBP, unintentional administrative errors may occur. When HEBP becomes aware of a claims overpayment, HEBP will promptly take the appropriate action, in accordance with HEBP's

standard procedures, to recover the excess payment at HEBP's sole expense. HEBP, however, will not be required to enter into litigation to obtain a recovery, nor will HEBP be required to reimburse the Plan, except for gross negligence or intentional acts by HEBP.

HEBP will provide reasonable assistance to Plan Administrator in pursuing rights of recovery arising from claim overpayments or such provisions as coordination of benefits, subrogation, and fraud detection. Only subrogation recoveries are subject to those fees indicated in Item Three of the most current Fee Schedule.

- f. ***Claim Review and Interpretation of the Plan.*** HEBP will receive and review claims for benefits under the Plan. The operation and administration of the Plan require uniformity regarding the intent and the interpretation of the Plan's provisions. The Plan Administrator has full and complete authority and discretion to make decisions regarding Plan provisions and to determine questions of eligibility and benefits. HEBP assumes only the authority and discretion as given by the Plan Administrator to interpret benefits based on medical necessity, allowable amount, or experimental/investigational guidelines that are in accordance with the provisions in Member's Plan. Any decision that is not arbitrary or capricious shall be final and conclusive, subject to any right to appeal a determination to the Plan Administrator.

On occasion, HEBP, in its role as Claims Administrator, may deny all or part of submitted claims. HEBP will provide a full and fair review of any determination of a claim, any determination of a request for precertification, and any other determination made as the Claims Administrator in accordance with the benefits and procedures detailed in Member's Plan. HEBP will use its best efforts, consistent with administrative practices and any procedures established in writing between HEBP and the Plan and consistent with industry standards, to accurately process all claims.

- g. ***Referral of Certain Claims/Inquiries.*** As provided in this Agreement, HEBP will receive eligibility information, review and process claims, and respond to customer inquiries; however, HEBP does not have final authority to determine Participants' eligibility or to establish or construe the terms and conditions of Member's Plan. Therefore, in certain instances, HEBP may refer certain claims to the Plan Administrator for review and final decision, particularly when those claims for services do not appear to qualify for payment under Member's Plan, claims or inquiries where there is a question of eligibility, claims where there is a question as to the amount of payment due, and claims involving litigation or the threat of litigation. Such referral shall be at the sole discretion of HEBP.

- h. ***Claim Dispute Resolution.*** If the Plan provides an appeals process, HEBP will cooperate by providing Records and documents. HEBP does not have final authority to make determinations regarding eligibility or benefits.
  - i. ***Pharmacy Benefit Management.*** HEBP will provide pharmacy benefit management services, including claims administration, formulary management, pharmacy network management and mail-order pharmacy.
  - j. ***Eligibility Management.*** HEBP will provide an eligibility management program including access to an on-line eligibility database; weekly eligibility feeds to contractors, error resolution and periodic eligibility reports.
- 2.03 **Participant and Provider Education.** In accordance with its standard procedures, HEBP will assist the Plan Administrator, if requested, in initial enrollment activities, including education of Participants about benefits, the enrollment process, selection of health care providers, and how to file a claim for benefits. HEBP will also issue claim submission instructions on behalf of the Plan Administrator to health care providers who render services to Participants.
- 2.04 **Reports.** HEBP shall provide Monthly billing statements and periodic reports. In the event that Plan Administrator purchases stop-loss coverage from HEBP, all necessary reporting, tracking, notification, and other similar financial and/or administrative services for settlements of such stop-loss policy will be included.
- 2.05 **Claim Payment Information and Records.** HEBP shall maintain current Records on all Participants and shall safeguard the confidentiality of any medical information contained in such Records, pursuant to SECTION VII CONFIDENTIALITY of this Agreement. HEBP shall maintain adequate Records of claims made and benefits paid in such form and format as may be determined by HEBP. Plan Administrator shall have rights in and access to such Records, subject to the terms of SECTION VI ACCESS TO INFORMATION and SECTION VII CONFIDENTIALITY of this Agreement and the Business Associate Agreement previously executed by HEBP and Member.

HEBP will provide copies of individual claim information for a specific Participant as provided in the Business Associate Agreement. Upon receipt of a written request from the Plan Administrator, HEBP will provide the specified information in accordance with the terms of the Business Associate Agreement.
- 2.06 **Reporting Services.** HEBP will prepare and file annual Internal Revenue Service (IRS) 1099 forms for the reporting of payments to health care providers who render services to Participants and who are reimbursed by the Plan for those services.

**2.07 Participant-Provider Relationship/Network Providers/Network Information.**

The choice of a health care provider should be made solely by the Participant. The Claims Administrator does not furnish health care services or supplies but only makes payment for eligible health care expenses that are incurred by Participants. HEBP, as the Claims Administrator, is not liable for any act or omission by any health care provider. The Claims Administrator does not have any responsibility for a health care provider's failure or refusal to provide services or supplies. Care and treatment received are subject to the rules and regulations of the health care provider selected by the Participant and are available only for sickness or injury treatment acceptable to the health care provider.

When the Plan Administrator has managed health care coverage, HEBP shall make available via the internet to Plan Administrator's Participants Networks and Network information. Upon request, HEBP shall periodically furnish Network provider directories to Participants enrolled under managed health care coverage administered by HEBP. The directories will list names, locations, and other information specific to those physicians, hospitals, and other health care providers and facilities in the Participant's designated Plan Service Area.

**2.08 Certificates of Creditable Coverage.** HEBP shall generate Certificates of Creditable Coverage for all Participants terminating group health coverage provided by the Plan, including coverage held under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), as required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The documents will provide the period of coverage beginning on the Participant's date of enrollment in the Plan (if provided by the Plan Administrator as specified under SECTION III – DUTIES AND RESPONSIBILITIES OF PLAN ADMINISTRATOR, 3.02 of this Agreement) and ending with the Participant's date of termination as verified by eligibility records provided by Plan Administrator and maintained by HEBP.

These Certificates of Creditable Coverage will be mailed to the Participant's last known address as provided to HEBP by the Plan Administrator. If such address is not made available to HEBP or is unavailable, the Certificate of Coverage will be sent to the Plan Administrator for appropriate delivery.

**2.09 Client Services and Materials.** As Claims Administrator, HEBP will provide those items selected from the listing below:

- a. **Enrollment Materials.** Implementation materials, if elected by the Plan Administrator, will be provided by HEBP during the enrollment process. Any custom designed materials may be subject to Supplemental Billing.
- b. **Subscriber Identification Cards.** HEBP will provide Subscriber identification cards for PPO Managed Health Care benefit coverage or Subscriber identification cards for Traditional (Out-of-Area) Indemnity benefit



coverage. A Subscriber identification card will be prepared for each officer and employee and for each eligible family member. If the Plan Administrator requires customization of the Subscriber identification cards, a Supplemental Billing may be prepared by HEBP and submitted to the Plan Administrator for payment. HEBP will also provide Subscriber identification cards for prescription drug benefits.

- c. **Claims Administrative Documents and other Attachments.** Claims Administrative Documents will be provided. The Claims Administrative Documents and all attachments will be identified in the most current Fee Schedule attached to and made a part of this Agreement. Any customization of these documents at the request of the Plan Administrator, which requires manuscript modifications, may be subject to Supplemental Billing.
- d. **Managed Care Networks.** As applied to managed health care coverage, preferred provider Networks will be available and accessible. All decisions relating to medical care and treatment remain exclusively with the health care provider and the patient.
- e. **Provider Directories.** Network provider directories and periodic updates will be furnished by the Claims Administrator for each Subscriber upon their enrollment under the managed health care coverage benefits administered by HEBP. This service will be identified in the most current Fee Schedule attached to and made a part of this Agreement.
- f. **Customer Service.** A toll-free customer service telephone number, as listed in the benefit booklets and on the identification cards, will be available to Participants and their health care providers during normal customer service hours.
- g. **Medical Precertification Helpline.** For those services determined by the Plan Administrator and provided in writing to HEBP that require precertification, HEBP will review, in advance, the medical necessity of those services covered under the Plan. A toll-free medical precertification helpline will be made available for Participants and their health care providers to call for assistance.
- h. **Case Management.** Case Management is a service provided by the Claims Administrator whereby alternative benefits may be offered which are not otherwise eligible expenses but would prove to be more effective for the Participant and a cost savings to the Plan Administrator.

- i. **Utilization Review.** Utilization review management services are provided by HEBP as the Claims Administrator. Concurrent reviews, discharge planning and retrospective reviews are designed to reduce the occurrence of unnecessary or inappropriate hospitalizations of patients.
- j. **Disabled Dependent Eligibility Review.** HEBP will provide medical review to determine continued Dependent eligibility based on receipt of a completed Dependent Child's Statement of Disability Form provided by the Subscriber. If medical records or supporting documentation are required, such requirements will be communicated to the Subscriber who will be responsible for obtaining that information (including payment of any fees that may be assessed by a third party to provide such records) and submitting the information to HEBP.

2.10 **Additional Services Not Specified.** HEBP may provide additional services not specified in this Agreement. Such services will be mutually agreed upon between Plan Administrator and HEBP and will be identified in the most current Fee Schedule or through Supplemental Billing.

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### **Section III. Duties and Responsibilities of Plan Administrator**

- 3.01 **Plan Documents.** The Plan Administrator shall furnish to the HEBP all documents under which the Plan is established. The Plan Administrator may request, in writing, changes to the benefits or administration of the Plan within thirty (30) days in advance of such change. Plan Administrator understands that changes in benefits are subject to prior approval by HEBP and may result in adjustments to the Administrative Charge as explained in Subsection 3.05, Administrative Charges and Charges for Additional Services, below.
- 3.02 **Provision of Eligibility Information.** Plan Administrator will provide, on a Timely basis, from the date of receipt, eligibility information (including all changes in Participant eligibility whether by reason of termination, change in classification, additions, and any other reason, by entering such changes into the eligibility database in a format acceptable to HEBP. HEBP shall be entitled to rely on the accuracy of such information. Any loss related to the accuracy or availability of eligibility information, by either HEBP or the Plan Administrator, shall be subject to the terms of SECTION V LIMITATION OF LIABILITY AND INDEMNIFICATION of this Agreement. The Plan Administrator shall maintain any enrollment applications and change forms completed by Participants and allow HEBP reasonable access to this information as needed for administrative purposes.



Eligibility information includes but is not limited to:

- a. Copies of Subscribers' application forms, if on paper;
- b. Participants' home addresses (including any dependent's address, if different from that of the Subscriber);
- c. Participants' prior health coverage information; and
- d. Subscribers' employment dates and Participants' enrollment dates.

**3.03 Distribution of Information.** Plan Administrator shall maintain and distribute to all eligible Participants (and return to HEBP, if necessary) all appropriate materials and forms as may be required to comply with applicable law.

**3.04 Notification of Loss of Eligibility.** If a Participant ceases to be eligible for benefits, Plan Administrator will convey the termination to HEBP in a Timely manner upon knowledge of such information. Upon termination of the Participant, Plan Administrator, and not HEBP, will be liable for any and all claims occurring between the date eligibility is lost and the date HEBP receives actual notice of the termination of the Participant.

**3.05 Administrative and Other Charges.**

- a. Plan Administrator will pay to HEBP the Administrative Charges specified in this Agreement within thirty (30) days of the receipt of the billing statement (or forty-five (45) days of receipt in a political subdivision whose governing body meets once a month or less frequently). Administrative Charges will be paid based upon enrollment information HEBP receives regarding current enrollment as of the first day of each Month. Appropriate adjustments will be made for enrollment variances. HEBP shall provide notification regarding any discrepancies.
- b. Pharmacy Benefit Management Fees are assessed and collected per prescription filled.
- c. HEBP reserves the right to change the Administrative Charge if a substantial change occurs in the number or composition of employees covered, which results from:

1. A change in the benefit specifications provided under the contract; or
2. A change in the Member's contribution level or other consideration paid by the Member if it results in a decrease in participation; or
3. A substantial change in the number of Subscribers covered under this contract. A substantial change would be deemed to have occurred when the number of employees covered changes by:
  - i. 10% or more over a 30 day period; or
  - ii. 25% or more over a 90 day period.

In such event, HEBP reserves the right to adjust the rates on any due date occurring between the date such substantial change is identified and the next Fee Schedule period.

d. Additional charges may be imposed if:

1. Either HEBP or Member files for bankruptcy or reorganization under state or federal law.
2. The Administrative Charge becomes subject to premium tax. Any Administrative Charges shall automatically be increased by the amount of any taxes imposed, increased, or adjudged due by any lawful authority on or after the contract date, which HEBP is required to pay or remit, whether relating to fees, services, benefits, payments, or any other aspect of this contract.
3. Future changes mandated by legislation or other law result in an increase in cost to HEBP in performing under this Agreement.

e. In addition to the Administrative Charge, Plan Administrator shall reimburse HEBP for the direct cost of special or customized supplies, reports, forms, or other services provided by HEBP for Plan Administrator and indicated in the most current Fee Schedule. Reimbursement of charges for additional services will be limited to those mutually agreed upon by Plan Administrator and HEBP before HEBP incurs the cost of such services.

f. In addition to the amounts due and payable each Month, HEBP may charge Plan Administrator for:

1. Reasonable fees for the reproduction or return of Records requested by Plan Administrator, a governmental agency, or pursuant to a court order; and
  2. Any other fees that may be assessed by third parties for services rendered to the Plan Administrator and/or any other fees for services mutually agreed upon by the parties, as shown in Item Three of the most current Fee Schedule.
- g. Performance of all duties and obligations of HEBP under this Agreement are contingent upon the payment of Administrative Charges in accordance with Section 3.05a of this Agreement.
- 3.06 Bank Account.** Plan Administrator will establish an account with a state or nationally chartered bank (to be agreed upon by HEBP and the Plan Administrator). Plan Administrator shall maintain such account in conformance with Addendum A: Transfer Payment and Other Financial Responsibilities.
- 3.07 COBRA Administration Compliance.** The Member is responsible for complying with COBRA and the Public Health Services Act concerning continuation of health coverage.
- 3.08 Final Determination of Claims/Inquiries.** Member, as the Plan Administrator, retains the final authority and responsibility to establish and construe the terms and conditions of Member's Plan and to determine Participant eligibility. Certain claims and/or inquiries will be referred to the Plan Administrator for final review and determination in the following instances:
- a. Pursuant to SECTION II – DUTIES AND RESPONSIBILITIES OF HEBP, 2.02, g, when claims for services do not appear to qualify for payment under Member's Plan, claims or inquiries where there is a question of eligibility, claims where there is a question as to the amount of payment due, and claims involving litigation or the threat of litigation; and
  - b. Pursuant to SECTION II – DUTIES AND RESPONSIBILITIES OF HEBP, 2.02, h, when a Participant chooses to appeal adverse determinations with the Plan Administrator after exhaustion of all remedies offered by HEBP.
- 3.09 Compliance with Applicable Law.** Plan Administrator will comply with all legal requirements applicable to the Plan and satisfy any and all reporting, notice,

disclosure, filing, and modification requirements imposed by applicable laws and regulations (state and/or federal).

**3.10 Plan Administrator Liaison.** Plan Administrator shall designate a Pool Coordinator, who will:

- a. Obtain and follow-up on additional service information;
- b. Verify eligibility of Participants;
- c. Assist in resolving claim disputes and recurring problems with the administration procedures specific to Member's Plan;
- d. Report suspected fraud or other abuse of Member's Plan;
- e. Evaluate other specific situations that warrant attention; and
- f. Coordinate with and assist HEBP on any matters necessary to facilitate the proper administration of this Agreement.

**3.11 Acceptance of Networks and Plan Service Areas.** Plan Administrator shall be provided notice of the Plan Service Areas that are available for the Plan Administrator's managed health care benefit coverage and prescription drug coverage. The Plan Administrator agrees to accept Network providers and facilities located in such Plan Service Areas as in-network providers and facilities beginning on the Effective Date shown on the cover page of this Agreement. HEBP reserves the right to manage the Networks, as needed, in these Plan Service Areas.

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**Section IV. Term and Termination**

**4.01** This Agreement shall continue in full force and effect from Plan Year to Plan Year unless terminated as provided herein.

**4.02** This Agreement may be terminated as follows:

- a. By either party at the end of any Plan Year following written notice to the other party given at least thirty (30) days prior to the end of the Plan Year;
- b. Except as provided in Section 4.03, below, by HEBP for cause, upon ten (10) days prior written notice (pursuant to the requirements in SECTION VIII - MISCELLANEOUS PROVISIONS, Notices and Satisfaction subsection), if Plan Administrator fails to meet any of its duties or obligations as provided in SECTION III - DUTIES AND RESPONSIBILITIES OF PLAN ADMINISTRATOR within thirty (30) days after notice of such deficiency is given to Plan Administrator by HEBP in writing;
- c. By Plan Administrator for cause, upon ten (10) days prior written notice (pursuant to SECTION VIII MISCELLANEOUS PROVISIONS, Notices and

Satisfaction subsection) to HEBP, if HEBP fails to correct any deficiency in the performance of its duties or obligations as provided in SECTION II DUTIES AND RESPONSIBILITIES OF HEBP within thirty (30) days after notice of such deficiency is given to HEBP by Plan Administrator in writing;

- d. By both parties on any date mutually agreed to in writing; or
- e. By either party, in the event of fraud or misrepresentation of a material fact by MEMBER or HEBP.

4.03 HEBP shall have the right to terminate this Agreement immediately:

- a. Upon failure of the Plan Administrator to pay Administrative Charges in accordance with the provisions of SECTION III- DUTIES AND RESPONSIBILITIES OF PLAN ADMINISTRATOR, 3.05 a; or
- b. Upon failure of the Plan Administrator to fund amounts due for payment of claims in accordance with Addendum A: Transfer Payment and Other Financial Responsibilities; or
- c. If HEBP is no longer the sole provider of Administrative Services to the Plan.

## **Section V. Limitation of Liability and Indemnification**

- 5.01 Regarding disputes between Member and HEBP that do not involve or implicate liability of Member to a third party, liability for any errors or omissions by HEBP (or its officers, directors, employees, agents, or independent contractors) in the administration of this Agreement, or in the performance of any duty or responsibility contemplated by this Agreement, shall be limited to the maximum benefits which should have been paid under this Agreement had the errors or omissions not occurred (including HEBP's share of any arbitration expenses incurred) unless any such errors or omissions are adjudged to be the result of intentional misconduct, gross negligence, or intentional breach of a duty under this Agreement by HEBP.
- 5.02 Except as provided otherwise under Section 5.03, below, if a claim of a third party arises from HEBP's performance under this Agreement, HEBP agrees to indemnify and hold harmless Plan Administrator, its officers, employees, agents, and affiliates against any and all liability, risks, expenses, costs, damages, losses or judgments incurred by Plan Administrator, or any of its officers, or employees, agents and affiliates to the extent such liability, obligations, risks, expenses, costs, damages, losses or judgments arise out of or result from, or are attributed to a breach of this Agreement by HEBP or the negligence, gross negligence or

intentional, willful, or reckless acts or omissions of HEBP in the performance of services or duties pursuant to this Agreement.

5.03 As Plan Administrator has final authority to determine eligibility and benefits under its Plan and HEBP defers final benefit and eligibility determinations to the Plan Administrator, HEBP shall have no liability for its determinations of eligibility or benefits except for a determination concerning eligibility or benefits that is reversed by Plan Administrator, in which case HEBP's potential liability shall be limited to damages arising in whole or in part during the period of time between HEBP's original denial and the reversal of that decision by Plan Administrator. HEBP will not be liable in situations where the Plan Administrator provides coverage that is outside the scope of its coverage document.

5.04 The Plan Administrator agrees to indemnify and hold harmless HEBP, its officers, directors, employees, affiliates and agents against any and all liability, obligations, risks, expenses, costs, damages, losses, or judgments incurred by HEBP or any of its officers, directors, employees, agents and affiliates to the extent such liability, obligations, risks, expenses, costs, damages, losses or judgments arise out of, result from, or are attributed to a breach by the Plan Administrator or its agents, directors, employees or affiliates of this Agreement, or by negligence, gross negligence or intentional, willful, or reckless acts or omissions of the Plan Administrator or its agents, officers or employees, in the performance of their obligations under this Agreement.

Examples of the conduct covered by this section include, but are not limited to:

- a. An interpretation of the Plan by the Plan Administrator or authorized agents upon which HEBP relies;
- b. Erroneous or incomplete information, including eligibility information, furnished to HEBP by the Plan Administrator, its employees or its agents;
- c. A breach of this Agreement by the Plan Administrator or authorized agent of the Plan Administrator; and
- d. Any action or proceeding resulting from an alleged failure to pay benefits under the Claims Administrative Document, except to the extent of HEBP's negligence.



- 5.05 The provisions of this section survive the termination of this Agreement.
- 5.06 Plan Administrator and HEBP agree to immediately notify each other of any cause or action for which either party could ultimately be required to accept liability for performance of its duties and responsibilities under this Agreement.

Plan Administrator and HEBP also agree not to compromise or settle any such cause or action without the express written consent of the other party. Each party may, at its discretion, choose to defend any such cause or action.

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## **Section VI. Access to Information**

- 6.01 **Access to Information.** HEBP and Plan Administrator will allow each other reasonable access to administrative information. Plan Administrator will allow HEBP prompt access to claims reporting systems. However, access to information that is a Record shall be under the terms of SECTION VIII CONFIDENTIALITY of this Agreement.
- 6.02 **Audits.** HEBP will, with thirty (30) days prior written notice from Plan Administrator, allow Plan Administrator or an authorized agent of the Plan Administrator (mutually agreed to by both parties to this Agreement) to inspect or audit all information and files maintained by HEBP concerning this Agreement. Plan Administrator will be responsible for all costs associated with the inspection or audit. A Plan Administrator or its agent that has access to the information and files maintained by HEBP will agree not to disclose any proprietary or confidential information and to hold harmless and indemnify HEBP in writing of any liability from disclosure of such information pursuant to SECTION VII CONFIDENTIALITY of this Agreement.
- 6.03 **Duration.** These rights of access and examination continue for three (3) years following the termination of this Agreement. HEBP will disclose information in accordance with the Business Associate Agreement executed by the parties.
- 6.04 **Disclosure of Information.** During the time Records are in its custody or control, HEBP will take all reasonable precautions to prevent disclosure or use for a purpose unrelated to claims administration. HEBP will disclose information only as necessary for HEBP or Member to provide services pertaining to Member's Plan, or as required by law. Any disclosures of Protected Health Information will be consistent with the Business Associate Agreement.
- 6.05 **Compliance with Laws and Regulations.** HEBP and Plan Administrator will comply with applicable state and federal laws and regulations regarding

confidentiality or privacy of Records and other information, and cooperate to ensure such compliance.

- 6.06 **Special Requests.** If the Plan Administrator requests a report in a customized format that requires system enhancements, or re-programming by HEBP, or customized requests for claim Record information, such requests will be evaluated as to the complexity and the associated costs involved to provide this information. Plan Administrator will be responsible for any additional costs that may be incurred and understands that any new program designs will delay the transfer of information and Records for the successor administrator.

All such information and Records described herein shall be subject to the terms of SECTION VII – CONFIDENTIALITY.

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## **Section VII. Confidentiality**

- 7.01 HEBP and Plan Administrator agree that Records are valuable and confidential information.
- 7.02 HEBP agrees to protect as confidential and not disclose Records and the information they contain to any person or entity other than the Plan Administrator except as permitted by the Business Associate Agreement, and to use Records to perform services for Plan Administrator pursuant to this Agreement.
- 7.03 Should Plan Administrator request Records or the information contained in Records from HEBP, Plan Administrator agrees to indemnify and hold harmless HEBP and its directors, officers, and employees against any and all loss, liability, damage, penalty, and expense resulting from or arising out of any allegation or claim based upon the disclosure by HEBP of any Record, or any information contained within a Record to Plan Administrator.

Nothing contained herein shall be construed to require HEBP to provide Plan Administrator with copies of individual claim information for a specific Participant



unless the Plan Administrator secures a valid written release from the Participant specifically related to the claim information.

7.04 HEBP and Plan Administrator agree that HEBP's obligations in 6.02, above, do not apply to information that:

- a. Is, or becomes, in the public domain;
- b. Is independently developed by Plan Administrator;
- c. Is previously known by Plan Administrator;
- d. Is rightfully legally acquired from a third party not under an obligation of confidentiality;
- e. Is disclosed pursuant to subpoena or similar process of a court or governmental agency; or
- f. Is disclosed pursuant to a written release executed by a Participant.

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## **Section VIII. Miscellaneous Provisions**

8.01 **Arbitration.** In the event the parties fail to agree with respect to any matter covered herein, wherein the amount in contest does not exceed two hundred fifty thousand dollars (\$250,000.00), the question in dispute shall be submitted for arbitration in Austin, Texas. Upon declaration by one of the parties hereto that a deadlock exists, the parties shall select an arbitrator. If the parties fail to agree on an arbitrator within thirty (30) days, the American Arbitration Association shall select an arbitrator.

The arbitrator will submit a decision within thirty (30) days after appointment or as soon as reasonably feasible and such decision shall be binding on the parties hereto. Arbitration expenses will be shared equally by the parties. All other expenses (legal, incidental, etc.) shall be borne by the losing party or, if both parties prevail, be apportioned by the arbitrator to each party. Arbitration proceedings will be governed by the Rules of the American Arbitration Association then in effect.

This arbitration provision does not preclude arbitration for a matter in controversy that exceeds two hundred fifty thousand dollars (\$250,000.00). If either HEBP or Plan Administrator is named as a defendant in litigation filed by a third party

concerning this Agreement, this section does not apply to such litigation, and the parties agree that Section VI may be applicable to such litigation.

Nothing contained herein shall be construed to prohibit the parties from a written mutual agreement to submit a dispute in excess of two hundred fifty thousand dollars (\$250,000.00) to binding arbitration.

- 8.02 **Assignment.** Except as provided in Section 1.05, no part of this Agreement, or any rights, duties, or obligations described herein, shall be assigned or delegated without the prior express written consent of both parties. Any such attempted assignment shall be null and void. HEBP's standing contractual arrangements for the acquisition and use of facilities, services, supplies, equipment, and personnel shall not constitute an assignment under this Agreement.
- 8.03 **Captions.** Captions appearing in this Agreement and its attachments are provided for convenience only and in no way define, limit, construe, or describe the scope of sections or paragraphs to which they are inserted.
- 8.04 **Daily Charge.** Upon the sole discretion of HEBP, a daily charge shall be assessed for the late remittance of any amount(s) due and payable to HEBP by Plan Administrator. This charge shall be calculated by multiplying the amount due times the lesser of:
- a. The rate of .0219% per day (which equates to an amount of 8.0% per annum); or
  - b. The maximum rate permitted by state law.
- 8.05 **Enforcement.** Any delay or inconsistency in the enforcement of any part of this Agreement shall not constitute a waiver of any rights with respect to the enforcement of this Agreement at any future date nor shall it limit any remedies which may be sought in any action to enforce any provision of this Agreement.
- 8.06 **Entirety.** This Agreement and any attachments (including the Business Associate Agreement), shall constitute the entire Agreement between the parties for the purposes of this Agreement and shall supersede any and all prior or contemporaneous Agreements or understandings, either oral or in writing, between the parties respecting the subject matter herein.
- 8.07 **Forces Majeure and Majesture.** Neither party shall be liable for any failure to Timely perform its obligations under this Agreement if prevented from doing so by a cause or causes beyond its commercially reasonable control including, but

not limited to, acts of God or nature, fires, floods, storms, earthquakes, riots, strikes, wars, or restraints of government.

- 8.08 **Gender and Mode.** The use herein of a personal pronoun in the masculine or feminine gender or in the singular or plural mode, shall be deemed to include the opposite gender or mode unless the context clearly indicates the contrary.
- 8.09 **Governing Law and Limited Waiver of Sovereign Immunity.** This Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Texas. HEBP, as a governmental entity, hereby consents to be sued for breach of this Agreement, but only in Travis County, Texas.
- 8.10 **Legal Construction.** Should any provision(s) contained in this Agreement be held to be invalid, illegal, or otherwise unenforceable, the remaining provisions of the Agreement shall be construed in their entirety as if separate and apart from the invalid, illegal, or unenforceable provision(s) unless such construction were to materially change the terms and conditions of this Agreement.
- 8.11 **Modifications.** Except for the Fee Schedule, which may be changed at any time in accordance with the provisions described in SECTION III – DUTIES AND RESPONSIBILITIES OF PLAN ADMINISTRATOR, 3.05b, of this Agreement by notifying the Plan Administrator in writing of such change, no modification, amendment, change, or waiver of any provision of this Agreement shall be valid unless agreed to in writing by an officer of HEBP and an authorized representative of the Plan Administrator.
- 8.12 **Notices.** All notices given under this Agreement must be in writing and shall be deemed to have been given for all purposes when personally delivered and received or when deposited in the United States mail, first-class postage prepaid

and addressed to the parties at their respective addresses or when transmitted by facsimile.

For the Plan Administrator, the name, address and facsimile number of the Pool Coordinator shall be provided to HEBP, and notices shall be sent to the Pool Coordinator or the County Judge.

The Plan Administrator will provide HEBP with the name and address of a person with authority to address financial issues related to this Agreement.

For HEBP, the address and facsimile for the financial contact division is as shown below:

Quincy Quinlan  
Director of Health & Benefits Services  
Texas Association of Counties Health and Employee Benefits Pool

P.O. Box 2131  
Austin, Texas 78768-2131  
FAX: (512) 481-8481

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#### **Section IX. Attachments to this Agreement**

The following Exhibits are attached to and made a part of this Agreement:

- Exhibit One: Fee Schedule
- Addendum A: Transfer Payment and Other Financial Responsibilities
- Addendum B: Required Notices

IN WITNESS WHEREOF, the parties have executed this Agreement to take effect on the Effective Date.

**Texas Association of Counties  
Health and Employee Benefits Pool**

**Member** **Brazos County**

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Gene Terry  
TAC Executive Director

Printed Name: Duane Peters

Title: Brazos County Judge

Date: \_\_\_\_\_

Date: \_\_\_\_\_

10/17/17



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## **FEE SCHEDULE - 01**

**Specifications for the**

### **ADMINISTRATIVE SERVICES AGREEMENT**

**(the Agreement)**

**between**

**TEXAS ASSOCIATION OF COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL  
(HEBP)**

**and**

**BRAZOS COUNTY  
(Member)**

**Group Number: 217225**

**Effective Date: January 1, 2018**

These specifications are to apply for the period of time indicated herein and shall continue in force and effect until the end of the Fee Schedule Period, the Agreement is terminated, or this Fee Schedule is superseded in whole or in part by a later executed Fee Schedule.

#### **Item One Fee Schedule Period**

These specifications are for the **Fee Schedule Period** commencing on January 1, 2018 and ending on December 31, 2018.

#### **Item Two Reports**

Monthly billing statement ..... No additional charge  
Stop-loss reporting, tracking, and notification ..... NA  
Standard reports\* as specified by the most current reporting policy ..... No additional charge

\* Any additional reports required by the Plan Administrator must be mutually agreed upon between the Plan Administrator and HEBP. Such reports may be subject to additional charges, which will be addressed through Supplemental Billing.

\* HEBP provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

#### **Item Three Charges for Additional Services**

The following **Additional Services** shall be furnished:

Subrogation ..... 25% of any recovered amounts  
BlueCard® Program/Network access fees ..... The lesser of 10% of the discount  
or \$2,000 per claim  
BlueCard® Worldwide Program International Group ..... BCWW Fee Schedule  
(10 or more member living outside of the USA)  
Domestic Group ..... No additional charge  
(under 10 members living outside of the USA)  
Optional Services for International or Domestic Group ..... BCWW Fee Schedule  
Condition Management and 24-hour nurse line ..... \$3.00 per contract per month  
(Included in Administrative Fee)

Agent Commissions are not included in the Administrative Fee.



**Item Four  
Plan Design Materials**

**Claims Administrative Document  
Schedule of Specifications  
Exhibit A - Plan Service Area**

**Benefit Booklets:**

Accept/Decline

- |  |                                   |  |
|--|-----------------------------------|--|
| <input checked="" type="checkbox"/> <input type="checkbox"/> | Benefit Booklets .....            | <input checked="" type="checkbox"/> No additional charge<br><input type="checkbox"/> \$Supplemental Billing* |
| <input type="checkbox"/> <input checked="" type="checkbox"/> | Customized Benefit Booklets ..... | <input type="checkbox"/> No additional charge<br><input type="checkbox"/> \$Supplemental Billing*            |
| <input type="checkbox"/> <input checked="" type="checkbox"/> | Customized Covers .....           | <input type="checkbox"/> No additional charge<br><input type="checkbox"/> \$Supplemental Billing*            |

**Subscriber Identification (ID) Cards:**

Accept/Decline

- |  |                           |  |
|--|---------------------------|--|
| <input checked="" type="checkbox"/> <input type="checkbox"/> | Subscriber ID Cards ..... | <input checked="" type="checkbox"/> No additional charge<br><input type="checkbox"/> \$Supplemental Billing* |
| <input type="checkbox"/> <input checked="" type="checkbox"/> | Customized ID Cards ..... | <input type="checkbox"/> No additional charge<br><input type="checkbox"/> \$Supplemental Billing*            |

**Network Provider Directories:** ..... ☒ No additional charge  
Per employee enrolled in Managed Care coverage, only ☐ \$Supplemental Billing\*

**Subscriber Claim Forms, Application Forms,**

**Enrollment Materials:** ..... ☒ No additional charge  
☐ \$Supplemental Billing\*

**Special Mailings: Cost has been included in Administrative Charge:** Yes ☒ No ☐

Identification Cards mailed to home addresses Yes ☒ No ☐

Provider Directories mailed to home addresses Yes ☐ No ☒

\*Any customized materials or additional services or supplies not documented in this Fee Schedule may be subject to Supplemental Billing upon mutual agreement of the parties.

**Item Five Administrative Charges  
and Credits**

- A. The Administrative Charge, calculated Monthly, shall be equal to the sum of the amounts obtained by multiplying the total number of covered Subscriber Units by category by the appropriate factors shown below.**



**Fee schedule**

**Medical**      **Dental**  
\$ 43.43      \$ 3.76

For each Composite Subscriber Unit

- B. The **Termination Administrative Charge** shall be equal to the amount obtained by multiplying the sum of all covered Subscriber Units during the three months immediately preceding the date of termination by the factors shown below:

**Medical**      **Dental**  
\$ 0.00      \$ 0.00

For each Composite Subscriber Unit

- C. In further consideration of the administrative services rendered pursuant to this Agreement, HEBP will retain Retail 50%, Mail 50%, Speciality 40% of any brand Rx rebates earned as a result of sale of prescription drugs to Participants in the Plan.
- D. Pharmacy Benefits Management Fees per prescription filled are invoiced periodically as follows:

\$0.00 per electronic claim  
\$1.50 per manual claim  
\$0.00 per mail order claim.

**Item Six  
Plan Coverage**

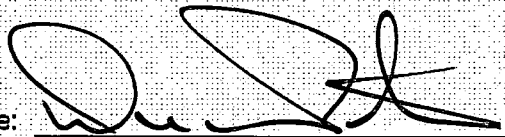
**Health Benefit Plan** coverage inclusive of one or more of the following:

- PPO Managed Health Care coverage
- Dental Care coverage (optional per group)

By: \_\_\_\_\_

Gene Terry, TAC Executive Director

Signature: \_\_\_\_\_



Print Name: Duane Peters

Title: Brazos County Judge

Date: \_\_\_\_\_

Date: \_\_\_\_\_

10/17/17



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## **ADDENDUM A TRANSFER PAYMENT AND OTHER FINANCIAL RESPONSIBILITIES**

for the

### **ADMINISTRATIVE SERVICES AGREEMENT (the Agreement)**

between

### **TEXAS ASSOCIATIONS OF COUNTIES HEALTH & EMPLOYEE BENEFITS POOL (HEBP)**

HEBP provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

and

### **BRAZOS COUNTY**

Group Number: 217225

Effective Date: January 1, 2018

## **ADDENDUM A TRANSFER PAYMENT AND OTHER FINANCIAL RESPONSIBILITIES**

The Transfer Payment and Other Financial Responsibilities (Transfer Payment Agreement) described herein shall apply to the Administrative Services Agreement ("the Agreement") between the Texas Association of Counties Health and Employee Benefits Pool (HEBP) and Brazos County to which this Addendum A will be attached beginning January 1, 2018 and shall remain in full force and effect according to the terms of the Agreement unless amended or replaced by the parties to this Agreement in writing.

All provisions of the Agreement, its addenda, schedules, and amendments shall apply to this Addendum A, including any definitions. This Transfer Payment Agreement replaces and supersedes the Banking Arrangement and other Financial Responsibilities attached to the Agreement as Addendum A.

## **SECTION I. DEFINITIONS AS USED IN THIS ADDENDUM A:**

- 1.1 HEBP's Bank** means a banking entity organized and existing under the laws of the United States, whose address and account number are provided on each request for Transfer Payment and each claim settlement.
- 1.2 Net Claims Paid** means the net benefit payment calculated by HEBP, upon submission of a Valid Claim, in accordance with the benefits specified in Brazos County's health benefit Plan, plus any supplemental charges as authorized in the Agreement.
- 1.3 Transfer Payment** means a payment (in the amount outlined in Section 2, below), via electronic draft initiated by HEBP, from Brazos County to HEBP's Bank.
- 1.04 Transfer Payment Period** means a seven day period, beginning Saturday and ending the following Friday.

## **SECTION II. NET CLAIMS TRANSFER PAYMENT**

- 2.01** In consideration of the HEBP's responsibilities as set forth in this Agreement and at the end of each Transfer Payment Period, Brazos County shall transfer to the HEBP's Bank an amount equal to the Transfer Payment Period's Net Claims Paid less any refunds or reimbursements due to Brazos County including but not limited to stoploss claims, subrogation payments or provider refunds.
- 2.2** The Transfer Payment Period shall be weekly. The HEBP shall advise Brazos County by e-mail or facsimile, at an e-mail address or facsimile number to be furnished by Brazos County prior to the effective date of this Transfer Payment Agreement, of the amount of Net Claims Paid pursuant to this Agreement for which reimbursement has not been previously made by Brazos County to the HEBP.
- 2.3** If any day on which a Transfer Payment is due is a holiday, such payment will be made on the next business day.
- 2.4** Transfer Payment must be made as soon as practicable within 30 days of notification (or 45 days for a political subdivision whose governing body meets only once a month or less frequently). Late payments are subject to the penalties outlined in section 8.04 of the Agreement. If Transfer Payment is not made within 30 days, claims processing may be suspended and a minimum deposit may be required in order to resume processing of claims.

### SECTION III. OUT-OF-STATE CLAIMS 3.01

#### Out-of-State Claims

- (a) In the event that Valid Claims, as defined in the Agreement, are incurred by Brazos County Participants in states other than Texas, then those other participating Blue Cross and/or Blue Shield plans will pay most claims directly to their providers. HEBP is required under these arrangements to reimburse such other participating Blue Cross and/or Blue Shield plans.
- (b) On a weekly basis, HEBP shall notify Brazos County of, and Brazos County shall include in the Transfer Payment, the amounts HEBP reimbursed such other participating Blue Cross and/or Blue Shield plans.



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## **ADDENDUM B**

### **REQUIRED NOTICES AND DISCLOSURES**

for the

#### **ADMINISTRATIVE SERVICES AGREEMENT (the Agreement)**

between

#### **TEXAS ASSOCIATION OF COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL (HEBP)**

HEBP provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

and

**Brazos County  
Group Number:  
217225**

**Effective Date: January 1, 2018**

## **REQUIRED NOTICES AND DISCLOSURES**

### **Blue Cross and Blue Shield Association Non-Contracting Agent Notice**

The Group Health Plan (GHP), on behalf of itself and its Participants, understands that this Agreement constitutes a contract solely between the GHP and Texas Association of Counties Health and Employee Benefits Pool (HEBP). HEBP has subcontracted certain of its responsibilities to Blue Cross Blue Shield of Texas (BCBSTX). BCBSTX is a division of Health Care Service Corporation. Health Care Service Corporation is a Mutual Legal Reserve Company, and an independent licensee of the Blue Cross and Blue Shield Association (the Association). The license from the Association permits BCBSTX to use the Blue Cross and Blue Shield Service Marks in the State of Texas. BCBSTX is not contracting as the agent of the Association. Said GHP also understands that it has not entered into this Agreement based upon representations by any person other than BCBSTX. No person, entity, or organization other than BCBSTX shall be held accountable or liable to the GHP for any of BCBSTX's obligations to the GHP created under this Agreement. This paragraph shall not create any additional obligations whatsoever on the part of BCBSTX other than those obligations created under other provisions of this Agreement.

### **BlueCard**

Like all Blue Cross and Blue Shield Licensees, the Claim Administrator participates in a program called "BlueCard." Whenever Participants access health care services outside the Claim Administrator's service area, the claims for those services may be processed through BlueCard and presented to the Claim Administrator for payment in conformity with network access rules of the BlueCard Policies then in effect ("Policies"). Under BlueCard, when Participants receive covered services within the geographic area served by an on-site Blue Cross and/or Blue Shield Licensee ("Host Blue"), the Claim Administrator will remain responsible to the Employer for fulfilling the Claim Administrator's contract obligations.

However, the Host Blue will only be responsible, in accordance with applicable BlueCard Policies, if any, for providing such services as contracting with its participating Providers and handling all interaction with its participating Providers. The financial terms of BlueCard are described generally below.

### **Liability Calculation Method Per Claim**

The calculation of a Participant's liability on claims for covered services incurred outside the Claim Administrator's service area and processed through BlueCard will

be based on the lower of the Provider's billed charges or the negotiated price the Claim Administrator pays the Host Blue.

The calculation of the Employer's liability on claims for covered services incurred outside the Claim Administrator's service area and processed through BlueCard will be based on the negotiated price the Claim Administrator pays the Host Blue.

The methods employed by a Host Blue to determine a negotiated price will vary among Host Blues based on the terms of each Host Blue's Provider contracts. The negotiated price paid to a Host Blue by the Claim Administrator on a claim for covered services processed through BlueCard may represent:

- (i) The actual price paid on the claim by the Host Blue to the health care Provider ("Actual Price"), or
- (ii) An estimated price, determined by the Host Blue in accordance with BlueCard Policies, based on the Actual Price increased or reduced to reflect aggregate payments expected to result from settlements, withholds, any other contingent payment arrangements and non-claims transactions with all of the Host Blue's health care Providers or one or more particular Providers ("Estimated Price"), or
- (iii) An average price, determined by the Host Blue in accordance with BlueCard Policies, based on a billed charges discount representing the Host Blue's average savings expected after settlements, withholds, any other contingent payment arrangements and non-claims transactions for all of its Providers or for a specified group of Providers ("Average Price"). An Average Price may result in greater variation to the Participant and the Employer from the Actual Price than would an Estimated Price.

Host Blues using either the Estimated Price or Average Price will, in accordance with BlueCard Policies, prospectively increase or reduce the Estimated Price or Average Price to correct for over- or underestimation of past prices. However, the amount paid by the Participant and the Employer is a final price and will not be affected by such prospective adjustment. In addition, the use of a liability calculation method of Estimated Price or Average Price may result in some portion of the amount paid by the Employer being held in a variance account by the Host Blue, pending settlement with its participating Providers. Because all amounts paid are final, the funds held in a variance account, if any, do not belong to the Employer and are eventually exhausted by Provider settlements and through prospective adjustments to the negotiated prices.

Statutes in a small number of states may require a Host Blue either (1) to use a basis for calculating a Participant's liability for covered services that does not reflect the entire savings realized, or expected to be realized, on a particular claim or (2) to add a surcharge. Should any state statutes mandate liability calculation methods that differ from the negotiated price methodology or require a surcharge, the Claim



Administrator would then calculate the Participant's liability and the Employer's liability for any covered services consistent with the applicable state statute in effect at the time the Participant received those services.

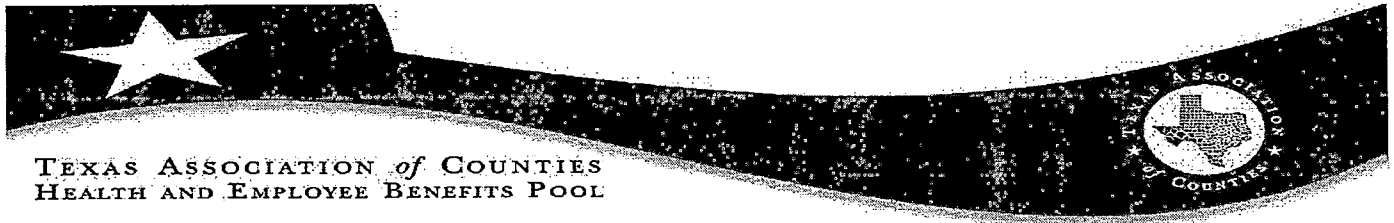
### **Return of Overpayments**

Under BlueCard, recoveries from a Host Blue or from participating Providers of a Host Blue can arise in several ways, including, but not limited to, anti-fraud and abuse audits, Provider/hospital audits, credit balance audits, utilization review refunds, and unsolicited refunds. In some cases, the Host Blue will engage third parties to assist in discovery or collection of recovery amounts. The fees of such a third party are netted against the recovery. Recovery amounts, net of fees, if any, will be applied in accordance with applicable BlueCard Policies, which generally require correction on a claim-by-claim or prospective basis.

### **BlueCard Fees and Compensation**

The Employer understands and agrees (1) to pay certain fees and compensation to the Claim Administrator which the Claim Administrator is obligated under BlueCard to pay to the Host Blue, to the Blue Cross Blue Shield Association, or to the BlueCard vendors and (2) that fees and compensation under BlueCard may be revised from time to time without the Employer's prior approval in accordance with the standard procedures for revising fees and compensation under BlueCard. Some of these fees and compensation are charged each time a claim is processed through BlueCard and include, but are not limited to, access fees, administrative expense allowance fees, Central Financial Agency Fees, and ITS Transaction Fees. Also, some of these Claim-based fees, such as the access fee and the administrative expense allowance fee, may be passed on to the Employer as an additional Claim liability. Other fees include, but are not limited to, a toll-free phone number fee and a fee for providing certain Provider directories.





**ACA Reporting and Tracking Service (ARTS)  
2018 Program Agreement for New Participant  
HEBP Member (Fully Insured or ASO)**

**Program Services**

The ARTS program includes the following services:

- *Measurement, Administrative, and Stability Period tracking beginning January 1, 2018 and notification of eligibility for part-time / variable / seasonal employees (can provide tracking back to beginning of Measurement Period if historical data is provided by county/district);*
- *Reporting for your county/district regarding the status of potential benefits-eligible employees;*
- *Production of your county/district's 1094C and 1095C forms, shipped to you for distribution to employees (optional direct mail service);*
- *Transmission of your county/district's 1094C and 1095C forms to the IRS.*

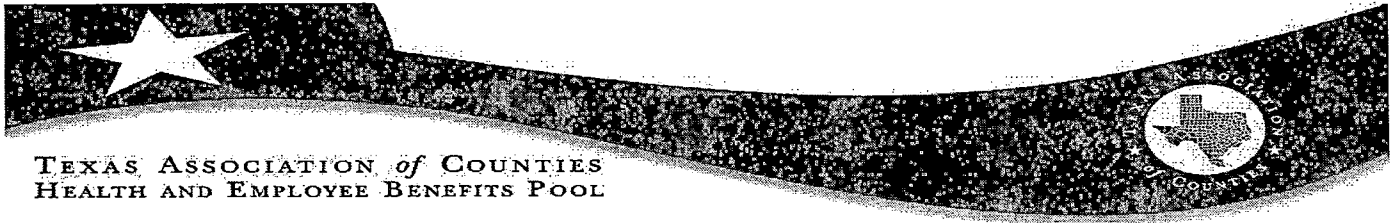
**Program Requirements**

- 1) Participants must provide employer, payroll, employee and unpaid leave of absence (LOA) files related to the group's Health Benefits Plan in the format designated by TAC HEBP, as described on enclosed ARTS File Specifications. Payroll data must be provided for each payroll cycle. Employee files must be provided, at a minimum, once per quarter. LOA files may be provided if and when applicable.
- 2) Group agrees to pay program fees as described in the 2018 ARTS Fee Schedule.

**Enrollment and Data Submission Deadlines**

- Groups who wish to participate in the ARTS program must return the signed documents to TAC HEBP no later than July 1, 2018 in order to participate.
- Data file transmission to TAC HEBP must begin no later than August 15, 2018 to avoid late fees. Please refer to the enclosed "2018 Deadlines for ARTS Files".

 Initials



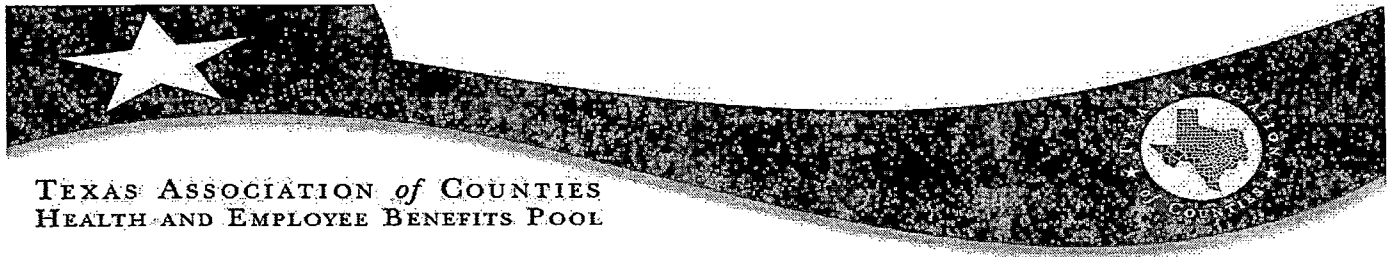
**ACA Reporting and Tracking Service (ARTS)  
HEBP Member (Fully Insured or ASO)  
2018 Fee Schedule**

1	<input checked="" type="checkbox"/>	ARTS Annual Subscription Fee	*\$4.25 / form	Waived
2	<input type="checkbox"/>	Optional Forms Distribution ( <i>group chooses to have TAC mail employee forms</i> )	\$ 1.47 / form	If applicable, will be billed in 2019 after forms are produced
3	<input checked="" type="checkbox"/>	One time Activation Service Fee ( <i>based on number of employees, non-refundable</i> )	\$7.86 /employee	Waived
4	<input type="checkbox"/>	Late fee for service election form ( <i>after 7/1/2018</i> )	\$1,575	
5	<input type="checkbox"/>	Late fee for data submission ( <i>after 8/15/18 and/or 1/8/2019</i> )	\$2,625	If applicable, will be billed in 2019 after forms are produced
		<b>Total Amount Due:</b> (if zero, enter 0.00)		\$ _____

*\*Per 1094/1095C form*

*Fees subject to change annually*

 Initials



## ACA Reporting and Tracking Service (ARTS) Contact Designation Form

**Contracting Authority:** \_\_\_\_\_ (Group Name) hereby designates and appoints, as indicated in the space provided below, a Contracting Authority of department head rank or above and agrees that any notice to, or agreement by, a Group's Contracting Authority, with respect to service or claims hereunder, shall be binding on the Group. Each Group reserves the right to change its Contracting Authority from time to time by giving written notice to HEBP.

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Primary Contact:** Main contact for data file and reporting matters pertaining to the ARTS program.

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
HIPAA Secured FAX number: \_\_\_\_\_  
Email: \_\_\_\_\_

Other Contact Email(s) for ARTS correspondence regarding data files, if any: \_\_\_\_\_

Signature of County Judge or Contracting Authority

Duane Peters, County Judge  
Print Name and Title

10/17/17  
Date

Payroll Software provider: \_\_\_\_\_  
Software Version #: \_\_\_\_\_

# TAC HEBP ARTS FILE SPECIFICATIONS

## File Specification General Info and Requirements

Please take time to review this document thoroughly. This document will serve as the Data Specifications Requirements for your participation in the ARTS program. Below are required data elements and field formats. Data elements are separated into 'categories' (Employee Information, Payroll Details etc.) but all elements will be included in a single Excel spreadsheet file.

Please note that file specifications can change due to modifications in Affordable Care Act legislation and / or enhancements or other changes to the ARTS program.

### File Name and Format

File should be Excel file with the ARTS Field Name as column headers in the top row. Columns must appear in the order shown in file templates.

File name should be your County/District name, File Type (EEFile, PRFile, or LOAFile) then an underscore followed by a date in the format of YYYYMMDD, e.g. AransasCounty\_PRFile\_20150415

There should be no additional header or footer rows.

String values should be enclosed in double-quote characters (not Microsoft fancy-quotes) e.g. "John"

Literal double-quotes should be avoided. It is advised to either a) remove them from the data fields or b) change them to single quotes.

Use the templates to determine which columns should be included in each file. Columns must appear in the order shown in the file templates.

Numbers (including currency amounts) should contain no formatting except for a period (.) as a decimal-place indicator, e.g. 123456.78 and NOT \$123,456.78

**The data types used for each of the columns follow the following conventions:**

ALPHANUM(X) = Alphanumeric of the fixed length of x

ALPHANUM(X-Y) = Alphanumeric and can be any length between x and y

ALPHA(X) = Alphabet only of the fixed length of x

ALPHA(X-Y) = Alphabet only and can be any length between x and y

DATE(MM/DD/YYYY) = Date format of MM/DD/YYYY

NUMERIC(X) = Any whole number with x digits

NUMERIC(X-Y) = Any whole number between x and y digits

DECIMAL = Any whole or rational number up to two decimal places. For monetary related fields, do NOT include commas or dollar symbols (e.g., 123456.78, NOT \$123,456.78).

ARTS Field Name	Description	Format	Values	Blanks Allowed?
<b>Employer Information</b>				
FEIN	Federal Employment Identification Number Required for IRS reports	ALPHANUM(9)	String with leading zeros and no other formatting such as hyphens	NO
Employer Primary Address Line 1		ALPHANUM(1-255)		NO
Employer Primary Address Line 2		ALPHANUM(1-255)	Field is required but may be blank when not applicable	YES
Employer Address City		ALPHANUM(1-255)		NO
Employer Address State		ALPHANUM(2)	2-letter abbreviation	NO
Employer Address ZIP		ALPHANUM(5-9)	5 or more characters	NO
COCODE	HEBP Group Code	NUMERIC(4-6)	Provided by TAC HEBP	NO
<b>Employee Information</b>				
SSN	Social Security Number	NUMERIC(9)	Federally provided SSN with leading zeros and no other formatting such as hyphens	NO
DateOfBirth	Date of Birth	MM/DD/YYYY		NO
Current Status	Indicates if the employee is active, on leave, terminated, retired, etc.	ALPHANUM(1)	Valid values (send only the codes): A = Active, D = On Long Term Disability, E = On Short Term Disability, G = Terminated, I = Inactivated Record, L = On Leave, M = Active in Multiple Positions, N = New Employee, O = Lay Off, Q = Deceased, R = Retired	NO
Original Hire Date	Earliest Date of Hire for an employee	MM/DD/YYYY		NO
Most Recent Hire Date	Most recent date of hire. Except for rehires, this value will be the same value as original hire date	MM/DD/YYYY		NO
Most Recent Start Date	The first date that the employee earned hours based on their most recent hire date. If this is not available, then populate with the same value as the most recent hire date field.	MM/DD/YYYY		NO
Termination Date	Most recent termination date, if applicable	MM/DD/YYYY		YES
First Name		ALPHANUM(1-255)		NO
Last Name		ALPHANUM(1-255)		NO
Middle Name		ALPHANUM(1-255)	Optional	YES
<b>Employee Information, continued</b>				
ARTS Field Name	Description	Format	Values	Blanks Allowed?

Home Address Line 1		ALPHANUM(1-255)		NO
Home Address Line 2		ALPHANUM(1-255)	Field is required but may be blank when not applicable	YES
Home Address City		ALPHANUM(1-255)		NO
Home Address State		ALPHANUM(2)	2-letter abbreviation	NO
Home Address ZIP		ALPHANUM(5-9)	5 or more characters	NO
Notification Email Address	Use only well-formatted email addresses	ALPHANUM(1-255)	Not a required field. May be used for notifications	YES
Employee Class Code	How employee is classified in your payroll system	ALPHANUM(1-255)	Full time, part time, salaried, variable hour, etc.	NO
ACAEmployeeDesignationCode	This is the legislative definition of an employee designation	ALPHA(1-2)	Only the following values are valid: FT, PT, S, V	NO
ACAPayTypeClassification	Used for affordability, this distinguishes between hourly and salaried employees	ALPHA(1)	Only the following values are valid: H, S	NO
PayRate	Current rate of pay for the employee, as related to the Pay Type	DECIMAL	No currency symbols or commas. E.g. 10.50, 65000	NO
PayType	Scale for pay rate:	ALPHA(2)	HY = per Hour MY = per month DY = per Day SH = per Shift HM = per half month TW = per two weeks WY = per week YY = per Year	NO
PayCycleFrequency	How often is the employee currently paid. See Values noted to the right	ALPHA(2)	WY = Weekly BW = Bi-weekly SM = Semi-monthly MY = Monthly 10Y = Ten Times Per Year QY = Quarterly SA = Semi-annually AN = Annually	NO
Job Title	The specific title of the employee.	ALPHANUM(1-255)	example: Deputy, Clerk, Commissioner, Assistant Auditor	NO

**Payroll Details**

Payroll details are to be sent upon each payroll run. The Hours are the total hours for which the employee was compensated regardless of reason. For instance, if John works Monday 12:00-6:00, Wednesday 12:00-6:00, and uses 3 hours of vacation on Friday, the total hours should be 15.0 for that pay record. The Data may be spread across multiple lines if preferable, but it will be aggregated within the ACA calculations. For instance, the above employee could have been reported on one row with 12 hours, and one row with 3 hours. This is sometimes desirable for employers to maintain the pay rate accordingly, especially for overtime or holiday pay. When multiple pay rates are applied, but only one row is used, please provide the base pay rate and do not adjust or average based on overtime or other different pay rate. Regardless of the pay date, or when the data is sent, it is critical to properly set the pay period start and end dates to associate the hours with the correct dates. For example, if a payroll adjustment is made in December for the Pay Period of Nov 15-Nov 22, The Pay Date may well be December 25, but the Pay Period Start Date and Pay Period End Date should be Nov 15 and Nov 22 respectively.

ARTS Field Name	Description	Format	Values	Blank Allowed?
PayDate	Check / Direct Deposit Date	MM/DD/YYYY		NO
PayPeriodStartDate	First date within Pay Period (inclusive of the date provided)	MM/DD/YYYY		NO
PayPeriodEndDate	Last date within Pay Period (inclusive of the date provided)	MM/DD/YYYY		NO
Hours Worked	Number of hours the employee worked within the Pay Period	DECIMAL	Fill as 80.0 for full-time salaried employees (Bi-weekly or Semi-Monthly, use 40 for Weekly payrolls). Hours must be reported for all employees whos Gross Pay is not \$0.	NO
Gross Pay	Employee Gross Pay for Pay Period including base, overtime, paid leave, etc.	DECIMAL	No currency symbols or commas. E.g. 100.25; 2300.00	NO

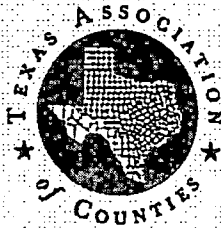
# Unpaid Leave of Absence

The unpaid leave of absence information is necessary for the ACA hours calculation as well as determination of contiguous service. Each "unpaid leave" is to be provided on a separate line. For instance, if John Doe is away for military service from July 1 to July 28, 2013, returning to work on July 29, 2013, a single row of data will contain John's SSN, the FEIN for which John is primarily employed, a reason code and label (for readability purposes only), an LOAStart Date of '07/01/2015', and an LOAEndDate of '07/28/2015'.

Include all unpaid, protected leaves that are not represented with compensation or hours worked in the payroll data. If an employee had one day of jury service, but the payroll reflected that she was paid full rate that day, do **NOT** include the employee here. If the employee had 2 months of Family Medical leave, and was compensated only by a third-party provider, or not compensated, include the information here.

ARTS Field Name	Description	Format	Value	Blanks Allowed?
LOA Reason Code	Indicates the reason for the leave. The system will consider all leave provided to be protected, so the recommendation is to provide only protected leaves such as FMLA, Military Duty, Jury Duty etc.	ALPHANUM(1-255)	Examples: "JURY", "FMLA"	NO
LOA Reason Label	Readable version of the reason for leave; will appear on reports	ALPHANUM(1-255)	Example: "Jury Duty", "Family Med Leave"	YES
LOA Start Date	The first date the employee is considered to be on UNPAID leave - NOT the last day worked. If the employee is on paid vacation for the first two weeks, then the LOA Start Date should be after the paid vacation ends.	MM/DD/YYYY		NO
LOA End Date	This value may be provided for future dates if the end of leave date is known in advance. If the return date is not known, leave this field blank. For one-day leaves, this date will be the same as the LOA Start Date.	MM/DD/YYYY		YES
LOA Hours	This field is used for partial day leave ONLY. The LOA Start and End dates must be the same for partial day leaves. Enter the amount of hours used for partial-day leave, which will be credited to the employee as if they had worked the hours.	DECIMAL		YES





September 15, 2017

Honorable Duane Peters  
Brazos County Judge  
200 S. Texas Ave, Ste 332  
Bryan, TX 77803

Dear Judge Peters:

We are pleased to have Brazos County as a new member of the Texas Association of Counties Health and Benefits Pool (TAC HEBP). Enclosed you will find the necessary contract documentation that will need to be reviewed and completed in order to initiate set-up of your group.

Please return all original documents to your TAC HEBP Employee Benefits Specialist, Lauren Henry by Friday, October 13 in order to activate your benefits by your effective date of January 1, 2018.

Enclosures:

- Interlocal Agreement
- Final Plan Selection Form
- Medical and Dental Rate Exhibits
- Employer Contribution Schedule and Benefit Confirmation
- Member Contact Designation Form
- Benefit Highlight Sheets (initial each page)
- Tobacco Cessation Benefit Election Form
- Medicine Match Benefit Election Form
- Coverage Termination Policy (Senate Bill 51) Election Form
- Eligibility Procedures Acknowledgment Form
- Patient Protection and Affordable Care Act (PPACA) Pre-Ex Election Form
- Mental Health Parity Election Form
- Administrative Services Only (ASO) Claims Billing Process
- Bank Draft Authorization Form
- Caremark Authorization Agreement
- TAC Web Access Agreement Form

Please contact me if you have any questions. We look forward to working with you.

Sincerely,

A handwritten signature in cursive script that reads "Lorie Floyd".

Lorie Floyd  
Employee Benefits Consultant



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement (the "Agreement") is made by and between Brazos County, a political subdivision of the State of Texas (the "Member"), acting through its [COMMISSIONERS' COURT OR OTHER GOVERNING BODY], and the Texas Association of Counties Health and Employee Benefits Pool ("HEBP"), as authorized by the Texas Interlocal Cooperation Act (TEX. GOV'T CODE, Chapter 791) ("Interlocal Cooperation Act", acting on its own behalf and on behalf of each other political subdivision having membership in the HEBP.

### 1. RECITALS

- 1.1 The Member is a political subdivision of the State of Texas as defined in the Texas Political Subdivision Employees Uniform Group Benefits Act (TEX. LOC. GOV'T CODE, Chapter 172) ("Group Benefits Act").
- 1.2 As a political subdivision of the State of Texas, the Member performs certain governmental functions and services as those terms are defined under Interlocal Cooperation Act § 791.003.
- 1.3 The Member desires to contract with HEBP to obtain one or more of the following, as indicated by Member on Attachment A to this Agreement, which is incorporated herein: 1) health and employee benefit plans and administrative services relating to health and employee benefit plans for its officials, employees, and retirees, and their eligible dependents, including accident, health, dental, life, disability and other appropriate coverages; 2) administrative services or stop-loss coverage in support of Member's self-funded health and employee benefits plan; 3) the benefits available to retirees of the Member through the County Choice Silver Program or other similar programs; 4) Affordable Care Act Reporting and Tracking Services (ARTS); and 5) such other related programs as HEBP's board of trustees determines to make available to members of HEBP.
- 1.4 The Member acknowledges that this Agreement is a contract with HEBP and each political subdivision that is a member of HEBP and that HEBP

may contract with other political subdivisions wishing to participate, at the discretion of HEBP.

- 1.5 The Member's governing body has agreed to the terms and conditions of this Agreement and has acted by majority vote, at a duly called and posted public meeting, to authorize the execution of this Agreement and participation in HEBP.

## **2. AGREEMENT**

- 2.1 Entry Into HEBP. For and in consideration of the mutual agreements set forth in this Agreement, and other good and valuable consideration, the Member enters into this Agreement for the purpose of joining HEBP, to achieve efficiencies and economies of scale in connection with the provision of one or more of the programs or services listed in paragraph 1.3 above.
- 2.2 HEBP Not an Insurer. HEBP is not an insurer. All benefits and related services provided by HEBP are authorized pursuant to the Group Benefits Act, the Interlocal Cooperation Act, and other applicable Texas law.
- 2.3 Administrative Contract with the Texas Association of Counties. HEBP has contracted with the Texas Association of Counties ("TAC") to administer the business and operations of HEBP and supervise the performance of the Agreement.

## **3. TERMS AND CONDITIONS**

- 3.1 Term and Termination. This term of this Agreement shall be for one year, commencing as of the date of execution by the second party to sign the Agreement. This Agreement shall be automatically renewed annually for an additional one-year term without the necessity of any action by the parties other than payment of the appropriate premium or contribution. Either party may elect not to renew this Agreement by giving written notice not less than 30 days before the end of the original term or any renewal term.
- 3.2 Agreement Binds Members. Each Member agrees to be bound by this Agreement and HEBP's Bylaws, policies and procedures, which collectively establish the conditions for membership in HEBP. HEBP's Bylaws are incorporated by reference and made a part of this Agreement for all purposes as if fully set out, except that Articles III(E), IX(B), and XV(B) shall apply to members that obtain only administrative services, County Choice Silver benefits, or ARTS services from HEBP only to the

extent the Member's contributions contribute to any surplus that may be distributed. Any amendment to the Bylaws becomes binding on the Member immediately upon its adoption.

- 3.3 Benefit Plans. For a Member that participates in the pooled HEBP's health and employee benefits plan, HEBP will make available health and employee benefit plans for the officials, employees, retirees, and eligible dependents of the Member, including accident, health, dental, life, disability and other appropriate coverages ("Benefit Plans"). HEBP will provide all benefits under the authority of the laws of the State of Texas, including the Group Benefits Act and the Interlocal Cooperation Act. Each Member will adopt its own Benefit Plan from those made available by HEBP. The Member's Benefit Plan may combine insured, self-insured, and pooled liabilities.

For a Member that does not participate in HEBP's pooled health and employee benefits plan, HEBP shall make available administrative services, stop-loss coverage, County Choice Silver or other retiree benefits, ARTS services and other benefits and services as the board of trustees determines to make available.

- 3.4 HEBP Procedures and Bylaws. Every Member shall furnish all the information that HEBP deems necessary and useful for the purposes of this Agreement and shall abide by the procedures and Bylaws adopted for the administration of the Benefit Plans.
- 3.5 Third-Party Administrator. HEBP may contract with one or more third-party administrators.
- 3.6 Payments and Conditions. Payments and contributions shall be made by the Member to HEBP at Austin, Travis County, Texas on the dates and in such amounts as HEBP requires. Interest, beginning the first day after the due date and continuing until paid, shall accrue at the maximum rate allowed by law on the balance of any payment or contribution not paid when due. Contributions and other payments received by HEBP from its Members will be held and managed for the benefit of the Members of the Pool, not the individual officials, employees, retirees of a Member, or the dependents of these officials, employees or retirees.
- 3.7 Insurance and Reinsurance. HEBP may purchase insurance, stop loss or excess loss coverage, and reinsurance as provided by law, and each Member is subject to the terms and conditions of HEBP's insurance, stop loss or excess loss coverage, or reinsurance. A self-insured Member that

obtain administrative services only will obtain stop-loss coverage from or through HEBP. If HEBP is unable to provide appropriate coverage, the Member will obtain other stop-loss coverage that is satisfactory to HEBP.

- 3.8 Coordinators. Each Member shall appoint, and designate in the space provided below, a Pool Coordinator of department head rank or above. Each Member agrees that HEBP is not required to contact or provide notices to any person other than the Pool Coordinator. Any notice to a Member's Pool Coordinator related to service or a claim under this Agreement is binding on the Member. Each Member may change its Pool Coordinator at any time by giving written notice to HEBP.
- 3.9 Audits. HEBP will be audited annually by an independent certified public accountant, and the audit will be filed as required by the laws of the State of Texas including the Group Benefits Act.
- 3.10 Plan Administrator. HEBP will serve as the plan administrator, as defined by the Health Insurance Portability and Accountability Act, for a Member participating in the pooled health and employee Benefits Plan. Each self-insured Member will serve as its own plan administrator, retains the right, duties and privileges of the plan administrator and acknowledges it has responsibility for compliance with all state and federal laws applicable to employee benefits for its employees and plan participants.
- 3.11 Self-Insured Member Responsibility. Each Member acknowledges that, to the extent its Benefit Plan is self-insured, it remains responsible for the payment of benefits under the Benefit Plan if HEBP fails to make payments.
- 3.12 ARTS Participant Responsibility. A Member who participates in the ARTS Program is responsible for providing HEBP with detailed payroll information, including leave of absence, and health benefits information for each full time employee. HEBP is not responsible for verification of information provided by or on behalf of a Member under the ARTS Program. Each participating Member acknowledges that it remains responsible for the accuracy of the information provided to HEBP, and for any fines, penalties, or damages resulting from reports generated from the information.

#### 4. ADMINISTRATIVE PROVISIONS

- 4.1 Amendment. This Agreement may only be amended or modified by written agreement signed by the parties, or as otherwise provided under this Agreement.

- 4.2 Applicable Law. This Agreement is entered into, is executed and is totally performable in the State of Texas, County of Travis, and all questions pertaining to its validity or construction shall be determined in accordance with the laws of the State of Texas.
- 4.3 Acts of Forbearance. No act of forbearance on the part of either party to enforce any of the provisions of this Agreement shall be construed as a modification of this Agreement, nor shall the failure of any party to exercise any right or privilege be considered as a waiver of that right or privilege.
- 4.4 Notices. Any notice required to be given or payment required to be made to HEBP shall be deemed properly sent if addressed to:

Texas Association of Counties Health and Employee Benefits Pool  
Attention: Director, Health and Benefits Services Department  
1210 San Antonio  
Austin, Texas 78701

and deposited in the United States mail with proper postage. HEBP may change its address by giving notice to the Members. The terms of a Member's Benefit Plan govern submission of any notice regarding claims under a Member's coverages.

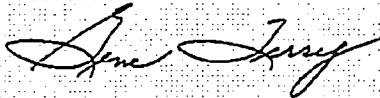
- 4.5 Effect of Partial Invalidity; Venue. If any part of this Agreement is declared invalid, void or unenforceable, the remaining parts and provisions shall continue in full force and effect. The parties agree that venue for any dispute arising under the terms of this Agreement shall be in state district court in Austin, Travis County, Texas.
- 4.6 Exclusive Right to Enforce. HEBP and the Member have the exclusive right to bring suit to enforce this Agreement, and no other party may bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.



## EXECUTION

IN WITNESS WHEREOF, we hereunto affix our signatures as of the date indicated below.

### TEXAS ASSOCIATION OF COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL



Executive Director,  
Texas Association of Counties

Date: August 17, 2017

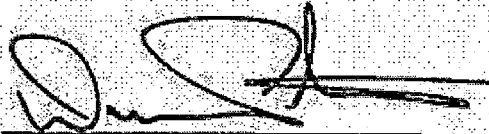
### MEMBER'S POOL COORDINATOR

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_



MEMBER

By: Duane Peters  
Printed Name:

Title: County Judge

Date: 8/22/17

## ATTACHMENT A

The Member must select the HEBP services that it will obtain through its membership in HEBP. Please indicate your choices by checking the appropriate box.

☐ A. Pooled Coverage

[You may also select services under D and E, below. Do not select services under B and C, below.]

The Member will participate in the pooled HEBP health and employee benefits plan. HEBP will provide health and employee benefit plans for the Member's officials, employees, retirees, and eligible dependents, that may include accident, health, dental, disability and other appropriate coverages. Member will adopt its own Benefit Plan from those made available by HEBP. HEBP will provide administrative and other necessary services in support of the Benefit Plan chosen by the Member.

☒ B. Administrative Services

[Do not select this box if you selected option A, above. You may select any of the services below.]

The Member has established its own self-funded health and employee benefits plan for its officials, employees, retirees and their eligible dependents. The Member does not want to participate in the pooled HEBP health and employee Benefits Plans, but will obtain from HEBP administrative services in support of Member's self-funded Benefits Plan. HEBP will provide these administrative services under the terms of the Administrative Services Agreement between HEBP and the Member, attached as Exhibit 1 if applicable.

☐ C. Stop-Loss Coverage

[Do not select this box if you selected option A, above. If you select this option C, you MUST also select option B, above. You may also select services under D or E, below.]

The Member has established a fund to provide its own health and employee benefits plan for its officials, employees, retirees and their eligible dependents.



The Member does not want to participate in the pooled HEBP health and employee benefits plan, but will obtain from HEBP stop-loss coverage in support of its self-funded Plan. HEBP will provide stop-loss coverage to Member pursuant to the terms of the Stop-Loss Coverage Agreement between Member and HEBP, attached as Exhibit 2 if applicable.

☐ **D. Retiree Health Benefit Plans**

**[You may select this option in addition to any other service.]**

The Member will participate in the retiree medical program for Medicare eligible retirees of a Member, according to the terms agreed to by Member and HEBP, as described in the Retiree Benefit Plan attached as Exhibit 3 if applicable.

☒ **E. ACA Reporting and Tracking Service (ARTS)**

**[You may select this option in addition to any other service.]**

The Member will participate in the Affordable Care Act (ACA) Reporting and Tracking Service Program, which provides reporting specific to the Member's employees regarding various ACA rules and thresholds, and produces related annual forms required by the Internal Revenue Code, based on data submitted to HEBP by Member, according to the terms and pricing agreed to by Member and HEBP, attached. As Exhibit 4, if applicable.



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## ASO Final Plan Selection Form

Step 1: Please provide us with the following information:

County/Entity: Brazos County	Today's Date:	Anniversary Date: 1/1
Group #: 217225	Phone Number: 979-361-4117	Fax Number: 979-823-6993
Email Address: jsalazar@brazoscountytexas.gov	Email Recipient: Jennifer Salazar	

Step 2: Please indicate the medical, prescription, dental and/or life plan your Commissioners' Court or Board of Directors has chosen for the coming plan year.

Medical Plan			
<input type="checkbox"/> 100	<input type="checkbox"/> 800	<input type="checkbox"/> 1300	<input type="checkbox"/> Grandfathered
<input type="checkbox"/> 200	<input type="checkbox"/> 810	<input type="checkbox"/> 1400	<input checked="" type="checkbox"/> Non-Grandfathered
<input type="checkbox"/> 300	<input type="checkbox"/> 1100	<input type="checkbox"/> 1410	
<input type="checkbox"/> 600	<input type="checkbox"/> 1110	<input type="checkbox"/> 1500	
<input type="checkbox"/> 610	<input type="checkbox"/> 1200	<input type="checkbox"/> 1510	
<input type="checkbox"/> 700	<input type="checkbox"/> 1210	<input checked="" type="checkbox"/> Custom Plan	
Stop Loss			
Contract Type: <input type="checkbox"/> 12/12 <input type="checkbox"/> 15/12 <input type="checkbox"/> 18/12 <input type="checkbox"/> 12/15 <input type="checkbox"/> 12/18 <input type="checkbox"/> Paid <input type="checkbox"/> Other _____			
Stop Loss Amount: <input type="checkbox"/> \$50,000 <input type="checkbox"/> \$75,000 <input type="checkbox"/> \$100,000 <input type="checkbox"/> \$150,000 <input type="checkbox"/> Other _____			
<input checked="" type="checkbox"/> Not Applicable - Did Not Elect BCBSTX Stop loss Coverage			
BCBSTX Condition Management: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Medicine Match: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Prescription Drug Plan			
<input type="checkbox"/> \$5/15/30 Option 1	<input type="checkbox"/> \$10/25/40 Option 4	<input type="checkbox"/> No Drug Deductible - A	
<input type="checkbox"/> \$5/20/35 Option 2	<input type="checkbox"/> \$10/30/50 Option 5	<input type="checkbox"/> \$100 Drug Deductible - B	
<input type="checkbox"/> \$10/20/35 Option 3	<input type="checkbox"/> 50%/50% Option 6	<input type="checkbox"/> \$250 Drug Deductible - C	
<input checked="" type="checkbox"/> Custom Rx Plan - No Drug Deductible			
Dental Plan			
<input type="checkbox"/> Plan I (\$2000 Annual Max)	<input checked="" type="checkbox"/> Plan II (\$1500 Annual Max)	<input type="checkbox"/> Plan III (\$1000 Annual Max)	<input type="checkbox"/> Plan IV (\$750 Annual Max)
<input type="checkbox"/> With Orthodontics	<input checked="" type="checkbox"/> With Orthodontics	<input type="checkbox"/> With Orthodontics	<input type="checkbox"/> Orthodontics Not Available
<input type="checkbox"/> Not Applicable - Did Not Elect Dental Coverage			

Life Insurance		
<input type="checkbox"/> Basic Life and AD&D Volume: <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$30,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$35,000 <input type="checkbox"/> \$15,000 <input type="checkbox"/> \$40,000 <input type="checkbox"/> \$20,000 <input type="checkbox"/> \$45,000 <input type="checkbox"/> \$25,000 <input type="checkbox"/> \$50,000  <input type="checkbox"/> Other _____ OR Times Annual Salary: <input type="checkbox"/> 1Times OR <input type="checkbox"/> 2 Times	<input type="checkbox"/> Retiree Life Volume: <input type="checkbox"/> \$2,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$15,000 <input type="checkbox"/> Other _____  <input type="checkbox"/> Voluntary Life <input type="checkbox"/> Voluntary Accident <input type="checkbox"/> Dependent Life: <input type="checkbox"/> \$5,000 OR <input type="checkbox"/> \$10,000 <i>Voluntary Life Products are for HEBP Members with Basic Life only, subject to Minimum Requirements and Underwriting)</i>	<input type="checkbox"/> Short Term Disability     <input type="checkbox"/> Long Term Disability
<input checked="" type="checkbox"/> Not Applicable – Did Not Elect Life Coverage		

Waiting Period		
Please indicate your current personnel policy for waiting period (ex. Date of Hire (DOH), or # days from DOH, or 1 <sup>st</sup> of month following DOH, etc.) where applicable.		
	Employees	Elected Officials
Health	1 <sup>st</sup> of month after 30	0 days
Dental	"	"
Life	"	"

Step 3: Initial the rate exhibit (s) you received that corresponds with the plan(s) selected above.

Step 4: Sign below and return by Friday, October 13.

Step 5: Please indicate your broker/agent's name and submit an Agent of Record letter, if applicable:

USI

Rates include a discount for electing to utilize TAC HEBP's Online Administration System (OASys) to enter eligibility data. Mandatory OASys training must be completed within a year to avoid a \$2 per employee per month fee.

Questions? Call or email your Employee Benefit Specialist at 1-800-456-5974.

  
 Signature (County Judge or Contracting Authority)

Duane Peters, Brazos County Judge  
 Print Name and Title

*The Texas Association of Counties would like to thank you for your membership in the only county-owned and county directed Health and Employee Benefits Pool in Texas.*



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Brazos County ASO EXHIBIT HEALTH

Medical Plan:	Current Plan Design			
	Current Plan Design			
Blue Care Condition Management - <u>Standard</u> :	Included		AD =	1/1/2018
Benefits Value Advisor:	Not Included			
	Composite		1/1/2018	Annual *
Assumed employee enrollment	967			967
Base Administration Charge **	\$40.43			\$469,150
Condition Mgt. / Blue Care Connections Charge	\$3.00			\$34,812
Benefits Advisor Charge	\$0.00			\$0
Monthly TAC Fixed Cost	\$43.43 ✓			\$503,962

\*\* Costs associated with special services or custom materials provided will be supplemental billed separate and apart from the Administrative Charges outlined in this exhibit.

	TERMINATION	
Run-Off Administration	\$0.00	\$0

The rates above are effective for twelve months contingent upon:

- 1) The effective date will be not be later than 01/01/18
- 2) The County paying 100% of the employee - only cost for all lines of coverage
- 3) A minimum enrollment of 967 employees with 35% carrying dependent coverage
- 4) A monthly enrollment of no fewer than 918 employees
- 5) No additional taxes being imposed and no increase in existing taxes
- 6) Caremark is the administrator of the prescription drug program. Rx administration costs included in the expected claims above. (\$5.00 per electronic claim, \$1.50 per paper claim.)
- 7) The County is required to fund bank account for medical and Rx claims.

Run date: 5/2/17

Signature of Contracting Authority

Date

Duane Peters, County Judge

Name and Title of Contracting Authority



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Brazos County

ASO EXHIBIT  
DENTAL


Dental Plan: Choice II w/ Ortho

	Composite	AD = 1/1/2018 Annual*
Assumed employee enrollment	897	897
Total Expected Paid Claims *	\$42.60	\$458,546
Administration Charge	\$3.76 ✓	\$40,473
Monthly Fixed Cost	\$3.76	\$40,473
Employer Account Minimum Balance:	\$19,108	

\* This annual projection is based on the current enrollment; the actual results will differ.

The rates above are effective for twelve months contingent upon:

- 1) An effective date no later than 1/1/2018
- 2) The County paying 100% of the employee only cost for all lines of coverage
- 3) A monthly enrollment of no fewer than 852 employees
- 4) No additional taxes being imposed and no increase in existing taxes
- 5) The County is required to fund bank account for dental claims.

  
Signature of Contracting Authority  
Date 10/17/17  
Duane Peters, County Judge  
Name and Title of Contracting Authority



## TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

### MEDICINE MATCH BENEFIT ELECTION FORM

**Medicine Match:** Medicine Match is designed to make treating asthma, diabetes, cholesterol and high blood pressure more affordable. When employees enroll in our condition-management program, they become eligible for a 50 percent reduction in co-pay for medications that treat these conditions.

**Plan Design:**

- Employee must be enrolled in Condition Management
- 50% Reduction in co-pay for medications treating asthma, diabetes, cholesterol and high blood pressure only
- Deductible is waived for groups with Rx Deductibles
- Drugs must be listed on our Performance Drug List

Medicine Match will be added to your employee benefit program effective upon your anniversary date after Commissioners Court votes to accept it and TAC HEBP has received this form as notification. As an Administrative Services Only (ASO) member of TAC HEBP, you may elect to opt out of this benefit.

Please indicate the decision of Brazos County regarding participation in the TAC HEBP Medicine Match Program by checking the appropriate response below:

☒ Yes

☐ No

Signature of County Judge  
or Contracting Authority:

A handwritten signature in black ink, appearing to read "Duane Peters", written over a horizontal line.

Date:

10/17/17

Name and Title:

Duane Peters, County Judge





# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL


## COVERAGE TERMINATION (SENATE BILL 51) ELECTION FORM

Brazos County has read the attached policy and has chosen the following election for their group health plan:

☐ Opt In SB51

☒ Opt Out SB51

Signature of County Judge  
or Contracting Authority:



Date:

10/17/17

Name and Title:

Duane Peters, County Judge

Please copy these documents for your records and mail the original signature page back to Texas Association of Counties, TAC HEBP, P.O. Box 2131, Austin, TX 78768. If there are questions about policies and procedures please contact your Employee Benefits Specialist at 800-456-5974.

**PLEASE PROVIDE A COPY OF THIS NOTICE TO YOUR  
PRIMARY CONTACT AND BILLING CONTACT**



## TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

### COVERAGE TERMINATION POLICY

Senate Bill 51 (SB 51) came into effect in 2005 for all employers with fully insured health plans and affects the way coverage is extended and invoiced when employees and dependents terminate coverage. SB 51 requires health insurance carriers to maintain coverage for participants through the end of the month in which the termination is reported. The employer is responsible for all premiums through the end of the month in which the termination is reported to the carrier.

This legislation is designed to reduce retroactive terminations. When a termination is not reported in a timely manner, the member still has access to benefits and services. Claims paid on members who are no longer eligible drive up the cost of health care and the providers do not get paid for services. SB 51 was passed to reduce these situations. Although Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) is not an insurance carrier and is not required to comply, the Board of Directors voted in 2006 to adopt billing practices that mirror the provisions of SB 51. These practices are standard in the industry and reinforce "best practices" at the employer level.

Employers are responsible for all contributions through the end of the month in which the termination is reported, as per SB 51.

As an Administrative Services Only (ASO) member of TAC HEBP, you have the option to elect this policy as part of your group health program. If SB 51 is elected, coverage end date (after an employee termination) is based on the date the termination is reported.

#### Example:

Termination Date	Reported Date	Last Day of Coverage	Invoiced Through
October 13	October 17	October 31	October 31
October 13	November 5	November 30	November 30
October 13	January 3	January 31	January 31





## TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

### ELIGIBILITY POLICIES AND PROCEDURES ACKNOWLEDGMENT FORM

N/A

Brazos County acknowledges the attached document has been read and agrees to comply with the TAC HEBP Eligibility Policies and Procedures.

Signature of County Judge  
or Contracting Authority: \_\_\_\_\_

Date: \_\_\_\_\_

Name and Title: \_\_\_\_\_

10/17/17  
Duane Peters, County Judge

Please copy these documents for your records and mail the original signature page back to TAC HEBP, P.O. Box 2131, Austin, TX 78768. If there are questions about policies and procedures please contact your Employee Benefits Specialist at 800-456-5974.

**PLEASE PROVIDE A COPY OF THIS NOTICE TO YOUR  
PRIMARY CONTACT AND BILLING CONTACT**



## TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

### ELIGIBILITY POLICIES AND PROCEDURES

N/A

#### Spouse Eligibility Verification Policy

All dependent spouses who are eligible for group health coverage through his/her own employer must provide proof of that coverage and complete a Spouse Eligibility Verification form in order to enroll in the TAC HEBP plan.

This rule applies to all employees hired after the group's effective date. The dependent eligibility verification policy protects the members of TAC HEBP and their taxpayers from private employers transferring liability (inadvertently or not) onto the County plan. Therefore, this liability which ultimately increases costs for both the taxpayers and county employees is limited.

#### Billing

A pre-invoice is provided for the opportunity to review entries and make corrections prior to the final invoice. These are prepared on or near the 13<sup>th</sup> of each month and there are 7 days to make corrections to ensure the accuracy of final invoice.

The final invoice is sent on or about the 20<sup>th</sup> of each month. All invoices are to be paid by the 1<sup>st</sup> of the month. Payments must include a copy of the Remittance page and be sent to the lock box address provided. Payment is applied by an outside vendor and cannot determine how to apply payment if it is not submitted correctly. If the Remittance page is not included, the payment could be improperly applied and will be delayed. Pre-addressed envelopes are provided to each group. Payments are due, in full, the 1<sup>st</sup> of each month. Any changes or corrections made in the system will be reflected as a credit or debit on the invoice in the following month.

#### Termination Reporting

TAC HEBP does not accept retroactive terminations. Employers are responsible for all contributions through the end of the month in which the termination is reported, as per Senate Bill 51 (does not apply to groups that opt out). The information is entered by the group in OASys, the online administration system.



## TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

In the event that OASys is not available, a mailed, e-mailed, or faxed copy of the termination form will be accepted.

- Mailed termination forms - the receipt date of notice is the date stamp of receipt by TAC HEBP (not the postmarked date).
- E-mailed termination forms - the receipt date of notice is the date the email was sent to your Employee Benefits Specialist.
- Faxed termination forms - the receipt date of notice is the date stamp applied by TAC HEBP facsimile machine. Please keep the fax confirmation sheets with a time/date stamp to verify the notification date.

Mailed, faxed, or E-mailed terminations submitted to a broker's office will not be considered as submission to TAC HEBP.

The coverage end date (after an employee termination) is based on the date the termination is reported. (does not apply to groups that opt out)

Example:

Termination Date	Reported Date	Last Day of Coverage	Invoiced Through
October 13	October 17	October 31	October 31
October 13	November 5	November 30	November 30
October 13	January 3	January 31	January 31

There is a 5 day grace period for processing terminations which occur during the last week of the month. When a termination occurs during the last week of a month it **MUST** be entered/reported by the 5th of the next month; otherwise, coverage will be extended an additional month, to the end of the following month, and the employer is responsible for these contributions.

Example:

Termination Date	Reported Date	Last Day of Coverage	Invoiced Through
October 30	November 3	October 31	October 31
October 30	November 7	November 30	November 30



## TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

**NOTE:** To avoid the liability for all contributions through the end of the month in which the termination is reported, disclosing terminations in a timely manner will minimize the cost to the group. A pre-invoice is provided each month for review to ensure accuracy of the final invoice. Failure to utilize this important tool may result in unnecessary expenses.

This policy applies to both employee and dependent terminations. However, it does not change the enrollment rules for qualifying events. *Employees* are still required to report changes such as marriage, divorce, etc. within 31 days. *Employees* will be liable for the appropriate dependent costs through the month in which he/she notifies the employer.

### **New Enrollees**

All employees and dependents must have social security numbers entered in the eligibility system.

Effective dates determine the billing:

- New enrollees who become effective during the 1<sup>st</sup> through the 15<sup>th</sup> of the month will be billed for the full month
- Enrollees who become effective the 16<sup>th</sup> through the end of the month will not be billed

### **Payroll Changes**

Salary Based Life Products must reflect the appropriate payroll amounts and effective dates. Payroll changes may be entered into OASys in advance provided the correct upcoming payroll effective date is entered in the system. An error in the effective date year will cause the system to retro to the effective date in the prior year and the system will calculate the invoice according to the old payroll effective date.

### **Open Enrollment Entries**

Open Enrollment (OE) may be entered in advance; however the correct effective date must be entered. All OE entries must be made by the *deadline designated* in each renewal packet. Pre-invoices will not be generated until after OE entries are made.

**NOTE:** The first invoice after the renewal effective date will always be delayed to accommodate the eligibility and testing of each group. Efforts are made to minimize the delay; however, invoices cannot be generated until all security measures have been taken.



## TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

### PATIENT PROTECTION AND AFFORDABLE CARE ACT (PPACA) PRE-EX ELECTION FORM

The health care reform legislation passed last year requires health plans to waive pre-existing condition waiting periods for all enrollees under age 19. In conjunction with another PPACA requirement of making coverage available to child dependents until they reach age 26, Blue Cross Blue Shield of Texas (BCBSTX) can administer a waiver for dependent children up to age 26.

As an Administrative Services Only (ASO) member of TAC HEBP, you have the choice of adhering only to the requirement or of extending to a broader range of participants in your plan. Please indicate which option below Brazos County elects for you new plan year and return to TAC HEBP. Your election will take effect January 1, 2018.

- ☐ 1. Pre-existing condition waiting periods are waived only for all enrollees under age 19
- ☒ 2. Pre-existing condition waiting periods are waived for all enrollees under age 19 and for dependent children under age 26  
*and waived for all employees as*
- N/A*

Signature of County Judge  
or Contracting Authority: \_\_\_\_\_

Date: \_\_\_\_\_

Name and Title: \_\_\_\_\_

10/17/17  
Duane Peters, County Judge



# TEXAS ASSOCIATION *of* COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT (MHPAEA) ELECTION FORM

The Mental Health Parity and Addiction Equity Act legislation passed October 3, 2008 requires health plans to ensure financial requirements and treatment limitations applicable to mental health or substance use disorder benefits are no more restrictive than the predominant requirements or limitations applied to substantially all medical/surgical benefits. It is effective for plan years beginning on or after October 3, 2009.

As a self-funded non-federal governmental plan, Brazos County has the choice of adhering to the requirement or of opting out. Please indicate which option below Brazos County elects and return to TAC HEBP. Please return the form as soon as possible so your benefits can be programmed by the January 1, 2018 effective date.

- ☐ 1. Elect to Opt-Out of the MHPAEA requirements
- ☒ 2. Elect to comply with the MHPAEA requirements

Signature of County Judge or Contracting Authority

10/17/17  
Date

Duane Peters, County Judge  
Printed name and title of Contracting Authority



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Brazos County OASys Access Agreement

The Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) uses an online administrative system known as OASys. OASys allows county administrators to enroll, change and terminate employee and dependent coverage in the health plan in a secure internet environment. They may also download the monthly bills from this site.

The Contracting Authority must designate the person(s) that will have access to OASys and set their access privileges. The User Name and Password will be emailed to the User after training is completed. Please circle the level of desired access and have each user sign the agreement below. If you have any questions, please call your Employee Benefits Specialist at 800-456-5974.

Name of User/Title	Access Privileges (Circle one)	Email Address (required)
User 1 Jennifer Salazar, HR Director	<input checked="" type="radio"/> Admin or <input type="radio"/> View Only	jsalazar@brazoscountytexas.gov
User 2 Antonia Flores, HR Associate	<input checked="" type="radio"/> Admin or <input type="radio"/> View Only	aflores@brazoscountytexas.gov
User 3 Mary Mendez, HR Associate	<input checked="" type="radio"/> Admin or <input type="radio"/> View Only	mmendez@brazoscountytexas.gov

As a User of OASys, I understand that I am responsible for maintaining the confidentiality of my password. I understand and agree that TAC HEBP is not responsible for any damages resulting from the unauthorized use of my password or account. I further understand that I must notify TAC HEBP immediately of any unauthorized use of my password or account or any other breach of security.

User 1 Signature Jennifer Salazar

User 2 Signature Antonia Flores

User 3 Signature Mary Mendez

Signature of County Judge or Contracting Authority: [Signature]

Print name and title:

Duane Peters, County Judge Date: 10/17/17





# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Brazos County OASys Access Agreement

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Name of User/Title	Access Privileges (Circle one)	Email Address (required)
User <sup>4</sup> Monica Sauseda, HR Assistant	<u>Admin or View Only</u>	msauseda@brazoscountytexas.gov
User <sup>5</sup> Dejanira Garcia, HR Specialist	<u>Admin or View Only</u>	dgarcia@brazoscountytexas.gov
User <sup>16</sup> Amy Bates, Asst. County Auditor	<u>Admin or View Only</u>	abates@brazoscountytexas.gov

As a User of OASys, I understand that I am responsible for maintaining the confidentiality of my password. I understand and agree that TAC HEBP is not responsible for any damages resulting from the unauthorized use of my password or account. I further understand that I must notify TAC HEBP immediately of any unauthorized use of my password or account or any other breach of security.

User <sup>4</sup> Signature Monica Sauseda

User <sup>5</sup> Signature Dejanira Garcia

User <sup>16</sup> Signature Amy Bates

Signature of County Judge or Contracting Authority: [Signature]

Print name and title:

Duane Peters, County Judge

Date: 10/17/17





# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Brazos County OASys Access Agreement

The Texas Association of Counties Health and Employee Benefits Pool (TAC HEBP) uses an online administrative system known as OASys. OASys allows county administrators to enroll, change and terminate employee and dependent coverage in the health plan in a secure internet environment. They may also download the monthly bills from this site.

The Contracting Authority must designate the person(s) that will have access to OASys and set their access privileges. The User Name and Password will be emailed to the User after training is completed. Please circle the level of desired access and have each user sign the agreement below. If you have any questions, please call your Employee Benefits Specialist at 800-456-5974.

Name of User/Title	Access Privileges (Circle one)	Email Address (required)
User 7 Brenda Cos, USI consultant	Admin or View Only	Brenda.Cos@usi.com
User 8 Christiana Stahl, medical clerk	Admin or View Only	CStahl@brazoscountytx.gov
User 9 Diana Miller, Nurse	Admin or View Only	dmiller@brazoscountytx.gov

As a User of OASys, I understand that I am responsible for maintaining the confidentiality of my password. I understand and agree that TAC HEBP is not responsible for any damages resulting from the unauthorized use of my password or account. I further understand that I must notify TAC HEBP immediately of any unauthorized use of my password or account or any other breach of security.

User 7 Signature Brenda Cos  
User 8 Signature Christiana Stahl  
User 9 Signature Diana Miller

Signature of County Judge or Contracting Authority:

Print name and title:

Diane Peters, County Judge

Date: 10/17/17



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## BRAZOS COUNTY BENEFIT HIGHLIGHTS

### Custom Plan

(Non-Grandfathered ACA Plan)

## BlueChoice Network

This is a general summary of your benefits. Please refer to your benefit booklet for additional details and a description of the plan requirements and benefit design. This plan does not cover all health care expenses. Upon receipt of your benefit booklet, carefully review the plan's limitations and exclusions.

Overall Payment Provisions			In-Network Benefits	Out-of-Network Benefits
<b>Deductibles</b> Per-admission Deductible Deductible Applies to all Eligible Expenses except Inpatient Hospital Expenses (unless otherwise indicated)			None \$750 Individual / \$1,500 Family	None \$1,500 Individual / \$3,000 Family
<b>CoShare Stoploss Maximum</b> Deductibles are not applied to CoShare Stoploss Maximum. Copayment Amounts will apply and will not be required after CoShare Stoploss Maximum has been satisfied. Your benefit booklet will provide more details			\$3,000 Individual / \$6,000 Family  Network Deductible & CoShare Stoploss Maximum will only apply toward Network Deductible & CoShare Stoploss Maximum	\$9,000 Individual / \$18,000 Family  Out-of-Network Deductible & CoShare Stoploss Maximum do not apply toward Network Deductible & CoShare Stoploss Maximum
<b>Copayment Amounts Required</b> Physician office visit/consultation Refer to Medical/Surgical Expenses section for more information  Specialty Care Copayment Amount for office visit/consultation when services rendered by a Specialty Care Provider  Urgent Care  Outpatient Hospital Emergency Room/Treatment Room Refer to Emergency Room/Treatment Room section for more information			\$25 Copayment Amount  \$35 Copayment Amount  \$50 Copayment Amount  \$100 Copayment Amount	    \$100 Copayment Amount
<b>Maximum Lifetime Benefits</b> Per Participant			Unlimited	
<b>Inpatient Hospital Expenses</b>				
<b>Inpatient Hospital Expenses</b> All services must be preauthorized All usual Hospital services and supplies, including semiprivate room, intensive care, and coronary care units  Penalty for failure to preauthorize services			80% of Allowable Amount after Plan Year Deductible  None	30% of Allowable Amount after Plan Year Deductible  \$250



BlueCross BlueShield  
of Texas

Initials *SL* Date 10/11/17



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Medical/Surgical Expenses

### In-Network Benefits

### Out-of-Network Benefits

#### Medical / Surgical Expenses

Services performed by Primary Care Provider during the office visit/consultation, including lab & x-ray (does not include Certain Diagnostic Procedures and surgical services)

100% of Allowable Amount after  
\$25 Copayment

30% of Allowable Amount after Plan  
Year Deductible

Services performed by Specialty Care Provider during the office visit/consultation, including lab & x-ray (does not include Certain Diagnostic Procedures and surgical services)

100% of Allowable Amount after  
\$35 Copayment

30% of Allowable Amount after Plan  
Year Deductible

Lab & x-ray in other outpatient facilities (excluding Certain Diagnostic Procedures)

100% of Allowable Amount

30% of Allowable Amount after Plan  
Year Deductible

Allergy Injections

100% of Allowable Amount

30% of Allowable Amount after Plan  
Year Deductible

Colonoscopy (All places of treatment and diagnoses)

100% of Allowable Amount

30% of Allowable Amount after Plan  
Year Deductible

Physician surgical services performed in any setting

80% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

Certain Diagnostic Procedures, such as Bone Scan, Cardiac Stress Test, CT -Scan (with or without contrast), Ultrasound, MRI, Myelogram, PET Scan.

80% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

Home Infusion Therapy (Services must be preauthorized)

80% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

All other outpatient services and supplies

80% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

In Vitro Fertilization Services

Declined

## Extended Care Expenses

#### Extended Care Expenses

All services must be preauthorized

100% of Allowable Amount

30% of Allowable Amount after Plan  
Year Deductible

Skilled Nursing Facility  
Home Health Care  
Hospice Care

25 day maximum each Plan Year\*  
60 visit maximum each Plan Year\*  
Unlimited

## Special Providers Expenses

#### Serious Mental Illness

All services must be preauthorized

##### Inpatient Services

-Hospital services (facility)

60% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

-Physician services

80% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

##### Outpatient Services

-Services performed during Physician office visit/consultation (does not include psychological testing)

100% of Allowable Amount after  
\$25 Copayment

30% of Allowable Amount after Plan  
Year Deductible

-All outpatient services and psychological testing

80% of Allowable Amount after Plan  
Year Deductible

30% of Allowable Amount after Plan  
Year Deductible

\* Benefits used In-Network and Out-of-Network will apply toward satisfying any day, visit, Plan Year, Annual Maximum, series of treatments benefits indicated

Initials WP Date 10/17/17



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

Special Provisions Expenses, Costs	In-Network Benefits	Out-of-Network Benefits
<b>Mental Health Care/Chemical Dependency</b>		
All services must be preauthorized		
<b>Inpatient Services</b>		
-Hospital services (facility)	80% of Allowable Amount after Plan Year Deductible	30% of Allowable Amount after Plan Year Deductible
-Physician services	80% of Allowable Amount after Plan Year Deductible	30% of Allowable Amount after Plan Year Deductible
<b>Outpatient Services</b>		
-Services performed during Physician office visit/consultation (does not include psychological testing)	100% of Allowable Amount after \$25 Copayment Amount	30% of Allowable Amount after Plan Year Deductible
-Other Outpatient Services and psychological testing	80% of Allowable Amount after Plan Year Deductible	30% of Allowable Amount after Plan Year Deductible
<b>Emergency Room/Treatment Room</b>		
<b>Accidental Injury &amp; Emergency Care</b>		
-Facility charges (outpatient Hospital emergency treatment room charges)	80% of Allowable Amount after \$100 Copayment Amount (Copayment Amount waived if admitted. Inpatient Hospital Expenses will apply)	
-Physician charges	80% of Allowable Amount after Plan Year Deductible	
<b>Non-Emergency Care</b>		
-Facility charges (outpatient Hospital emergency treatment room charges)	80% of Allowable Amount after \$100 Copayment Amount (Copayment Amount waived if admitted, Inpatient Hospital Expenses will apply)	30% of Allowable Amount after \$100 Copayment Amount & Plan Year Deductible (Copayment Amount waived if admitted, Inpatient Hospital Expenses will apply)
-Physician charges	80% of Allowable Amount after Plan Year Deductible	30% of Allowable Amount after Plan Year Deductible
<b>Ground and Air Ambulance Services</b>		
	80% of Allowable Amount after Plan Year Deductible	

\* Benefits used In-Network and Out-of-Network will apply toward satisfying any day, visit, Plan Year, Annual Maximum, series of treatments benefits indicated

Initials  Date 10/17/17



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

<b>Specialty Procedures Expenses, etc.</b>	<b>In-Network Benefits</b>	<b>Out-of-Network Benefits</b>
<b>Preventive Care</b> Routine annual physical examinations, well-baby care exams, immunizations 6 years of age & over, vision exams, hearing exams, and any other preventive health services as determined by USPSTF  Immunizations for Dependent children through the date of the child's 6 <sup>th</sup> birthday	100% of Allowable Amount  100% of Allowable Amount	30% of Allowable Amount after Plan Year Deductible  100% of Allowable Amount
<b>Speech and Hearing Services</b> Services to restore loss of or correct an impaired speech or hearing function without hearing aids  Hearing Aid Maximum	Covered same as any other sickness  Hearing Aids are subject to 1 per ear per 36 month period	Covered same as any other sickness  Hearing Aids are subject to 1 per ear per 36 month period
<b>Physical Medicine Services</b> Chiropractic Care-Office Services  Plan Year Maximum  Physical Medicine Services (includes, but is not limited to physical, occupational, and manipulative therapy)  Plan Year Maximum	80% of Allowable Amount after Plan Year Deductible  35 visit maximum each Plan Year*  80% of Allowable Amount after Plan Year Deductible  30 visit maximum each Plan Year*	30% of Allowable Amount after Plan Year Deductible  30% of Allowable Amount after Plan Year Deductible

\* Benefits used In-Network and Out-of-Network will apply toward satisfying any day, visit, Plan Year, Annual Maximum, series of treatments benefits indicated

## EMPLOYEE INFORMATION

This is a general Summary of your benefit design. Please refer to your benefit booklet for other details and for limitations and exclusions.

The following benefits apply to dependent coverage:

- Dependent children are covered to age 26.
- Automatic coverage for newborns for the first 31 days following birth. Infants not enrolled for coverage within the first 31 days after birth will not be eligible for coverage until the following open enrollment period or special enrollment event.

**Payments:** Network providers agree to accept amounts negotiated with BCBSTX and are paid according to this BCBSTX-determined Allowable Amount. Covered individuals are responsible for any required Deductibles, Coinsurance Amounts, and Copayments. Plan benefits paid to Out-of-Network providers are based on the BCBSTX-determined Allowable Amount, except in the event of Emergency Care received in an outpatient hospital emergency treatment room within 48 hours of the incident. For all other services received by an Out-of-Network Provider, the covered individual will be responsible for charges in excess of the Allowable Amount in addition to any applicable Deductibles, Coinsurance Amounts, and Copayments. For cost savings information, refer to the section on ParPlan Providers and the definition of Allowable Amount in the benefit booklet.

**Replacement of Medical Coverage:** In compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the following provisions apply to each eligible participant who has health coverage under the employer's plan immediately prior to the effective date of the health contract between the employer and BCBSTX (the contract date):

- Benefits for eligible expenses incurred for any service or supplies prior to the contract date, are not covered under the contract.
- Eligible expenses for services or supplies incurred on or after the effective date will be considered for benefits subject to all applicable contract provisions.

Initials *DP* Date *10/17/17*



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Brazos County Prescription Drug Program Custom Plan - No Deductible

Prescription Drug Program	Network
<b>Retail Pharmacy</b>	<b>Participating CVS Caremark Retail Pharmacy</b>
Deductible	\$0 Individual / \$0 Family
Level 3 Drug (Non-Preferred Brand Name)	20% with \$40 min/\$100 max per script for 30-day supply OR 20% with \$120 min/\$300 max per script for 90-day supply
Level 2 Drug (Brand Name)	20% with \$25 min/\$100 max per script for 30-day supply OR 20% with \$75 min/\$300 max per script for 90-day supply
Level 1 Drug (Generic)	\$7 for 30-day supply or \$21 for 90-day supply
<b>Note:</b> Specialty and biotech medications are available only through mail order unless purchased and administered through the doctor's office.	

### Mail Service Pharmacy-up to a 90-day supply

Level 3 Drug (Non-Preferred Brand Name)	20% with \$120 min/\$300 max per script
Level 2 Drug (Brand Name)	20% with \$75 min/\$300 max per script
Level 1 Drug (Generic)	\$15 Copayment Amount
<b>Note:</b> Prescription Drug Benefits are provided by CVS Caremark through a master contract with the Texas Association of Counties Health and Employee Benefits Pool. Prescription Drugs are not administered by Blue Cross and Blue Shield of Texas	

Initials DL Date 10/17/17



# TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

## Dental Option II-with orthodontics

Type of Service	Benefit**
<b>General Provisions</b>	
Plan Year Deductible	\$50 Individual / \$150 Family
Plan Year Maximum per Participant	\$1,500
<b>Diagnostic and Preventive Care Benefits (deductible waived)</b>	
Oral Examinations (twice per Plan Year)	100%
Prophylaxis (two cleanings per Plan Year)	
Fluoride Treatment (to age 19; twice per Plan Year)	
Dental X-rays - Full Mouth/Panoramic X-rays (once every 36 months)	
Bitewing X-ray Series (twice per Plan Year)	
Labs and Tests	
Sealants up to age 14, permanent molars, one time per lifetime	
<b>Miscellaneous Services</b>	
Space Maintainers	80%
Palliative Care	
<b>Restorative Services</b>	
Amalgams and Composites (once per surface on the indicated tooth per Plan Year)	80%
Simple Extractions	
Pin Retention	
<b>General Services</b>	
Anesthesia	80%
Stainless Steel Crowns	
Recementation of crowns, inlays/onlays	
Crown repair	
Refine/Rebase	
Recementation and repair of bridges/denture repair	
Diagnostic Casts (once per Plan Year)	
<b>Endodontic Services</b>	
Root canal therapy	80%
Direct pulp cap	
Apicoectomy/Apexification	
Retrograde filling	
Root amputation/hemisection	
Therapeutic pulpotomy	
Gross pulpal debridement	
<b>Periodontal Services</b>	
Periodontal scaling and root planning	80%
Full mouth debridement	
Gingivectomy/gingivoplasty	
Gingival flap procedure / Osseous surgery and grafts / Soft tissue grafts	
<b>Oral Surgery Services</b>	
Surgical tooth extractions	80%
Alveoloplasty	
Vestibuloplasty	
<b>Crowns, Inlays/Onlays Services</b>	
Prefabricated post and cores	50%
<b>Prosthetic Services</b>	
Bridges and dentures	50%
<b>Orthodontic Benefits</b>	
Orthodontic Diagnostic Procedures and Treatment (Available only to participants under age 25)	50%
Lifetime Maximum per Participant	\$1,500

Initials *SP* Date 10/17/17





## TEXAS ASSOCIATION of COUNTIES HEALTH AND EMPLOYEE BENEFITS POOL

\*\*Each time you need dental care, you can choose to:

See a Contracting Dentist	See a Non-Contracting Dentist
<ul style="list-style-type: none"><li>Your out-of-pocket cost will generally be the least amount because BlueCare Dentists have contracted to accept a lower Allowable Amount as payment in full for Eligible Dental Expenses</li><li>You are not required to file claim forms</li><li>You are not balance billed for costs exceeding the BCBSTX Allowable Amount for BlueCare Dentists</li></ul>	<ul style="list-style-type: none"><li>Your out-of-pocket cost may be greater because Non-Contracting Dentists have not entered into a contract with BCBSTX to accept any Allowable Amount determination as payment in full for Eligible Dental Expenses</li><li>You are required to file claim forms</li><li>You are balance billed for costs exceeding the BCBSTX Allowable Amount</li></ul>

### EMPLOYEE INFORMATION

This is a general summary of your benefit design. Please refer to your benefit booklet for other details and for limitations and exclusions. The following eligibility provisions apply:

- Dependent children are covered to age 26. Disabled dependent children can be covered beyond age 26.
- Retirees may be eligible, depending on employer contract.
- Employees may enroll dependent children up to age 5, on the first of the month following application with no late enrollment penalty.

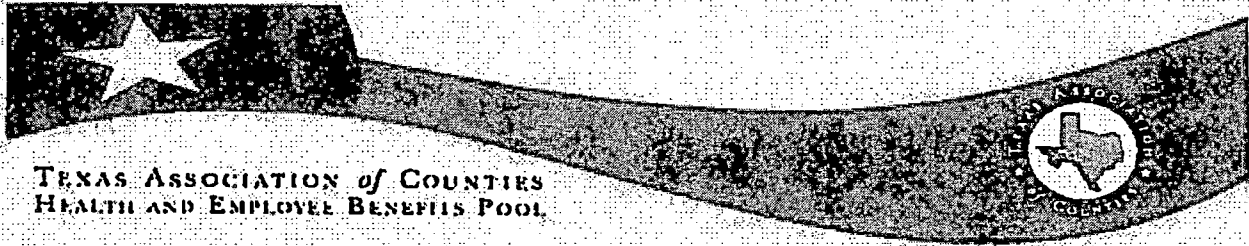
An exclusion will apply to expenses involving the replacement of teeth that were missing prior to the effective date of the dental contract. All other benefits will begin on the first day of coverage. This exclusion will not apply to:

- Any participant who becomes effective on the dental contract date who was covered under a previous group dental care contract by the Employer.
- Any participant who has been continuously covered for 24 months under a group dental care contract with BCBSTX which included prosthetic benefits.
- A partial or full denture or fixed bridge which includes replacement of a missing tooth which was extracted after coverage becomes effective.

When the course of treatment will be in excess of \$300, a predetermination request should be submitted to BCBSTX in advance of treatment.

Initials DP Date 10/17/17





## Employer Contribution Schedule & Benefit Confirmation

Group: 217225 - Brazos County

Anniversary Date: 01/01/2018

Return to TAC by: 10/13/2017

Thank you for choosing the Texas Association of Counties Health and Employee Benefits Pool for your group health coverage. Upon initial enrollment, confirmation statements are sent to each of your employees confirming benefits they have enrolled in. Please help us provide accurate confirmation statements for your employees by providing us with up-to-date information about the employer contribution for your coverage. Confirm your group's benefits and fill out the contribution schedule according to your group's funding levels. Please return this with all other contract information so that we are able to initiate your benefits. Fax to 1-512-481-8481 or email laurenh@county.org.

### MEDICAL

Medical: Custom Non-Grandfathered Plan \$25 PCP copay, \$35 SCP, \$750 Ded, \$3000 OOP Max

RX Plan: Custom Non-Grandfathered Plan - No Deductible

Tier	Funding Rates Effective 01/01/2018	New Amount Employer Funds	New Amount Employee Pays	New Amount Retiree Pays (if applicable)	
Employee Only	\$ 1107.54	\$ 1041.54	\$ 66.00	\$	varies
Employee + Child	\$ 1367.88	\$ 880.88	\$ 326.00	\$	
Employee + Children	\$ 1367.88	\$ 880.88	\$ 326.00	\$	
Employee + Spouse	\$ 1527.93	\$ 1201.93	\$ 487.00	\$	
Employee + Family	\$ 1717.86	\$ 1041.86	\$ 676.00	\$	

Initial to accept Medical Plan and New Rates

### DENTAL

Dental: Plan II with Ortho - 100% Prevent., \$50 Ded, 80% Basic, 50% Major

Tier	Funding Rates Effective 01/01/2018	New Amount Employer Funds	New Amount Employee Pays	New Amount Retiree Pays (if applicable)	
Employee Only	\$ 28.10	\$ .10	\$ 28.00	\$	varies
Employee + Children	\$ 66.23	\$ .23	\$ 66.00	\$	
Employee + Spouse	\$ 74.26	\$ .26	\$ 74.00	\$	
Employee + Family	\$ 118.41	\$ .41	\$ 118.00	\$	

Initial to accept Dental Plan and Rates

## RETIREE

Please circle one for each benefit that applies.

Your group allows retiree coverage for:

Medical:	Pre 65	Post 65	<u>Both</u>
Dental:	Pre 65	Post 65	<u>Both</u>

## WAITING PERIOD

Waiting period applies to all benefits.

Employees

1st of month after 30 days

Elected Officials

0 days

Please indicate how your group manages COBRA administration:

☐ County/Group processes COBRA

\*County/Group is responsible for fulfilling COBRA notification process and requirements.

☒ BCBS COBRA Department processes COBRA

\*BCBS COBRA Department administers via COBRA contract with the County/Group

## PLAN INFORMATION

Please indicate your broker / agent's name, if applicable

USI

- Retirees pay the same premium as active employees regardless of age for medical and dental. W/ more than 8 yrs of service employed prior to 8/30/11; all others pay full premium.
- Rates based upon current benefits and enrollment. A substantial change in enrollment (10% over 30 days or 30% over 90 days) may result in a change in rates.
- Form must be received by 10/13/2017 in order to avoid additional administrative fees.
- Signature on the following page is required to confirm and accept your group's rates.

## TAC HEBP Member Contact Designation Brazos County

### CONTRACTING AUTHORITY

As specified in the Interlocal Participation Agreement, each Member Group hereby designates and appoints, as indicated in the space provided below, a Contracting Authority of department head rank or above and agrees that TAC HEBP shall NOT be required to contact or provide notices to ANY OTHER person. Further, any notice to, or agreement by, a Member Group's Contracting Authority, with respect to service or claims hereunder, shall be binding on the Member Group. Each Member Group reserves the right to change its Contracting Authority from time to time by giving written notice to TAC HEBP.

Please list changes and/or corrections below.

Name / Title Contracting Name/Title  
Address 123 County Ln  
City, TX 12345  
Phone 555-123-4567  
Fax 555-123-5678  
Email name@samplecounty.com

Duane Peters, County Judge  
200 S. Texas Ave, Suite 332  
Bryan, TX 77803  
(979) 361-4101  
(979) 361-4508  
dpeters@brazoscountytexas.gov

### BILLING CONTACT

Responsible for receiving all invoices relating to HEBP products and services.

Please list changes and/or corrections below.

Name / Title Billing Name/Title  
Address 123 County Ln  
City, TX 12345  
Phone 555-234-5678  
Fax 555-234-6789  
Email billing@samplecounty.com  
HIPAA Secured Fax 555-234-7890

Allan Seale, Payroll Manager  
200 S. Texas Ave. Suite  
Bryan, TX 77803  
(979) 361-4343  
(979) 361-4347  
aseale@brazoscountytexas.gov

### PRIMARY CONTACT

HEBP's main contact for daily matters pertaining to the health benefits.

Please list changes and/or corrections below.

Name / Title Primary Name/Title  
Address 123 County Ln  
City, TX 12345  
Phone 555-345-6789  
Fax 555-345-7890  
Email primary@samplecounty.com

Jennifer Salazar, HR Director  
200 S. Texas Ave, Suite 200  
Bryan, TX 77803  
(979) 361-4117  
(979) 823-6993  
jsalazar@brazoscountytexas.gov

Signature of County Judge or Contracting Authority

Duane Peters, County Judge  
Please PRINT Name and Title

Date: 10/17/17



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Amended Funding Agreement with Scotty's House Child Advocacy Center for FY 2018.  
TO: Commissioners Court  
DATE: 10/06/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

NOTES/EXCEPTIONS: This agreement has been for \$5,000 in previous years and an agreement was approved on 09/12/17 for \$5,000. This year the agreement is being paid from Family Protection fees and since there are funds to cover their request for \$8,000 Judge granted it. Therefore we are amending the agreement to change the amount to \$8,000.

**ATTACHMENTS:**

**File Name**

[2018 Scotty s House AMENDED.pdf](#)

**Description**

Scotty's House

**Type**

Cover Memo

**AMENDED  
FUNDING AGREEMENT  
BETWEEN BRAZOS COUNTY AND  
SCOTTY'S HOUSE CHILD ADVOCACY CENTER**

THIS FUNDING AGREEMENT ("Agreement") IS ENTERED INTO BY AND BETWEEN **BRAZOS COUNTY, TEXAS**, acting by and through its duly elected County Commissioners (hereinafter "County"), and **SCOTTY'S HOUSE CHILD ADVOCACY CENTER** (hereinafter "Provider"), located in Bryan, Texas, and is effective October 1, 2017.

**RECITALS**

WHEREAS, the County has the objective of providing support services to children who are the victims of physical abuse, sexual abuse, neglect, and exposure to violence; and

WHEREAS, the Provider shares this common goal with the County; and

WHEREAS, the County desires to assist the Provider in providing support services to children who are the victims of physical abuse, sexual abuse, neglect, and violence. through funds provided by the County.

NOW THEREFORE, the parties agree to the following terms and conditions to provide such support services.

**AGREEMENT**

**TERM**

This Agreement shall be for a term of twelve (12) months commencing on the 1<sup>st</sup> day of October, 2017, and terminating 30<sup>th</sup> day of September, 2018.

**CANCELLATION**

This Agreement may be canceled by any parties hereto upon sixty (60) days written notice as provided herein.

**SERVICES TO BE PERFORMED BY PROVIDER**

The Provider will provide the following services:

1. Forensic Services - forensic interviews and on-site medical examinations that minimize additional trauma to the child. A forensic interview is a structured conversation with a child intended to elicit detailed information about a possible

event(s) that the child may have experienced or witnessed. Each child's interview is conducted by a trained Forensic Interviewer in a child friendly environment. A recording of the interview with the child is made available to agencies involved, thus reducing the number of times the child must retell the story. The recording may then be used in court proceedings.

2. Advocacy Services – a Family Services Coordinator will work with each family to provide information and referral to community resources, follow-up medical testing and treatment, assistance with crime victims' compensation and any other need identified by the family.
3. Counseling Services - counseling is provided to children and their non-offending family members. Counseling can take shape in many forms: play therapy for younger children, art therapy, equine assisted psychotherapy, or support groups for children and their caregivers. Without counseling, children who are abused often experience severe social and psychological trauma that may including nightmares, hyper-vigilance, sleep difficulties, poor self-esteem, social isolation, increased use of drugs and alcohol, school failure, depression, and suicidal ideation.
4. Education & Outreach Services - provide educational programs to the Brazos Valley on a variety of topics pertaining to child abuse, services to victims of sexual assault and their families (collectively "Services").

#### USE OF COUNTY FUNDS

Funds to be furnished to Provider as stated herein be used to offset operational expenses of the Provider, including rent, telephone expenses, and office supplies.

#### COUNTY'S LIABILITY FOR PAYMENT

The County agrees to fund the Provider a maximum amount of money totaling **\$8,000.00** for the term of this Agreement ("Funds").

#### RESPONSIBILITIES OF PROVIDER

Provider will be responsible for providing the following services pursuant to this Agreement:

1. Maintaining this Agreement;
2. Providing of Services;
3. Maintaining data files on clients and the Services provided thereto;
4. Respond to all and any inquiries by the County.

5. Provider agrees that the County, or its designated representative, shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Provider agrees to maintain such records for possible audit for a minimum of three (3) years after the termination date of this Agreement, unless a longer period of records retention is stipulated. Provider agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Provider agrees that the County, or its designated representative, shall further have the right to review and to copy any records and supporting documentation for prior years in which the County provided funds to the Provider under prior Agreements. Any audit will be conducted by County personnel or an independent third party, as determined by the Brazos County Commissioners Court. If the Brazos County Commissioners Court determines that the audit will be conducted by an independent third party, all costs and expenses associated with said audit will be solely paid for by the Provider.
6. Brazos County Commissioners Court may, in its sole discretion, require that an independent financial audit be performed on the records of the Provider. If an independent financial audit is performed, a management letter will be prepared by the auditor as part of the process and a copy of said management letter shall be delivered to the Brazos County Commissioners Court. The management letter shall identify issues that might not otherwise require disclosure in the Provider's annual financial report, but which are of concern to or under the suggestion of the auditor. If the Brazos County Commissioners Court determines that the audit will be conducted by an independent third party, all costs and expenses associated with said audit will be solely paid for by the Provider.
7. Provider will provide the County with any and all certified audits conducted by Provider and the management letter prepared in connection therewith;
8. Provider will provide the Commissioners Court with statistics evidencing the number of Brazos County residents using the Provider's Services.

#### RESPONSIBILITY OF COUNTY

The County shall be responsible for the following duties and requirements:

1. Provide County Funds.
2. Conduct a review of the Provider's performance in providing the Services to be provided hereunder in order to assess County's continued participation in the funding of the Provider.

## RECORD RETENTION

The Provider shall be responsible for record keeping on all Services provided to those individuals using its services and all financial records. The Provider agrees to maintain and make available for inspection by the County upon request, consistent with personal privacy and subject to the limitation of state law, any and all records the County determines, in its sole discretion, to be necessary for the County to justify its continued participation in supporting the Provider with Funds. Such records shall be retained for at least three (3) years from the date the service was provided. These records shall be made available for inspection and audit by the County, if it so desires.

## DISCRIMINATION

The Provider shall not discriminate against any employee or applicant for employment because of race, color, sex, or national origin. The Provider shall take affirmative action to ensure that applicants who are employed are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. The Provider agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

## INDEMNITY

The parties hereto agree to indemnify one another for and hold one another harmless from and against all suits, claims, demands, liabilities or actions resulting or alleged to result from the breach, violation or non-performance of the services stated herein and for any damage to any person resulting from any action or omission or negligence on the part of each party hereto.

## INSURANCE

The parties hereto agree that the Provider shall be an independent contractor and not any employee or agent of the County and that each shall maintain at its own expense, adequate liability insurance to insure against damages and liabilities which may arise due to the duties and obligations contracted for herein.

## COUNTY INVOLVEMENT

The County and Provider state that to the best of their knowledge, no officer, agent or employee of the County who exercises any function or responsibility in connection with the carrying out of this Agreement or the Services to which it relates has personal interest, direct or indirect, in this Agreement.



## GOVERNING LAW

This Agreement shall be executed in and shall be governed by the laws of the State of Texas.

## NOTICES

All notices required to be given hereunder shall be deemed to be duly given by delivering such notice or by mailing it, certified mail RRR to the other party at the following addresses:

Scotty's House Child Advocacy Center  
2424 Kent Street  
Bryan, Texas 77802

Brazos County Commissioners Court  
County Administration Building  
200 So. Texas Ave. No. 310  
Bryan, Texas 77803

## FURTHER ASSURANCES

Each party hereto agrees to perform any further acts and to execute and deliver any further documents which may be necessary to carry out the provisions of this Agreement.

## SEVERABILITY

In the event that any of the provisions or portions thereof, of this Agreement, are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions or portions shall not be affected thereby.

## ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understanding, oral or written, between or among the parties hereto, relating to the subject matter of the Agreement, which are not fully expressed herein.

ASSIGNABILITY

This Agreement is not assignable by the Provider without the prior written consent of the County.

DATED this 17<sup>th</sup> day of October, 2017.

Brazos County

Scotty's House Child Advocacy Center

  
Duane Peters, Judge

  
Cary Baker, Executive Director

ATTEST:

  
Karen McQueen, County Clerk



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Information Technology NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Request from the Information Technology Department to approve the Registration Services Agreement between Brazos County and the American Registry for Internet Numbers, Ltd. ("ARIN")

TO: Commissioners Court

FROM: Eric V. Caldwell, CGCIO

DATE: 09/20/2017

FISCAL IMPACT: True

BUDGETED: False

DOLLAR AMOUNT: \$850.00

BUDGET DETAIL: ARIN will charge an initial Resource Transfer fee of \$300.00 for the transfer of the IP address block. ARIN also charges an initial fee of \$550.00 for the assignment of an Autonomous System Number. Money to cover this cost is in 71020000 Computer Contracts. We will work with the Auditor's Office to determine if a related budget amendment will be required. Note that, in addition to the \$850 one-time fees, there will be an ongoing maintenance cost of \$200 per year - \$100 per year for the IP address block, plus \$100 per year for the Autonomous System Number.

SOURCE OF FUNDS: 14000200-71020000 Computer Contracts - the \$850 one-time fees were unforeseen and not explicitly budgeted. However, the 2% budgeted for overages in 7102000 is sufficient to cover this cost.

REQUIREMENTS: Approval of the Registration Services Agreement. Note that a related budget amendment may be requested as well to move the money to the appropriate expense account.

NOTES/EXCEPTIONS: On August 15, 2017 Commissioners Court approved the Asset Purchase and Brokerage Agreements to acquire a netblock of 265 IPv4 addresses. The Registration Services Agreement is a contract with ARIN to provide the administration and technical coordination and management of these Internet number resources. If a budget amendment is needed it will be requested as soon as possible.

ACTION REQUESTED OR ALTERNATIVES: County Judge's signature on the attached Registration Services Agreement.

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

[ARIN\\_RSA\\_Unsigned.pdf](#)

ARIN Registration Services Agreement

Backup Material

[ARIN\\_Number\\_Resource\\_Policy\\_Manual.pdf](#)

ARIN Number Resources Policy Manual

Backup Material

[ARIN\\_Fee\\_Schedule.pdf](#)

ARIN Fee Schedule

Backup Material

**AMERICAN REGISTRY FOR INTERNET NUMBERS, LTD.  
REGISTRATION SERVICES AGREEMENT**

This REGISTRATION SERVICES AGREEMENT ("Agreement") is made by and between the AMERICAN REGISTRY FOR INTERNET NUMBERS, LTD. ("ARIN"), a Virginia nonprofit corporation, and

BRAZOS COUNTY, ("Holder").

**1. INTRODUCTION**

(a) ARIN is a Regional Internet Registry serving the United States, Canada, and specific designated islands in the Caribbean Sea and North Atlantic Ocean. ARIN is responsible for the registration, administration, and stewardship of Internet number resources in these geographic areas.

(b) For purposes of this Agreement (i) the term "Included Number Resources" means the Internet number resources, which include without limitation registration rights for Internet Protocol ("IP") address space and Autonomous System Numbers ("ASN's"), issued or to be issued to Holder by ARIN, and any other number resources issued to Holder or its predecessor in interest prior to ARIN's inception on December 22, 1997 ("Legacy Number Resources") and specifically identified by Holder as subject to this Agreement; and, (ii) the term "Services" means the services that ARIN provides pursuant to this Agreement with respect to the Included Number Resources to Holder, including, without limitation, the inclusion of the registry entries for IP address space and/or ASN's, reverse name service on network blocks, Resource Public Key Infrastructure ("RPKI"), maintenance of resource records, and administration of IP address space; and (iii) any reference to "number resources" shall mean both IP address space and ASN's.

(c) In addition to the Agreement, the Services are subject to the terms and conditions of ARIN's Number Resource Policy Manual (as amended, supplemented, or otherwise modified as provided under Section 5), and other policies, guidelines and procedures adopted by ARIN (collectively, the "Policies") and published on ARIN's Website located at <http://www.arin.net> (the "Website"). This Agreement and the Policies are referred to collectively as the "Service Terms." In the event of any inconsistency between the Policies and this Agreement, the terms of this Agreement will prevail but solely to the extent of the inconsistency. This Agreement supersedes any prior or contemporaneous agreement between Holder and ARIN for Included Number Resources.

(d) Because of the necessary role that ARIN performs for the Internet community, ARIN reserves the right, in its sole and absolute discretion, to amend, supplement, restate or otherwise modify any or all Policies at any time and from time to time, including the right to implement new Policies and/or make some or all Policies obsolete. ARIN will provide notice (pursuant to Section 14(i)) of Policy changes to Holder. ARIN will also publish Policy changes on its Website. Policy changes are effective immediately and binding on Holder upon the earlier of ARIN's notice to Holder or publication on ARIN's Website, at which time the Policy changes shall constitute a part of the Policies. Holder's continued access to or use of any Services after such notice or publication constitutes Holder's acceptance of such Policy changes.

(e) ARIN may only modify the terms of this Agreement under the following circumstances:

- (1) The Board finds an immediate and compelling need to amend the Agreement due to a definable, discrete, identifiable change in relevant statute or caselaw; or
- (2) Upon recommendation of the Board and ratification by Member vote.

Upon ARIN changing the terms of this Agreement, ARIN will provide notice of change in writing delivered by any of the following methods: (i) hand delivery, (ii) certified U.S. or registered international mail, return receipt requested, postage prepaid, (iii) reputable overnight courier. The effective date of such a change shall be no earlier than 90 days from the notice. ARIN will also publish the revised terms of the Agreement on its Website. Holder's continued access to or use of any Services after such notice or publication constitutes Holder's acceptance of the revised terms.

**2. CONDITIONS OF SERVICE**

(a) Compliance. In receiving or using any of the Services, Holder must comply with the Service Terms.

(b) Provision of Services and Rights. Subject to Holder's on-going compliance with its obligations under the Service Terms, including, without limitation, the payment of the fees (as set forth in Section 4), ARIN shall (i) provide the Services to Holder in accordance with the Service Terms and (ii) grant to Holder the following specified rights:

- (1) The exclusive right to be the registrant of the Included Number Resources within the ARIN database;
- (2) The right to use the Included Number Resources within the ARIN database; and
- (3) The right to transfer the registration of the Included Number Resources pursuant to the Policies.

Holder acknowledges that other registrants with ARIN have rights that intersect or otherwise impact Holder's rights and/or use of the Included Number Resources, including, but not limited to, other registrants benefiting from visibility into the public portions of registrations of the Included Number Resources as further described in the Policies.

(c) **Information and Cooperation.** Holder has completed an application provided by ARIN for one or more Services (the "Application"). Holder must (i) promptly notify ARIN if any information provided in the Application changes during the term of this Agreement, and (ii) make reasonable efforts to promptly, accurately, and completely provide any information or cooperation required pursuant to the Service Terms or in response to any inquiry or request made to Holder by ARIN during the term of this Agreement. In addition, Holder shall promptly provide ARIN with complete and accurate information, and cooperation as required by any Service Terms or that ARIN requests in connection with ARIN's provision of any of the Services to Holder. If Holder does not provide ARIN with such information or cooperation that ARIN requests, ARIN may take such failure into account in evaluating Holder's subsequent requests for transfer, allocation or assignment of additional number resources, or requests for changes to any Services.

(d) **Prohibited Conduct By Holder.** In using any of the Services, Holder shall not: (i) disrupt or interfere with the security or use of any of the Services; (ii) violate any applicable laws, statutes, rules, or regulations; or (iii) assist any third party in engaging in any activity prohibited by any Service Terms.

(e) **Cooperation With Government Authority.** ARIN shall have the right, without liability or notice to Holder, to cooperate and comply with all applicable laws, statutes, rules, or regulations and all government or judicial inquiries or orders ("Orders") with respect to Holder's use of any Service. ARIN shall have the right, without liability or notice to Holder, to follow any Order concerning any number resources or Holder's use of any Service, including an Order to stop any Service or to terminate this Agreement. ARIN shall, when legally permitted and to the extent allowed by an Order, notify Holder within a reasonable amount of time after receipt of an Order.

(f) **Content Control.** Holder acknowledges that ARIN does not have the ability to control or influence content accessible through or facilitated by those who receive number resources, directly or indirectly, from ARIN.

### 3. USE OF THE ARIN DATABASE

(a) **Authorization.** The Administrative Point of Contact ("POC") will be an employee designated by Holder who will be the principal point of contact between Holder and ARIN with respect to the Included Number Resources in the ARIN registry database, and have the sole right to designate other qualifying POCs of Holder with authority to modify the Included Number Resources in the ARIN registry database ("Authority"). The Administrative POC will also facilitate Holder's compliance with the terms and conditions of this Section 3. Upon ARIN's request, Holder will promptly provide ARIN with accurate documentation and information regarding the identity of the Administrative POC and any other POCs with the authority to act on behalf of Holder. Holder must notify ARIN promptly if: (i) the relationship between a POC and Holder is terminated; (ii) a POC's Authority is to be revoked; (iii) Holder has any reason to believe that a POC has granted or will grant a third party unauthorized access to the ARIN registry database or any portion thereof; or (iv) if Holder wants to designate a different Administrative POC. Notices to ARIN under this Section 3(a) must be given by email to [hostmaster@arin.net](mailto:hostmaster@arin.net) or submitted through an authorized account via ARIN Online and will be effective when acknowledged as received by ARIN.

(b) **Responsibility for Directory Services Data.** Holder is responsible for the timely and accurate maintenance of directory services data (Whois) with respect to the Included Number Resources, as well as data concerning any organization to which Holder further sub-delegates the Included Number Resources.

(c) **Holder Liability for Acts and Omissions.** Holder is solely and exclusively responsible for all acts and omissions of its POCs and/or others acting by or on behalf of Holder, whether or not authorized in law or in fact. Holder is solely and exclusively responsible for the security of its access to and use of Included Number Resources in the ARIN registry database and for any loss or damage that Holder suffers based on its access or use of the ARIN registry database.

### 4. FEES AND PAYMENTS

(a) **Fee Schedule.** As a condition precedent to ARIN's duty to provide any Services, Holder shall pay ARIN for

providing the Services in accordance with ARIN's Fee Schedule for Included Number Resources, which is available on the Website. ARIN will have the right to change the Fee Schedule applicable to one or more Services, which change will be posted on the Website, provided that ARIN must set its fees in an open and transparent manner through the ARIN community consultation process. Any change to the Fee Schedule shall be effective upon publication on the Website and shall not be applied retroactively. Legacy maintenance fees cannot exceed the fees charged to comparable non-legacy holders for registration services as set forth in ARIN's Fee Schedule for comparable number resources.

(b) **Initial Fees in Advance of Service.** Prior to ARIN providing Holder with Services, Holder shall pay ARIN any applicable "initial fees" as set forth in the Fee Schedule, as well as any presently outstanding fees due to ARIN.

(c) **Fee Notices and Outcomes.** Holder will be notified in writing by an invoice from ARIN to pay its fees. Such invoice will be sent at least 30 days before payment is due. If Holder does not pay the fees due to ARIN under this Agreement when due, ARIN shall provide a second written notice to the Holder that will constitute the notice of delinquency (the "Delinquency Notice"). If Holder fails to make payment in response to the Delinquency Notice within thirty (30) days after the date of such Delinquency Notice, ARIN shall provide Holder with a final delinquency notice and make reasonable efforts to reach Holder telephonically (the "Final Delinquency Notice"). If, for any reason, Holder has not made such payment within thirty (30) days after ARIN provides the Final Delinquency Notice, ARIN has the right to: (i) stop providing Services, and/or (ii) if any invoice remains unpaid six (6) months after payment was due, terminate this Agreement and revoke the Included Number Resources. If the Services are stopped, Holder may have the Services restored if it brings its account current before revocation. To the extent the Included Number Resources have been revoked but not reissued by ARIN, Holder may seek to have such Included Number Resources restored if it contacts ARIN, brings its account current, pays an additional fee that ARIN may prescribe on its Fee Schedule, and signs the then-current Registration Services Agreement.

(d) **No Refunds.** All fees paid by Holder to ARIN are deemed fully earned upon receipt and are nonrefundable.

## 5. CURRENT AND FUTURE POLICIES

Pursuant to ARIN's Policy Development Process ("PDP"), ARIN maintains the Policies and may at any time in its sole and absolute discretion amend the Policies, implement new policies (which once amended or implemented, becomes part of the Policies), or revoke existing Policies. Such amendments or new Policies shall be binding upon Holder immediately upon publication on ARIN's Website. Holder acknowledges and agrees to be bound by and comply with the Policies (as amended from time to time), except to the extent the Policies conflict with the terms of this Agreement.

## 6. REVIEW OF HOLDER'S NUMBER RESOURCES

Whenever a transfer or additional IP address space is requested by Holder, ARIN may review Holder's utilization of previously allocated or assigned number resources and other Services received from ARIN to determine if Holder is complying with the Service Terms. Except as set forth in this Agreement, (i) ARIN will take no action to reduce the Services currently provided for Included Number Resources due to lack of utilization by the Holder; and (ii) ARIN has no right to revoke any Included Number Resources under this Agreement due to lack of utilization by Holder. However, ARIN may refuse to permit transfers or additional allocations of number resources to Holder if Holder's Included Number Resources are not utilized in accordance with Policy.

## 7. NO PROPERTY RIGHTS

Holder acknowledges and agrees that: (a) the Included Number Resources are not property (real, personal, or intellectual) of Holder; (b) Holder does not and will not have or acquire any property rights in or to Included Number Resources by virtue of this Agreement; (c) Holder will not attempt, directly or indirectly, to obtain or assert any patent, trademark, service mark or copyright in any number resources in the United States or any other country; and (d) Holder will transfer or receive Included Number Resources in accordance with the Policies.

## 8. IMPACT OF VOLUNTARY RETURN OF NUMBER RESOURCES

Holder may voluntarily return to ARIN any portion of the Included Number Resources. If Holder returns any portion of the Included Number Resources, it may be eligible for certain benefits, including partial or permanent reduction in ARIN fees, as ARIN may from time to time prescribe.

## 9. REPRESENTATIONS AND WARRANTIES

Each party represents and warrants to the other party that: (a) it has the full power and authority to enter into and perform its obligations under this Agreement; (b) the assent to and performance by it of its obligations under this

Agreement do not breach or conflict with any other agreement or arrangement by which it is bound; (c) it will comply with this Agreement, the Policies and all applicable laws, regulations or rules, and (d) this Agreement constitutes a legal, valid, binding, and an executory obligation of the parties executing or assenting to this Agreement, enforceable in accordance with its terms and conditions.

#### 10. BANKRUPTCY

(a) If Holder: (i) files any petition under any chapter of the Title 11 of the United States Bankruptcy Code (the "Bankruptcy Code") or other insolvency or bankruptcy law; or (ii) has a petition filed against it under any insolvency or bankruptcy law; or (iii) makes a general assignment for the benefit of creditors, has a receiver appointed for it, or a trustee takes possession of all or substantially all of Holder's assets; or (iv) dissolves, liquidates or ceases its normal business, or indicates its intent to dissolve, liquidate, or cease its normal business operations (each of the foregoing, a "Bankruptcy Event"), Holder will promptly provide written notice thereof to ARIN. Upon such notice, or if ARIN otherwise learns of the occurrence of a Bankruptcy Event, ARIN may take such appropriate or lawful action, including, but not limited to, intervening in such Bankruptcy Event, to preserve its rights under this Agreement, including, but not limited to, ARIN's rights under Section 7. Holder agrees to consent to ARIN intervening in any such Bankruptcy Event and taking such other appropriate or lawful actions as ARIN determines, in its sole and absolute discretion, so that ARIN can protect its rights under this Agreement, including, but not limited to, Section 7.

(b) Holder acknowledges and agrees that this Agreement is executory.

(c) Holder further hereby acknowledges and agrees that none of the number resources, none of the Services, or nothing else provided by or on behalf of ARIN in connection therewith is or will be the property (real, personal, or intellectual) of Holder's bankruptcy estate within the meaning of Section 541 of the Bankruptcy Code.

(d) Upon the occurrence of a Bankruptcy Event, such Bankruptcy Event or any other event of default or breach under this Agreement shall constitute "cause" pursuant to Section 362(d) of the Bankruptcy Code for granting ARIN relief from the automatic stay or any other applicable injunction to exercise ARIN's rights and remedies under this Agreement, and Holder shall, and hereby does, consent to such relief.

#### 11. INDEMNIFICATION

(a) Holder shall indemnify, defend, and hold harmless ARIN, each of their respective predecessors, successors and assigns, each of their respective employees, representatives, agents, attorneys, advisors, trustees, directors, officers, managers, and members (collectively, the "Indemnified Parties") from any and all claims, demands, disputes, actions, suits, proceedings, judgments, damages, injuries, losses, expenses, costs and fees (including costs and fees associated with attorneys, accountants, investigators and experts), interests, fines and penalties of whatever nature, character or description, whether known or unknown, anticipated or unanticipated, fixed or contingent, now existing or which may hereafter accrue (collectively, "Claims") brought or asserted by a third party against any of the Indemnified Parties alleging facts or circumstances that, directly or indirectly, relate to or arise from or in connection with: (1) any authorized or unauthorized access to or use of any Service or any Included Number Resources by Holder or any of Holder's parent, subsidiaries or other affiliates, or any of their respective predecessors, successors or assigns, or any of their respective directors, officers, managers, shareholders, members, partners, employees, representatives, agents, advisors, or other persons acting by, through, under or in concert with any of them (each, a "Holder Party" and collectively the "Holder Parties"); (2) any authorized or unauthorized access to or use of any Service or any Included Number Resources by any person who acquired authorized or unauthorized access to or use of any Service or any Included Number Resources by or through a Holder Party; and/or (3) any breach of any Service Terms by Holder or any other Holder Party.

(b) Holder shall keep ARIN informed of and consult with ARIN in connection with the progress of any such Claim. Holder shall not settle, compromise, or in any other manner dispose of any Claim without the prior written consent of ARIN. Holder shall not engage in any action or omit to take any action in connection with any Claim that would likely result in harm or have an adverse consequence to ARIN, any of ARIN's rights pursuant to any Service Terms, or any Included Number Resources or other number resources. ARIN shall have the right to participate in the settlement, compromise and/or disposition of any Claim. Holder may retain counsel to defend against any Claims provided Holder may retain such counsel only upon prior written approval by ARIN, such approval not to be unreasonably withheld. If, in ARIN's reasonable judgment, (i) a potential or actual conflict exists or arises between the interest of ARIN and Holder in any such Claim or (ii) Holder fails to diligently and fully perform its obligations under this Section 11, ARIN shall have the right to (i) retain its own counsel, whose reasonable fees and costs will be paid by Holder, to defend the Indemnified Parties and (ii) control the disposition of any Claim at Holder's sole cost and expense.

(c) Holder shall provide written notice to ARIN promptly of the assertion against Holder or any other person of any Claim or the commencement of any Claim, whether or not an Indemnified Party is named or identified in the Claim, alleging facts or circumstances that, in any way, whether directly or indirectly, relate to, arise from, or may be connected with any Service Terms.

## 12. DISCLAIMERS, EXCLUSIONS, AND LIMITATIONS

(a) **DISCLAIMER OF WARRANTIES.** HOLDER ACKNOWLEDGES AND AGREES THAT THE SERVICES, INCLUDING, WITHOUT LIMITATION, THE INCLUDED NUMBER RESOURCES AND THE REGISTRATION THEREOF, ARE PROVIDED ON AN "AS-IS" BASIS WITH ALL RISKS AND FAULTS ASSOCIATED THEREWITH. EXCEPT AS PROVIDED IN SECTION 9 (REPRESENTATIONS AND WARRANTIES) ABOVE, ARIN MAKES NO REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND WITH RESPECT TO ANY SERVICES OR ANY INCLUDED NUMBER RESOURCES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTION OF REQUIREMENTS, NON-INFRINGEMENT, OR ANY WARRANTY ARISING OUT OF A COURSE OF PERFORMANCE, DEALING, TRADE OR USAGE. AND ANY AND ALL SUCH REPRESENTATIONS, WARRANTIES AND COVENANTS ARE HEREBY DISCLAIMED BY ARIN AND WAIVED BY HOLDER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ARIN DOES NOT REPRESENT, WARRANT OR COVENANT THAT ANY SERVICE OR INCLUDED NUMBER RESOURCE, OR ANY ACCESS OR USE THEREOF: (i) WILL BE UNINTERRUPTED, (ii) WILL BE FREE OF DEFECTS, INACCURACIES, OR ERRORS, (iii) WILL MEET HOLDER'S REQUIREMENTS, OR (iv) WILL OPERATE IN THE CONFIGURATION OR WITH OTHER HARDWARE OR SOFTWARE THAT HOLDER USES.

(b) **EXCLUSION OF LIABILITIES AND DAMAGES.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY WILL BE LIABLE TO THE OTHER OR TO ANY THIRD PARTY, INCLUDING, WITHOUT LIMITATION, ANY CLIENTS OR CUSTOMERS OF HOLDER, FOR ANY LIABILITIES AT LAW OR IN EQUITY OR FOR ANY DAMAGES, INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY, OR SPECIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LIABILITIES OR DAMAGES RELATING TO LOST PROFITS, OR LOSS OF GOODWILL) ARISING OUT OF, RELATING TO, OR CONNECTED WITH ANY SERVICES, ANY INCLUDED NUMBER RESOURCES, OR OTHERWISE IN CONNECTION THEREWITH, WHETHER BASED ON CONTRACT, TORT OR ANY CAUSE OF ACTION, EVEN IF THE OTHER PARTY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(c) **LIMITATION OF LIABILITY.** IN NO EVENT, WHETHER BASED ON CONTRACT, TORT, STATUTE, OR ANY CAUSE OF ACTION, WILL A PARTY'S LIABILITY TO THE OTHER PARTY OR ANY THIRD PARTY, INCLUDING, WITHOUT LIMITATION, ANY CLIENTS OR CUSTOMERS OF HOLDER, EXCEED IN THE AGGREGATE THE GREATER OF (i) THE AMOUNT PAID BY HOLDER TO ARIN FOR THE SERVICES DURING THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE EVENT THAT GIVES RISE TO SUCH LIABILITY OR (ii) ONE HUNDRED U.S. DOLLARS (US\$100.00).

## 13. TERM AND TERMINATION

(a) **Term.** Unless earlier terminated in accordance with the termination provisions of this Agreement, the term of this Agreement shall commence on the date Holder first receives any Service and shall continue for one (1) year thereafter. This Agreement shall renew automatically unless earlier terminated in accordance with the termination provisions of this Agreement.

(b) **Suspension of Services or Termination of Agreement for Cause by ARIN.** ARIN shall have the right to suspend Services without notice to Holder if Holder breaches any of Sections 2(c), 2(d), 4 or 7. In addition, ARIN may immediately suspend Services upon written notice to Holder pursuant to Section 2(e) or if Holder breaches Section 2(d) or Section 11. Upon ARIN's written notice to Holder, ARIN shall have the right to immediately terminate this Agreement for cause for: (i) Holder's failure to pay fees pursuant to Section 4; (ii) Holder's material breach of Section 2(c), Section 2(d) or Section 7; or (iii) pursuant to Section 2(e). If Holder breaches any other provision of this Agreement and such breach remains uncured by Holder (as determined by ARIN in its reasonable determination) for sixty (60) days after the date of ARIN's written notice of the breach, ARIN shall have the right to terminate this Agreement for cause. Holder may utilize Section 14(k) to dispute any ARIN termination or suspension of Services.

ARIN shall provide notice of termination of this Agreement in writing to Holder, delivered by any of the following methods: (i) hand delivery, (ii) certified U.S. or registered international mail, return receipt requested, postage prepaid, or (iii) reputable overnight courier.



(c) Termination for Cause by Holder. Holder may terminate this Agreement for cause, by giving written notice thereof to ARIN, if: (i) ARIN materially breaches this Agreement and such material breach remains uncured for sixty (60) days after ARIN's receipt of written notice of the breach from Holder; (ii) ARIN refuses to provide the Services with respect to Holder's Included Number Resources, except where ARIN has stopped the Services or terminates this Agreement as permitted herein; (iii) ARIN enforces any Policy against Holder which has been applied in violation of this Agreement and does not remedy any material adverse effect caused by such action within sixty (60) days after written notice thereof; or (iv) ARIN assesses a Maintenance Fee in violation of Section 4(a) and does not cure such violation within sixty (60) days after written notice thereof. If ARIN formally disputes Holder's right to terminate this Agreement, ARIN shall respond in writing to Holder and may deny its actions are a breach or alternatively indicate its corrective action. Any failure of ARIN to respond to Holder in writing shall constitute a denial of the breach and create a dispute between the parties which will be resolved pursuant to Section 14(k). If the Holder still seeks to terminate this Agreement for cause after receiving a response from ARIN, it must bring action pursuant to Section 14(k), and obtain a judgment by the Arbitrator chosen for this purpose that such cause to terminate exists. If such a cause for termination is found by the Arbitrator against ARIN, this Agreement will be terminated, ARIN will be under no obligation to provide any of the Services under this Agreement. Upon termination, Included Number Resources that were Legacy Number Resources immediately prior to being brought under this Agreement shall resume their status as Legacy Number Resources, and all other Included Number Resources shall be returned to ARIN.

(d) Voluntary Termination by Holder with Return of Included Number Resources to ARIN. Holder shall have the right to terminate this Agreement at any time if it returns to ARIN, without limitation, all rights to Included Number Resources. If Holder wishes to terminate this Agreement in accordance with this Section 13(d), the Holder must submit written notice to ARIN of its intent to return, in total, all Included Number Resources, and ARIN will accept the return of the Included Number Resources thirty (30) days after such notice being provided.

(e) Effect of Termination. Except as described in Section 13(c) and 14(k), if this Agreement is terminated, then (i) ARIN will immediately revoke the Included Number Resources and otherwise cease providing the Services and will have no liability for doing so, and (ii) Holder remains liable for all fees payable to ARIN for Services rendered up to and including the date of termination.

(f) Survival. The defined terms and the following sections of this Agreement, as well as any other provision which by its nature survives termination, will survive termination of this Agreement and remain in effect: 2(e), 2(f), 4(d), 7, 10, 11, 12, 13(e), 13(f) and 14.

#### 14. GENERAL PROVISIONS

##### (a) Assignment.

(i) Holder may not assign or transfer, whether voluntarily or by operation of law, this Agreement or any of its rights or obligations under it, without ARIN's prior written permission, which may not be unreasonably withheld if such assignment and/or transfer is consistent with ARIN's Transfer Policies as included in the Policies. The event of any transaction (whether a merger, acquisition, or sale) in which Holder's controlling managerial and/or voting interest changes during the term of this Agreement shall be considered an assignment. Any attempt by Holder to assign or transfer this Agreement or any rights or obligations under it, other than as provided in this Section 14(a)(i), will be of no force or effect.

(ii) ARIN shall have the right to freely assign this Agreement upon written notice to Holder if ARIN is changing its corporate organization to permit a successor organization to provide the Services contemplated by this Agreement.

(b) Relationship of Parties. The relationship between the parties is and will be that of independent contractors. No joint venture, partnership, employment, agency, or similar arrangement is created between the parties. Neither party has the right or power to act for or on behalf of the other or to bind the other in any respect other than as expressly provided for in this Agreement.

(c) Entire Agreement. This Agreement and the Policies (which are hereby incorporated by reference to the extent they do not conflict with this Agreement) constitute the entire understanding between the parties and replaces and supersedes any and all prior and contemporaneous agreements and understandings, whether oral or written, express or implied, between the parties with respect to the Included Number Resources or any Services which are the subject matter of this Agreement. All other agreements between Holder and ARIN for number resources other than the Included Number Resources or any Services associated with such number resources, if any, remain unchanged by this Agreement.

(d) Waiver. No waiver of any provision or consent to any action under this Agreement will constitute a waiver of

any other provisions or consent to any other action, nor will such waiver or consent constitute a continuing waiver or consent or commit any party to provide past or future a waiver or consent.

(e) **Severability.** If any provision of this Agreement is determined to be illegal, invalid, or otherwise unenforceable by a court or tribunal of competent jurisdiction, then to the extent necessary to make such provision and/or this Agreement legal, valid, or otherwise enforceable, such provision will be limited, construed, or severed and deleted from this Agreement, and the remaining portion of such provision and the remaining other provisions hereof will survive, remain in full force and effect, and continue to be binding, and will be interpreted to give effect to the intention of the parties insofar as possible.

(f) **Successors and Assigns.** This Agreement will be binding upon and inure to the benefit of the parties and with respect to ARIN, its successors and permitted assigns, and with respect to Holder, its permitted successors and permitted assigns.

(g) **No Third-Party Rights.** This Agreement is made solely for the benefit of the parties and does not, and will not, be construed to grant any rights or remedies to any other person or entity other than as expressly provided for in this Agreement.

(h) **Construction.** This Agreement will be construed as if it was jointly drafted by both parties and may not be construed against either one. The word "including" means "including, without limitation." The terms "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision. Unless the context of this Agreement otherwise requires, words using singular or plural number also include the plural or singular number, respectively. The headings contained in this Agreement are for the purposes of convenience only and are not intended to define or limit the contents of the provisions contained therein.

(i) **Written Notice.** All "written notice" or notice required or permitted to be given in writing under this Agreement will be delivered to the other party by any of the following methods: (i) hand delivery, (ii) certified U.S. or registered international mail, return receipt requested, postage prepaid, (iii) reputable overnight courier, (iv) electronic mail, (v) electronic messaging via ARIN Online, or (vi) facsimile. If Holder gives notice to ARIN, it must use ARIN's current address, which is currently: ARIN, Attention: Financial and Legal Services Department, PO Box 232290, Centreville, VA 20120, or the following email address: [compliance@arin.net](mailto:compliance@arin.net). ARIN shall update Holder with any changes to this address by written notice pursuant to this Section. If ARIN provides notice to Holder, ARIN must use the contact information provided by Holder to ARIN during the application process or other contact information provided by Holder in accordance with the terms of this Section. All notices will be deemed received and effective as follows: (i) if by hand-delivery, on the date of delivery, (ii) if by delivery via U.S. or registered international mail, on the date of receipt appearing on a return receipt card, (iii) if by overnight courier, on the date receipt is confirmed by such courier service, (iv) if by electronic mail, 24 hours after the message was sent, if no "system error" or other notice of non-delivery is generated, or (v) if by electronic messaging, at the next successful login to ARIN Online by the notified contact.

(j) **Force Majeure.** Neither party shall be deemed in default hereunder, nor shall either party be responsible for any cessation, interruption, or delay in the performance of its obligations under this Agreement where such failure of performance is the result of any force majeure event, including, but not limited to, earthquake, flood, fire, storm, natural disaster, act of God, civil disturbances, war, terrorism, armed conflict, riots, failure of contractors or subcontractors to perform, labor strike, lockout, boycott, or acts of governmental authorities or any event similar to the foregoing (each a "Force Majeure Event"). In the event a Force Majeure Event extends for a period in excess of thirty (30) days in the aggregate and prevents a party from performing its obligations under this Agreement, the other party may, in its discretion, terminate this Agreement immediately upon written notice to the party affected by the force majeure event. If, pursuant to this force majeure provision, a party terminates this Agreement, ARIN will cease to provide Services under this Agreement and the Included Number Resources will resume the status they had prior to this Agreement.

(k) **Governing Law, Jurisdiction, Venue and Dispute Resolution.**

(i) This Agreement and the parties' performance under it shall be governed in all respects by, and construed in accordance with, the laws of the Commonwealth of Virginia and, as applicable, the United States of America.

(ii) In the event of any dispute(s) regarding any term or condition or provision or performance or conduct arising out of or relating to this Agreement, the parties each agree to first seek resolution through cooperative settlement negotiations involving themselves or their representatives as they each deem appropriate; and, second, in the event cooperative settlement negotiations are not successful, or do not occur, within thirty (30) days after a party initiates such negotiations, the parties agree that upon the request

of either party any unresolved dispute(s) shall be submitted to binding and final arbitration for resolution. If Holder's principal place of business is in the United States, such arbitration shall be held in Washington, D.C., or by agreement of both parties at any other location, in accordance with the rules of the American Arbitration Association ("AAA") then in effect. If the Holder's principal place of business is in Canada, such arbitration shall be held in Ottawa, Canada, or by agreement of both parties at any other location, in accordance with the rules of the locally prevalent equivalent of AAA arbitration rules then in effect. If Holder's principal place of business is in any country other than the United States or Canada but otherwise within ARIN's service region, such arbitration shall be held in Miami, Florida, or by agreement of both parties at any other location, in accordance with the rules of the AAA then in effect. A single arbitrator shall be selected by the parties by striking in turn from a list of arbitrators supplied by the AAA or, as applicable, the locally prevalent equivalent of AAA. Each party shall bear their own attorneys' fees, and the initiating party shall initially bear the costs of the arbitration's expenses. Any judgment upon the award rendered pursuant to the arbitration proceeding may be entered in any court having competent jurisdiction. Notwithstanding the foregoing in this Paragraph, either party may bring an action before the United States District Court for the Eastern District of Virginia or the Circuit Court for Fairfax County, Virginia for a temporary restraining order, preliminary injunction and/or other injunctive relief to seek to maintain the status quo between the parties pending resolution of the dispute(s) in accordance with the terms of this Paragraph; provided that, for a Canadian domiciled entity, such action may also be brought in the above listed US courts, the Ontario Superior Court of Justice for those domiciled in Ontario, or the equivalent court in the Canadian province where the entity is headquartered.

(ii) If Holder is part of a national, state, or local government authority whose laws or regulations strictly require that the laws of that particular jurisdiction or domicile must apply to this Agreement and ARIN is provided with written substantiation of such requirement reasonably acceptable to ARIN, this Agreement shall also be governed pursuant to such laws. If there is a dispute regarding applicability of such laws to this Agreement, it shall be resolved in accordance with Section 14(k)(ii).

(l) Subsequent Version(s). If any subsequent version(s) of the Registration Services Agreement is authorized by ARIN, the parties may choose to substitute a signed copy of the then-existing subsequent version, with all its terms, instead of this Agreement, and the Included Number Resources and other Services will then be governed by the subsequent version. The consideration for such change is the original agreement and the agreement to abide by the revised terms. There is no requirement for a Holder who has signed this Agreement to engage in any subsequent version.


(m) Expenses. Except as specifically set forth in this Agreement, the parties agree to pay their own expenses related to this Agreement.

(n) Amendment. Except as set forth in Section 1(d), no amendment of any provision of this Agreement shall be valid unless in writing and signed or authorized in writing by ARIN, which writing specifically references such as an amendment to this Agreement.

(o) Execution. This Agreement may be executed by a party's signature and copies of this Agreement so executed and delivered shall have the same force and effect as an original. This Agreement may be executed in two (2) or more counterpart signature pages, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Each party hereby accepts, without modification, all of the terms and conditions of this Registration Services Agreement.

Agreed: (This section to be completed by Holder)		Authorized Officer	
Legal Name of Company (Holder): BRAZOS COUNTY		Name (Print): Duane Peter	
D/B/A (if any):		Title (Print): County Judge	
ORG ID: BC-351		Signature: 	
Ticket Number: ARIN-20170907-X53397		Date: 10/17/17	
Billing Contact Information if different from authorized officer		Contact Information of Authorized Officer	
Name (Print):		Phone:	
Title (Print):		EMail:	
Phone:		Street Address:	
EMail:		City and State:	
Street Address:		Postal Code:	
City and State:		Country:	
Postal Code:			
Country:			

American Registry for Internet Numbers, LTD. By: (This section to be completed by ARIN)

ARIN's Authorized Contracting Agent	
Name (Print):	Signature:
	Date:



# Number Resource Policy Manual

**Version 2017.4 – 8 August 2017**

## Abstract

This is ARIN's Number Resource Policy Manual (NRPMP). It is available at: <https://www.arin.net/policy/>. This version supersedes all previous versions.

Number resource policies in the ARIN region are created in accordance with the "Policy Development Process" (<https://www.arin.net/policy/pdp.html>). The status of current and historical policy proposals can be found on the "Draft Policies and Proposals" page (<https://www.arin.net/policy/proposals/>).

Each policy consists of a number of component parts separated by dots. The first figure to the far left and preceding the first dot (.), refers to the chapter number. The figure following the first dot indicates a policy section. Any subsequent figures are for the purpose of identifying specific parts of a given policy.

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**For more information, visit us at [www.arin.net](http://www.arin.net).**

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## 1. Principles and Goals of the American Registry for Internet Numbers (ARIN)

### 1.1. Registration

The principle of registration guarantees the uniqueness of Internet number resources.

Provision of this public registry documenting Internet number resource allocation, reallocation, assignment, and reassignment is necessary:

- a) to ensure uniqueness,
- b) to provide a contact in case of operational/security problems,
- c) to provide the transparency required to ensure that Internet number resources are efficiently utilized, and
- d) to assist in IP allocation studies.

### 1.2. Conservation

The principle of conservation guarantees sustainability of the Internet through efficient utilization of unique number resources.

Due to the requirement for uniqueness, Internet number resources of each type are drawn from a common number space. Conservation of these common number spaces requires that Internet number resources be efficiently distributed to those organizations who have a technical need for them in support of operational networks.

### 1.3. Routability

The principle of routability guarantees that Internet number resources are managed in such a manner that they may be routed on the Internet in a scalable manner.

While routing scalability is necessary to ensure proper operation of Internet routing, allocation or assignment of Internet number resources by ARIN in no way guarantees that those addresses will be routed by any particular network operator.

### 1.4. Stewardship

The principle of stewardship guarantees the application of these principles when managing Internet number resources.

The fundamental purpose of Internet number stewardship is to distribute unique number resources to entities building and operating networks thereby facilitating the growth and sustainability of the Internet for the benefit of all.

It should be noted that the above goals may sometimes be in conflict with each other and with the interests of individual end-users or network operators. Care must be taken to ensure balance with these conflicting goals given the resource availability, relative size of the resource, and number resource specific technical dynamics, for each type of number resource.

## 2. Definitions

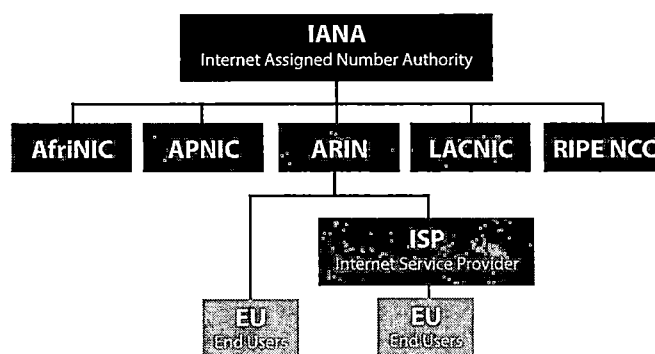
Responsibility for management of address space is distributed globally in accordance with the hierarchical structure shown below.

### 2.1. Internet Registry (IR)

An Internet Registry (IR) is an organization that is responsible for distributing IP address space to its members or customers and for registering those distributions.

### 2.2. Regional Internet Registry (RIR)

Regional Internet Registries (RIRs) are established and authorized by respective regional communities, and recognized by the IANA to serve and represent large geographical regions. The primary role of RIRs is to manage and distribute public Internet address space within their respective regions.



### 2.3. [Section Number Retired]

### 2.4. Local Internet Registry (LIR)

A Local Internet Registry (LIR) is an IR that primarily assigns address space to the users of the network services that it provides. LIRs are generally Internet Service Providers (ISPs), whose customers are primarily end users and possibly other ISPs.

### 2.5. Allocate and Assign

A distinction is made between address allocation and address assignment, i.e., ISPs are “allocated” address space as described herein, while end-users are “assigned” address space.

**Allocate** - To allocate means to distribute address space to IRs for the purpose of subsequent distribution by them.

**Assign** - To assign means to delegate address space to an ISP or end-user, for specific use within the Internet infrastructure they operate. Assignments must only be made for specific purposes documented by specific organizations and are not to be sub-assigned to other parties.

### 2.6. End-user

An end-user is an organization receiving assignments of IP addresses exclusively for use in its operational networks.

## **2.7. Multihomed**

An organization is multihomed if it receives full-time connectivity from more than one ISP and has one or more routing prefixes announced by at least two of its upstream ISPs.

## **2.8. - 2.9. [Section Numbers Retired]**

## **2.10. End site**

The term End Site shall mean a single structure or service delivery address, or, in the case of a multi-tenant structure, a single tenant within said structure (a single customer location).

## **2.11. Community Network**

A community network is any network organized and operated by a volunteer group operating as or under the fiscal support of a nonprofit organization or university for the purpose of providing free or low-cost connectivity to the residents of their local service area. To be treated as a community network under ARIN policy, the applicant must certify to ARIN that the community network staff is 100% volunteers.

## **2.12. Organizational Information**

When required, organization information must include at a minimum: Legal name, street address, city, state, zip code equivalent and at least one valid technical and one valid abuse POC. Each POC shall be designated by the organization and must include at least a verifiable email address and phone number.

## **2.13. Residential Customer**

End-users who are individual persons and not organizations and who receive service at a place of residence for personal use only are considered residential customers.

## **2.14. Serving Site (IPv6)**

When applied to IPv6 policies, the term serving site shall mean a location where an ISP terminates or aggregates customer connections, including, but, not limited to Points of Presence (POPs), Datacenters, Central or Local switching office or regional or local combinations thereof.

## **2.15. Provider Assignment Unit (IPv6)**

When applied to IPv6 policies, the term "provider assignment unit" shall mean the prefix of the smallest block a given ISP assigns to end sites (recommended /48).

## **2.16. Utilized (IPv6)**

The term utilized shall have the following definitions when applied to IPv6 policies:

1. A provider assignment unit shall be considered fully utilized when it is assigned to an end-site.
2. Larger blocks shall have their utilization defined by dividing the number of provider assignment units assigned from the containing block by the total number of provider assignment units. This ratio will often be expressed as a percentage (e.g.  $a/t \times 100$ , for a /36 3072/4096 \* 100 = 75% utilization)

# **3. Directory Services**

## **3.1. Bulk Copies of ARIN's Whois**

ARIN will provide a bulk copy of Whois output, including point of contact information, on the ARIN site for download by any

organization that wishes to obtain the data providing they agree to ARIN's acceptable use policy. This point of contact information will not include data marked as private.

[The Request Form for ARIN Bulk Whois Data, which contains the Acceptable Use Policy (AUP) for Bulk Copies of ARIN Whois Data, can be found at: <https://www.arin.net/resources/agreements/bulkwhois.pdf>]

## **3.2. Distributed Information Server Use Requirements**

The minimal requirements for an organization to setup a distributed information service to advertise reassignment information are:

- The distributed information service must be operational 24 hours a day, 7 days a week to both the general public and ARIN staff. The service is allowed reasonable downtime for server maintenance according to generally accepted community standards.
- The distributed information service must allow public access to reassignment information. The service may restrict the number of queries allowed per time interval from a host or subnet to defend against DDOS attacks, remote mirroring attempts, and other nefarious acts.
- The distributed information service must return reassignment information for the IP address queried. The service may allow for privacy protections for customers. For residential users, the service may follow ARIN's residential privacy policy that includes displaying only the city, state, zip code, and country. For all other reassignments, the service shall follow ARIN's privacy policy for publishing data in a public forum.
- The distributed information service may return results for non-IP queries.
- The distributed information service must respond to a query with the minimal set of attributes per object as defined by ARIN staff.
- The distributed information service may include optional attributes per object that are defined locally.
- The distributed information service must return results that are up-to-date on reassignment information.

## **3.3. Privatizing POC Information**

Organizations may designate certain points of contact as private from ARIN Whois, with the exception that, at the minimum, one point of contact must be viewable.

## **3.4. Routing Registry**

### **3.4.1. Acceptable use policy**

- The ARIN Routing Registry data is for Internet operational purposes only. Mirroring is only allowed by other routing registries.
- The user may only distribute this data using a Whois service unless prior, written permission from ARIN has been obtained.
- To protect those registered in the ARIN routing registry, ARIN may need to specify additional conditions on access permissions for this data in the future. The permission to access the data is based on agreement to the conditions stipulated in this document in addition to any others that may be added in the future.



- Please see the <http://www.irr.net/docs/list.html> URL for information about the replicated Routing Registry data.

### **3.5. Autonomous System Originations**

#### **3.5.1. Collection**

ARIN will collect an optional field in all IPv4 and IPv6 address block transactions (allocation and assignment requests, reallocation and reassignment actions, transfer and experimental requests). This additional field will be used to record a list of the ASes that the user permits to originate address prefixes within the address block.

#### **3.5.2. Publication**

##### **3.5.2.1. Description of data**

ARIN will produce a collection of the mappings from address blocks to ASes permitted to originate that address block. The collection will consist of a list where each entry will consist, at a minimum, of an address block, a list of AS numbers, and a tag indicating the type of delegation of the address block. This collection will be produced at least daily.

##### **3.5.2.2. Bulk publication of data**

ARIN will make the collected mappings from address blocks to AS numbers available for bulk transfer in one or more formats chosen at its own discretion, informed by the community's current needs. This data will not be subject to any redistribution restrictions—it may be republished or repackaged in any form. Should ARIN choose to use Whois bulk transfer as the bulk form of data access required by this paragraph, the address block to AS mappings will not be subject to any redistribution restrictions, but the remainder of the Whois data will remain subject to the terms of the then-current AUP regarding bulk access to Whois data.

##### **3.5.2.3. Other formats**

ARIN may also make the collected or individual mappings from address blocks to AS numbers available in other forms, possibly query services, chosen at its own discretion, informed by the community's current needs. ARIN may require agreement to an acceptable use policy for access to the data in these forms.

### **3.6 Annual Whois POC Validation**

#### **3.6.1 Method of Annual Verification**

During ARIN's annual Whois POC validation, an email will be sent to every POC in the Whois database. Each POC will have a maximum of 60 days to respond with an affirmative that their Whois contact information is correct and complete. Unresponsive POC email addresses shall be marked as such in the database. If ARIN staff deems a POC to be completely and permanently abandoned or otherwise illegitimate, the POC record shall be marked invalid. ARIN will maintain, and make readily available to the community, a current list of number resources with no valid POC; this data will be subject to the current bulk Whois policy.

## **4. IPv4**

### **4.1. General Principles**

#### **4.1.1, 4.1.2., 4.1.3., 4.1.4. [Section Number Retired]**

#### **4.1.5. Resource request size**

Determining the validity of the amount of requested IP address resources is the responsibility of ARIN.

#### **4.1.6. Aggregation**

In order to preserve aggregation, ARIN attempts to issue blocks of addresses on appropriate "CIDR-supported" bit boundaries. ARIN may reserve space to maximize aggregation possibilities until the implementation of section 10.4.2.2, at which time ARIN will make each allocation and assignment as a single continuous range of addresses.

#### **4.1.7. [Section Number Retired]**

#### **4.1.8 Unmet requests**

In the event that ARIN does not have a contiguous block of addresses of sufficient size to fulfill a qualified request, ARIN will provide the requesting organization with the option to specify the smallest block size they'd be willing to accept, equal to or larger than the applicable minimum size specified elsewhere in ARIN policy. If such a smaller block is available, ARIN will fulfill the request with the largest single block available that fulfills the request. If no such block is available, the organization will be provided the option to be placed on a waiting list of pre-qualified recipients, listing both the block size qualified for and the smallest block size acceptable.

Repeated requests, in a manner that would circumvent 4.1.6, are not allowed: an organization may only receive one allocation, assignment, or transfer every 3 months, but ARIN, at its sole discretion, may waive this requirement if the requester can document a change in circumstances since their last request that could not have been reasonably foreseen at the time of the original request, and which now justifies additional space. Qualified requesters whose request cannot be immediately met will also be advised of the availability of the transfer mechanism in section 8.3 as an alternative mechanism to obtain IPv4 addresses.

##### **4.1.8.1 Waiting list**

The position of each qualified request on the waiting list will be determined by the date it was approved. Each organization may have one approved request on the waiting list at a time.

##### **4.1.8.2 Fulfilling unmet needs**

As address blocks become available for allocation, ARIN will fulfill requests on a first-approved basis, subject to the size of each available address block and a timely re-validation of the original request. Requests will not be partially filled. Any requests met through a transfer will be considered fulfilled and removed from the waiting list.

#### **4.1.9. [Section Number Retired]**

## **4.2. Allocations to ISPs (Requirements for Requesting Initial Address Space)**

### **4.2.1. Principles**

#### **4.2.1.1. Purpose**

ARIN allocates blocks of IP addresses to ISPs for the purpose of reassigning that space to their customers.

#### **4.2.1.2. Annual Renewal**

An annual fee for registered space is due by the anniversary date of the ISP's first allocation from ARIN. ISPs should take care to ensure that their annual renewal payment is made by their anniversary due date in accordance with the Registration Services Agreement. If not paid by the anniversary date, the address space may be revoked. Please review the Annual Renewal/Maintenance Fees Page for more details.

#### **4.2.1.3. Utilization rate**

Utilization rate of address space is a key factor, among others, in determining address allocation.

#### **4.2.1.4. Slow start**

Because the number of available IP addresses on the Internet is limited, many factors must be considered in the determination of address space allocations. Therefore, IP address space is allocated to ISPs using a slow-start model. Allocations are based on justified need, not solely on a predicted customer base.

#### **4.2.1.5. Minimum allocation**

In general, ARIN allocates /24 and larger IP address prefixes to ISPs. If allocations smaller than /24 are needed, ISPs should request address space from their upstream provider.

#### **4.2.1.6. Immediate need**

If an ISP has an immediate need for address space, and can provide justification to show that the address space will be utilized within 30 days of the request, ARIN may issue a block of address space, not larger than a /16 nor smaller than ARIN's customary minimum allocation, to that organization. These cases are exceptional.

### **4.2.2. Initial allocation to ISPs**

All ISP organizations without direct assignments or allocations from ARIN qualify for an initial allocation of up to a /21, subject to ARIN's minimum allocation size. Organizations may qualify for a larger initial allocation by documenting how the requested allocation will be utilized within 24 months. ISPs renumbering out of their previous address space will be given a reasonable amount of time to do so, and any blocks they are returning will not count against their utilization.

### **4.2.3. Reassigning Address Space to Customers**

#### **4.2.3.1. Efficient utilization**

ISPs are required to apply a utilization efficiency criterion in providing address space to their customers. To this end, ISPs should have documented justification available for each reassignment. ARIN may request this justification at any time. If justification is not provided, future receipt of allocations may be impacted.

#### **4.2.3.2. VLSM**

To increase utilization efficiency of IPv4 address space, ISPs reassigning IP address space to their customers should require

their customers to use variable length subnet mask (VLSM) and classless technologies (CIDR) within their networks. ISPs should issue blocks smaller than /24 wherever feasible.

#### **4.2.3.3. Contiguous blocks**

IP addresses are allocated to ISPs in contiguous blocks, which should remain intact. Fragmentation of blocks is discouraged. To avoid fragmentation, ISPs are encouraged to require their customers to return address space if they change ISPs. Therefore, if a customer moves to another service provider or otherwise terminates a contract with an ISP, it is recommended that the customer return the network addresses to the ISP and renumber into the new provider's address space. The original ISP should allow sufficient time for the renumbering process to be completed before requiring the address space to be returned.

#### **4.2.3.4. Downstream customer adherence**

ISPs must require their downstream customers to adhere to the following criteria:

##### **4.2.3.4.1. Utilization**

Reassignment information for prior allocations must show that each customer meets the 80% utilization criteria and must be available via SWIP/RWhois prior to your issuing them additional space.

##### **4.2.3.4.2. Downstream ISPs**

Customers must follow ARIN policy for ISPs.

### **4.2.3.5. ARIN approval of reassignments/reallocations**

#### **4.2.3.5.1. /18**

All extra-large ISPs making reassignments of a /18 or larger to a customer must first have these reassignments reviewed and approved by ARIN.

#### **4.2.3.5.2. /19**

Small to large ISPs making customer reassignments of a /19 or larger must first seek ARIN's approval.

#### **4.2.3.5.3. Required documentation for pre-approval requests**

- Network engineering plans - Network engineering plans including subnets, host counts, and hosts per subnet, with projected utilization rates and associated confidence levels of those projections for one and two years,
- Deployment schedule - Deployment schedule for the network, including major milestones for each subnet,
- Network topology diagrams.

### **4.2.3.6. Reassignments to multihomed downstream customers**

Under normal circumstances an ISP is required to determine the prefix size of their reassignment to a downstream customer according to the guidelines set forth in RFC 2050. Specifically, a downstream customer justifies their reassignment by demonstrating they have an immediate requirement for 25% of the IP addresses being assigned, and that they have a plan to utilize 50% of their assignment within one year of its receipt. This policy allows a downstream customer's multihoming requirement to serve as justification for a /24 reassignment from their upstream ISP, regardless of host requirements. Downstream customers must provide contact information for all of their upstream providers to the ISP from whom they are requesting a /24. The ISP will then

verify the customer's multihoming requirement and may assign the customer a /24, based on this policy. Customers may receive a /24 from only one of their upstream providers under this policy without providing additional justification. ISPs may demonstrate they have made an assignment to a downstream customer under this policy by supplying ARIN with the information they collected from the customer, as described above, or by identifying the AS number of the customer. This information may be requested by ARIN staff when reviewing an ISP's utilization during their request for additional IP addresses space.

#### **4.2.3.7. Registration**

ISPs are required to demonstrate efficient use of IP address space allocations by providing appropriate documentation, including but not limited to assignment histories, showing their efficient use.

##### **4.2.3.7.1. Reassignment Information**

Each IPv4 assignment containing a /29 or more addresses shall be registered in the WHOIS directory via SWIP or a distributed service which meets the standards set forth in section 3.2. Reassignment registrations shall include each client's organizational information, except where specifically exempted by this policy.

##### **4.2.3.7.2. Assignments visible within 7 days**

All assignments shall be made visible as required in section 4.2.3.7.1 within seven calendar days of assignment.

##### **4.2.3.7.3. Residential Subscribers**

###### **4.2.3.7.3.1. Residential Market Area**

In most cases, ISPs that have residential subscribers assign address space to their access infrastructure to which their customers connect rather than to individual subscribers. This assignment information regarding each market area holding an address block should be entered via SWIP (or by using RWhois) with the network name used to identify each market area. Initial allocations are based on total number of homes that could purchase the service in a given market area.

Using SWIP or RWhois, residential access ISPs must show that they have reassigned at least 80% of their current address space, with a 50 to 80% utilization rate, in order to request additional addresses.

Each assignment to a specific end-user (if holding /29 and larger blocks) requires the submission of a SWIP or use of an RWhois server. Requesters will also be asked to provide detailed plans for use of the newly requested space.

###### **4.2.3.7.3.2. Residential Customer Privacy**

To maintain the privacy of their residential customers, an organization with downstream residential customers holding /29 and larger blocks may substitute that organization's name for the customer's name, e.g. 'Private Customer - XYZ Network', and the customer's street address may read 'Private Residence'. Each private downstream residential reassignment must have accurate upstream Abuse and Technical POCs visible on the WHOIS directory record for that block.

#### **4.2.3.8 Reassignments for Third Party Internet Access (TPIA) over Cable**

IP addresses reassigned by an ISP to an incumbent cable operator for use with Third Party Internet Access (TPIA) will be counted as fully used once they are assigned to equipment by the underlying cable carrier provided they meet the following requirements:

- initial assignments to each piece of hardware represent the smallest subnet reasonably required to deploy service to the customer base served by the hardware
- additional assignments to each piece of hardware are made only when all previous assignments to that specific piece of hardware are at least 80% used and represent a 24 month supply
- IP allocations issued through 4.2.3.8 are non-transferable via section 8.3 and section 8.4 for a period of 36 months. In the case of a section 8.2 transfer the IP assignment must be utilized for the same purpose or needs based justification at a rate consistent with intended use.

#### **4.2.4. ISP Additional Requests**

##### **4.2.4.1. Utilization percentage (80%)**

ISPs must have efficiently utilized all allocations, in aggregate, to at least 80% and at least 50% of every allocation in order to receive additional space. This includes all space reassigned to their customers.

##### **4.2.4.2. Return address space as agreed**

Return prior address space designated for return as agreed.

##### **4.2.4.3. Request size**

ISPs may request up to a 24-month supply of IPv4 addresses.

##### **4.2.4.4. [Section Number Retired]**

#### **4.2.5. - 4.2.6. [Section Numbers Retired]**

### **4.3. End-users - Assignments to end-users**

#### **4.3.1. End-users**

ARIN assigns blocks of IP addresses to end-users who request address space for their internal use in running their own networks, but not for sub-delegation of those addresses outside their organization. End-users must meet the requirements described in these guidelines for justifying the assignment of an address block.

#### **4.3.2. Minimum assignment**

ARIN's minimum assignment for end-user organizations is a /24.

End-user organizations without direct assignments or allocations from ARIN qualify for an initial assignment of ARIN's minimum assignment size.

#### **4.3.3. Utilization rate**

Organizations may qualify for a larger initial allocation by providing appropriate details to verify their 24-month growth projection.

The basic criterion that must be met is a 50% utilization rate within 24 months.

A greater utilization rate may be required based on individual network requirements.

#### 4.3.4. Additional considerations

End-users may qualify for address space under other policies such as Immediate need [4.2.1.6] or Micro-allocation [4.4].

#### 4.3.5. Non-connected Networks

End-users not currently connected to an ISP and/or not planning to be connected to the Internet are encouraged to use private IP address numbers reserved for non-connected networks (see RFC 1918). When private, non-connected networks require interconnectivity and the private IP address numbers are ineffective, globally unique addresses may be requested and used to provide this interconnectivity.

#### 4.3.6. Additional Assignments

##### 4.3.6.1 Utilization Requirements for Additional Assignment

End-users must have efficiently utilized all assignments, in aggregate, to at least 80% and at least 50% of every assignment in order to receive additional space, and must provide ARIN with utilization details.

#### 4.4. Micro-allocation

ARIN will make IPv4 micro-allocations to critical infrastructure providers of the Internet, including public exchange points, core DNS service providers (e.g. ICANN-sanctioned root and ccTLD operators) as well as the RIRs and IANA. These allocations will be no smaller than a /24. Multiple allocations may be granted in certain situations.

Exchange point allocations MUST be allocated from specific blocks reserved only for this purpose. All other micro-allocations WILL be allocated out of other blocks reserved for micro-allocation purposes. ARIN will make a list of these blocks publicly available.

Exchange point operators must provide justification for the allocation, including: connection policy, location, other participants (minimum of three total), ASN, and contact information. ISPs and other organizations receiving these micro-allocations will be charged under the ISP fee schedule, while end-users will be charged under the fee schedule for end-users. This policy does not preclude exchange point operators from requesting address space under other policies.

ARIN will place an equivalent of a /15 of IPv4 address space in a reserve for Critical Infrastructure, as defined in section 4.4.

ICANN-sanctioned gTLD operators may justify up to the equivalent of an IPv4 /23 block for each authorized new gTLD, allocated from the free pool or received via transfer, but not from the above reservation. This limit of a /23 equivalent per gTLD does not apply to gTLD allocations made under previous policy.

#### 4.5. Multiple Discrete Networks

Organizations with multiple discrete networks desiring to request new or additional address space under a single Organization ID must meet the following criteria:

1. The organization shall be a single entity and not a consortium of smaller independent entities.
2. The organization must have compelling criteria for creating discrete networks. Examples of a discrete network might include:
  - a. Regulatory restrictions for data transmission,
  - b. Geographic distance and diversity between networks,

c. Autonomous multihomed discrete networks.

3. The organization must keep detailed records on how it has allocated space to each location, including the date of each allocation.
4. When applying for additional internet address registrations from ARIN, the organization must demonstrate utilization greater than 50% of both the last block allocated and the aggregate sum of all blocks allocated from ARIN to that organization. If an organization is unable to satisfy this 50% minimum utilization criteria, the organization may alternatively qualify for additional internet address registrations by having all unallocated blocks of addresses smaller than ARIN's current minimum allocation size.
5. The organization may not allocate additional address space to a location until each of that location's address blocks are 80% utilized.
6. The organization should notify ARIN at the time of the request their desire to apply this policy to their account.
7. Upon verification that the organization has shown evidence of deployment of the new discrete network site, the new network(s) shall be allocated the minimum allocation size under section 4.2.1.5 unless the organization can demonstrate additional need using the immediate need criteria (4.2.1.6).

#### 4.6., 4.7., 4.8., 4.9. [Section Numbers Retired]

#### 4.10 Dedicated IPv4 block to facilitate IPv6 Deployment

When ARIN receives its last /8 IPv4 allocation from IANA, a contiguous /10 IPv4 block will be set aside and dedicated to facilitate IPv6 deployment. Allocations and assignments from this block must be justified by immediate IPv6 deployment requirements. Examples of such needs include: IPv4 addresses for key dual stack DNS servers, and NAT-PT or NAT464 translators. ARIN staff will use their discretion when evaluating justifications.

This block will be subject to a minimum size allocation of /28 and a maximum size allocation of /24. ARIN should use sparse allocation when possible within that /10 block.

In order to receive an allocation or assignment under this policy:

1. the applicant may not have received resources under this policy in the preceding six months;
2. previous allocations/assignments under this policy must continue to meet the justification requirements of this policy;
3. previous allocations/assignments under this policy must meet the utilization requirements of end user assignments;
4. the applicant must demonstrate that no other allocations or assignments will meet this need;
5. on subsequent allocation under this policy, ARIN staff may require applicants to renumber out of previously allocated / assigned space under this policy in order to minimize non-contiguous allocations.

## 5. AS Numbers

There are a limited number of available Autonomous System Numbers (AS Numbers), therefore, it is important to determine which sites require unique AS Numbers and which do not. Sites that do not require a unique AS Number should use one or more of the AS Numbers reserved for private use. Those numbers are: 64512 through 65534 and 4200000000 through 4294967294 inclusive.

In order to be assigned an AS Number, each requesting organization must provide ARIN with verification that it has one of the following:

1. A unique routing policy (its policy differs from its border gateway peers)
2. A multihomed site.

AS Numbers are issued based on current need. An organization should request an AS Number only when it is already multihomed or will immediately become multihomed.

### 5.1. [Section Number Retired]

## 6. IPv6

### 6.1. Introduction

#### 6.1.1. Overview

This document describes policies for the allocation and assignment of globally-unique Internet Protocol Version 6 (IPv6) address space. It updates and obsoletes the existing Provisional IPv6 Policies in effect since 1999. Policies described in this document are intended to be adopted by each registry. However, adoption of this document does not preclude local variations in each region or area.

RFC 2373, RFC 2373bis designate 2000::/3 to be global unicast address space that IANA may allocate to the RIRs. In accordance with RFC 2928, RFC 2373bis, IAB-Request, IANA has allocated initial ranges of global unicast IPv6 address space from the 2001::/16 address block to the existing RIRs. This document concerns the initial and subsequent allocations of the 2000::/3 unicast address space, for which RIRs formulate allocation and assignment policies.

### 6.2. [Section Number Retired]

### 6.3. Goals of IPv6 address space management

#### 6.3.1. Goals

IPv6 address space is a public resource that must be managed in a prudent manner with regards to the long-term interests of the internet. Responsible address space management involves balancing a set of sometimes competing goals. The following are the goals relevant to IPv6 address policy.

#### 6.3.2. Uniqueness

Every assignment and/or allocation of address space must guarantee uniqueness worldwide. This is an absolute requirement for ensuring that every public host on the Internet can be uniquely identified.

#### 6.3.3. Registration

Internet address space must be registered in a registry database accessible to appropriate members of the Internet community. This is necessary to ensure the uniqueness of each Internet address and to provide reference information for

Internet troubleshooting at all levels, ranging from all RIRs and IRs to end users.

The goal of registration should be applied within the context of reasonable privacy considerations and applicable laws.

#### 6.3.4. Aggregation

Wherever possible, address space should be distributed in a hierarchical manner, according to the topology of network infrastructure. This is necessary to permit the aggregation of routing information by ISPs, and to limit the expansion of Internet routing tables.

This goal is particularly important in IPv6 addressing, where the size of the total address pool creates significant implications for both internal and external routing.

IPv6 address policies should seek to avoid fragmentation of address ranges.

Further, RIRs should apply practices that maximize the potential for subsequent allocations to be made contiguous with past allocations currently held. However, there can be no guarantee of contiguous allocation.

#### 6.3.5. Conservation

Although IPv6 provides an extremely large pool of address space, address policies should avoid unnecessarily wasteful practices. Requests for address space should be supported by appropriate documentation and stockpiling of unused addresses should be avoided.

#### 6.3.6. Fairness

All policies and practices relating to the use of public address space should apply fairly and equitably to all existing and potential members of the Internet community, regardless of their location, nationality, size or any other factor.

#### 6.3.7. Minimized Overhead

It is desirable to minimize the overhead associated with obtaining address space. Overhead includes the need to go back to RIRs for additional space too frequently, the overhead associated with managing address space that grows through a number of small successive incremental expansions rather than through fewer, but larger, expansions.

#### 6.3.8. Conflict of goals

The goals described above will often conflict with each other, or with the needs of individual IRs or end users. All IRs evaluating requests for allocations and assignments must make judgments, seeking to balance the needs of the applicant with the needs of the Internet community as a whole.

In IPv6 address policy, the goal of aggregation is considered to be the most important.

### 6.4. IPv6 Policy Principles

To address the goals described in the previous section, the policies in this document discuss and follow the basic principles described below.

#### 6.4.1. Address space not to be considered property

It is contrary to the goals of this document and is not in the interests of the Internet community as a whole for address space to be considered freehold property.

The policies in this document are based upon the understanding that globally-unique IPv6 unicast address space is allocated/assigned for use rather than owned.

### 6.4.2. Routability not guaranteed

There is no guarantee that any address allocation or assignment will be globally routable.

However, RIRs must apply procedures that reduce the possibility of fragmented address space which may lead to a loss of routability.

### 6.4.3. [Section Number Retired]

### 6.4.4. Consideration of IPv4 Infrastructure

Where an existing IPv4 service provider requests IPv6 space for eventual transition of existing services to IPv6, the number of present IPv4 customers may be used to justify a larger request than would be justified if based solely on the IPv6 infrastructure.

## 6.5. Policies for allocations and assignments

### 6.5.1. Terminology

- a. The terms ISP and LIR are used interchangeably in this document and any use of either term shall be construed to include both meanings.
- b. The term nibble boundary shall mean a network mask which aligns on a 4-bit boundary (in slash notation, /n, where n is evenly divisible by 4, allowing unit quantities of X such that  $2^n = X$  where n is evenly divisible by 4, such as 16, 256, 4096, etc.)

### 6.5.2 Initial Allocations to LIRs

#### 6.5.2.1 Size

- a. All allocations shall be made on nibble boundaries.
- b. In no case shall an LIR receive smaller than a /32 unless they specifically request a /36. In no case shall an ISP receive more than a /16 initial allocation.
- c. The maximum allowable allocation shall be the smallest nibble-boundary aligned block that can provide an equally sized nibble-boundary aligned block to each of the requesters serving sites large enough to satisfy the needs of the requesters largest single serving site using no more than 75% of the available addresses.

This calculation can be summarized as  $/N$  where  $N = P \cdot (X + Y)$  and P is the organization's Provider Allocation Unit X is a multiple of 4 greater than  $4/3 \cdot \text{serving sites}$  and Y is a multiple of 4 greater than  $4/3 \cdot \text{end sites served by largest serving site}$ .

- d. For purposes of the calculation in (c), an end site which can justify more than a /48 under the end-user assignment criteria in 6.5.8 shall count as the appropriate number of /48s that would be assigned under that policy.
- e. For purposes of the calculation in (c), an LIR which has subordinate LIRs shall make such allocations according to the same policies and criteria as ARIN. In such a case, the prefixes necessary for such an allocation should be treated as fully utilized in determining the block sizing for the parent LIR. LIRs which do not receive resources directly from ARIN will not be able to make such allocations to subordinate LIRs and subordinate LIRs which need more than a /32 shall apply directly to ARIN.

- f. An LIR is not required to design or deploy their network according to this structure. It is strictly a mechanism to determine the largest IP address block to which the LIR is entitled.

#### 6.5.2.2 Qualifications

An organization qualifies for an allocation under this policy if they meet any of the following criteria:

- a. Have a previously justified IPv4 ISP allocation from ARIN or one of its predecessor registries or can qualify for an IPv4 ISP allocation under current criteria.
- b. Are currently multihomed for IPv6 or will immediately become multihomed for IPv6 using a valid assigned global AS number.  
In either case, they will be making reassignments from allocation(s) under this policy to other organizations.
- c. Provide ARIN a reasonable technical justification indicating why an allocation is necessary. Justification must include the intended purposes for the allocation and describe the network infrastructure the allocation will be used to support. Justification must also include a plan detailing anticipated assignments to other organizations or customers for one, two and five year periods, with a minimum of 50 assignments within 5 years.

### 6.5.3 Subsequent Allocations to LIRs

- a. Where possible ARIN will make subsequent allocations by expanding the existing allocation.
- b. An LIR qualifies for a subsequent allocation if they meet any of the following criteria:
  - Shows utilization of 75% or more of their total address space
  - Shows utilization of more than 90% of any serving site
  - Has allocated more than 90% of their total address space to serving sites, with the block size allocated to each serving site being justified based on the criteria specified in section 6.5.2.
- c. If ARIN can not expand one or more existing allocations, ARIN shall make a new allocation based on the initial allocation criteria above. The LIR is encouraged, but not required to renumber into the new allocation over time and return any allocations no longer in use.
- d. If an LIR has already reached a /12 or more, ARIN will allocate a single additional /12 rather than continue expanding nibble boundaries.

#### 6.5.3.1 Subsequent Allocations for Transition

Subsequent allocations will also be considered for deployments that cannot be accommodated by, nor were accounted for, under the initial allocation. Justification for the subsequent subnet size will be based on the plan and technology provided with a /24 being the maximum allowed for a transition technology. Justification for transitional allocations will be reviewed every 3 years and reclaimed if they are no longer in use for transitional purposes. All such allocations for transitional technology will be made from a block designated for this purpose.

#### 6.5.4. Assignments from LIRs/ISPs

Assignments to end users shall be governed by the same practices adopted by the community in section 6.5.8 except that the requirements in 6.5.8.1 do not apply.

##### 6.5.4.1. Assignment to operator's infrastructure

An LIR may assign up to a /48 per PoP as well as up to an additional /48 globally for its own infrastructure.

#### 6.5.5. Registration

ISPs are required to demonstrate efficient use of IP address space allocations by providing appropriate documentation, including but not limited to assignment histories, showing their efficient use.

##### 6.5.5.1. Reassignment information

Each static IPv6 assignment containing a /64 or more addresses shall be registered in the WHOIS directory via SWIP or a distributed service which meets the standards set forth in section 3.2. Reassignment registrations shall include each client's organizational information, except where specifically exempted by this policy.

##### 6.5.5.2. Assignments visible within 7 days

All assignments shall be made visible as required in section 4.2.3.7.1 within seven calendar days of assignment.

##### 6.5.5.3. Residential Subscribers

###### 6.5.5.3.1. Residential Customer Privacy

To maintain the privacy of their residential customers, an organization with downstream residential customers holding /64 and larger blocks may substitute that organization's name for the customer's name, e.g. 'Private Customer - XYZ Network'; and the customer's street address may read 'Private Residence'. Each private downstream residential reassignment must have accurate upstream Abuse and Technical POCs visible on the WHOIS record for that block.

#### 6.5.6. [Section Number Retired]

#### 6.5.7. Existing IPv6 address space holders

LIRs which received an allocation under previous policies which is smaller than what they are entitled to under this policy may receive a new initial allocation under this policy. If possible, ARIN will expand their existing allocation.

#### 6.5.8 Direct assignments from ARIN to end-user organizations

##### 6.5.8.1. Initial Assignment Criteria

Organizations may justify an initial assignment for addressing devices directly attached to their own network infrastructure, with an intent for the addresses to begin operational use within 12 months, by meeting one of the following criteria:

- Having a previously justified IPv4 end-user assignment from ARIN or one of its predecessor registries, or;
- Currently being IPv6 Multihomed or immediately becoming IPv6 Multihomed and using an assigned valid global AS number, or;
- By having a network that makes active use of a minimum of 2000 IPv6 addresses within 12 months, or;
- By having a network that makes active use of a minimum of 200 /64 subnets within 12 months, or;

- By having a contiguous network that has a minimum of 13 active sites within 12 months, or;
- By providing a reasonable technical justification indicating why IPv6 addresses from an ISP or other LIR are unsuitable.

Examples of justifications for why addresses from an ISP or other LIR may be unsuitable include, but are not limited to:

- An organization that operates infrastructure critical to life safety or the functioning of society can justify the need for an assignment based on the fact that renumbering would have a broader than expected impact than simply the number of hosts directly involved. These would include: hospitals, fire fighting, police, emergency response, power or energy distribution, water or waste treatment, traffic management and control, etc.
- Regardless of the number of hosts directly involved, an organization can justify the need for an assignment if renumbering would affect 2000 or more individuals either internal or external to the organization.
- An organization with a network not connected to the Internet can justify the need for an assignment by documenting a need for guaranteed uniqueness, beyond the statistical uniqueness provided by ULA (see RFC 4193).
- An organization with a network not connected to the Internet, such as a VPN overlay network, can justify the need for an assignment if they require authoritative delegation of reverse DNS.

##### 6.5.8.2. Initial assignment size

Organizations that meet at least one of the initial assignment criteria above are eligible to receive an initial assignment of /48. Requests for larger initial assignments, reasonably justified with supporting documentation, will be evaluated based on the number of sites in an organization's network and the number of subnets needed to support any extra-large sites defined below.

The initial assignment size will be determined by the number of sites justified below. An organization qualifies for an assignment on the next larger nibble boundary when their sites exceed 75% of the /48s available in a prefix. For example:

- More than 1 but less than or equal to 12 sites justified, receives a /44 assignment;
- More than 12 but less than or equal to 192 sites justified, receives a /40 assignment;
- More than 192 but less than or equal to 3,072 sites justified, receives a /36 assignment;
- More than 3,072 but less than or equal to 49,152 sites justified, receives a /32 assignment; etc...

##### 6.5.8.2.1 Standard sites

A site is a discrete location that is part of an organization's network. A campus with multiple buildings may be considered as one or multiple sites, based on the implementation of its network infrastructure. For a campus to be considered as multiple sites, reasonable technical documentation must be submitted describing how the network infrastructure is implemented in a manner equivalent to multiple sites.

An organization may request up to a /48 for each site in its network, and any sites that will be operational within 12 months.

#### 6.5.8.2.2 Extra-large sites

In rare cases, an organization may request more than a /48 for an extra-large site which requires more than 16,384 /64 subnets. In such a case, a detailed subnet plan must be submitted for each extra-large site in an organization's network. An extra-large site qualifies for the next larger prefix when the total subnet utilization exceeds 25%. Each extra-large site will be counted as an equivalent number of /48 standard sites.

#### 6.5.8.3 Subsequent assignments

Requests for subsequent assignments with supporting documentation will be evaluated based on the same criteria as an initial assignment under 6.5.8.2 with the following modifications:

- a. A subsequent assignment is justified when the total utilization based on the number of sites justified exceeds 75% across all of an organization's assignments. If the organization received an assignment per section 6.11 IPv6 Multiple Discrete Networks, such assignments will be evaluated as if they were to a separate organization.
- b. When possible subsequent assignments will result in the expansion of an existing assignment by one or more nibble boundaries as justified.
- c. If it is not possible to expand an existing assignment, or to expand it adequately to meet the justified need, then a separate new assignment will be made of the size justified.

#### 6.5.8.4 Consolidation and return of separate assignments

Organizations with multiple separate assignments should consolidate into a single aggregate, if feasible. If an organization stops using one or more of its separate assignments, any unused assignments must be returned to ARIN.

#### 6.5.9. Community Network Assignments

While community networks would normally be considered to be ISP type organizations under existing ARIN criteria, they tend to operate on much tighter budgets and often depend on volunteer labor. As a result, they tend to be much smaller and more communal in their organization rather than provider/customer relationships of commercial ISPs. This section seeks to provide policy that is more friendly to those environments by allowing them to use end-user criteria.

##### 6.5.9.1. Qualification Criteria

To qualify under this section, a community network must demonstrate to ARIN's satisfaction that it meets the definition of a community network under section 2.11 of the NRPM.

##### 6.5.9.2. Receiving Resources

Once qualified under this section, a community network shall be treated as an end-user assignment for all ARIN purposes.

Community networks shall be eligible under this section only for IPv6 resources and the application process and use of those resources shall be governed by the existing end-user policy contained in section 6.5.8 et. seq.

Community networks seeking other resources shall remain subject to the policies governing those resources independent of their election to use this policy for IPv6 resources.

#### 6.5.9.3. [Section Number Retired]

#### 6.6. - 6.9. [Section Numbers Retired]

#### 6.10. Micro-allocations

##### 6.10.1. Micro-allocations for Critical Infrastructure

ARIN will make micro-allocations to critical infrastructure providers of the Internet, including public exchange points, core DNS service providers (e.g. ICANN-sanctioned root, gTLD, and ccTLD operators) as well as the RIRs and IANA. These allocations will be no smaller than a /24 using IPv4 or a /48 using IPv6. Multiple allocations may be granted in certain situations. - Exchange point allocations MUST be allocated from specific blocks reserved only for this purpose. All other micro-allocations WILL be allocated out of other blocks reserved for micro-allocation purposes. ARIN will make a list of these blocks publicly available. - Exchange point operators must provide justification for the allocation, including: connection policy, location, other participants (minimum of two total), ASN, and contact information. ISPs and other organizations receiving these micro-allocations will be charged under the ISP fee schedule, while end-users will be charged under the fee schedule for end-users. This policy does not preclude exchange point operators from requesting address space under other policies.

##### 6.10.2. Micro-allocations for Internal Infrastructure

Organizations that currently hold IPv6 allocations may apply for a micro-allocation for internal infrastructure. Applicant must provide technical justification indicating why a separate non-routed block is required. Justification must include why a sub-allocation of currently held IP space cannot be utilized. Internal infrastructure allocations must be allocated from specific blocks reserved only for this purpose.

#### 6.11. IPv6 Multiple Discrete Networks

Organizations with multiple discrete IPv6 networks desiring to request new or additional address space under a single Organization ID must meet the following criteria:

1. The organization shall be a single entity and not a consortium of smaller independent entities.
2. The organization must have compelling criteria for creating discrete networks. Examples of a discrete network might include:
  - Regulatory restrictions for data transmission,
  - Geographic distance and diversity between networks,
  - Autonomous multihomed discrete networks.
3. The organization must keep detailed records on how it has allocated space to each location, including the date of each allocation.
4. The organization should notify ARIN at the time of the request their desire to apply this policy to their account.
5. Requests for additional space:
  - a. Organization must specify on the application which discrete network(s) the request applies to
  - b. Each network will be judged against the existing utilization criteria specified in 6.5.2 and 6.5.3 as if it were a separate organization, rather than collectively as would be done for requests outside of this policy.



## 7. Reverse Mapping

### 7.1. [Section Number Retired]

### 7.2. [Section Number Retired]

## 8. Transfers

### 8.1. Principles

Number resources are nontransferable and are not assignable to any other organization unless ARIN has expressly and in writing approved a request for transfer. ARIN is tasked with making prudent decisions on whether to approve the transfer of number resources.

It should be understood that number resources are not 'sold' under ARIN administration. Rather, number resources are assigned to an organization for its exclusive use for the purpose stated in the request, provided the terms of the Registration Services Agreement continue to be met and the stated purpose for the number resources remains the same. Number resources are administered and assigned according to ARIN's published policies.

Number resources are issued, based on justified need, to organizations, not to individuals representing those organizations. Thus, if a company goes out of business, regardless of the reason, the point of contact (POC) listed for the number resource does not have the authority to sell, transfer, assign, or give the number resource to any other person or organization. The POC must notify ARIN if a business fails so the assigned number resources can be returned to the available pool of number resources if a transfer is not requested and justified.

### 8.2. Mergers, Acquisitions, and Reorganizations

ARIN will consider requests for the transfer of number resources in the case of mergers, acquisitions, and reorganizations under the following conditions:

- The current registrant must not be involved in any dispute as to the status of the resources to be transferred.
- The new entity must sign an RSA covering all resources to be transferred.
- The resources to be transferred will be subject to ARIN policies.
- The minimum transfer size is the smaller of the original allocation size or the applicable minimum allocation size in current policy.
- The Internet number resources being transferred as part of an 8.2 transfer will not be subject to a needs-based assessment during the process of the 8.2 transfer.

AND one or more of the following:

- The recipient must provide evidence that they have acquired the assets that use the resources to be transferred from the current registrant.

OR

- The recipient must show that they have acquired the entire entity which is the current registrant.

### 8.3. Transfers to Specified Recipients

In addition to transfers under section 8.2, IPv4 numbers resources and ASNs may be transferred according to the following conditions.

Conditions on source of the transfer:

- The source entity must be the current registered holder of the IPv4 address resources, and not be involved in any dispute as to the status of those resources.
- The source entity must not have received a transfer, allocation, or assignment of IPv4 number resources from ARIN for the 12 months prior to the approval of a transfer request. This restriction does not include M&A transfers.
- Address resources from a reserved pool (including those designated in Section 4.4 and 4.10) are not eligible for transfer.

Conditions on recipient of the transfer:

- The recipients must meet the transfer requirements as defined in section 8.5.
- The resources transferred will be subject to current ARIN policies.

### 8.4 Inter-RIR Transfers to Specified Recipients

Inter-regional transfers may take place only via RIRs who agree to the transfer and share reciprocal, compatible, needs-based policies.

Conditions on source of the transfer:

- The source entity must be the current rights holder of the IPv4 address resources recognized by the RIR responsible for the resources, and not be involved in any dispute as to the status of those resources.
- Source entities outside of the ARIN region must meet any requirements defined by the RIR where the source entity holds the registration.
- Source entities within the ARIN region must not have received a transfer, allocation, or assignment of IPv4 number resources from ARIN for the 12 months prior to the approval of a transfer request, unless either the source or recipient entity owns or controls the other, or both are under common ownership or control. This restriction does not include M&A transfers.
- Address resources from a reserved pool (including those designated in Section 4.4 and 4.10) are not eligible for transfer.

Conditions on recipient of the transfer:

- The conditions on a recipient outside of the ARIN region will be defined by the policies of the receiving RIR.
- Recipients within the ARIN region must meet the transfer requirements as defined in section 8.5.
- Recipients within the ARIN region will be subject to current ARIN policies.

### 8.5 Specified Transfer Recipient Requirements

#### 8.5.1. Registration Services Agreement

The receiving entity must sign an RSA covering all resources to be transferred unless that entity has a current (within the last two versions) RSA on file.

### 8.5.2. Operational Use

ARIN allocates or assigns number resources to organizations via transfer solely for the purpose of use on an operational network.

### 8.5.3. Minimum transfer size

ARIN's minimum IPv4 transfer size is a /24.

### 8.5.4. Initial block

Organizations without direct assignments or allocations from ARIN qualify for transfer of an initial IPv4 block of ARIN's minimum transfer size.

### 8.5.5. Block size

Organizations may qualify for the transfer of a larger initial block, or an additional block, by providing documentation to ARIN which details the use of at least 50% of the requested IPv4 block size within 24 months. An officer of the organization shall attest to the documentation provided to ARIN.

### 8.5.6. Efficient utilization of previous blocks

Organizations with direct assignments or allocations from ARIN must have efficiently utilized at least 50% of their cumulative IPv4 address blocks in order to receive additional space. This includes all space reassigned to their customers.

### 8.5.7. Alternative Additional IPv4 Address Block Criteria

In lieu of 8.5.5 and 8.5.6, organizations may qualify for additional IPv4 address blocks by demonstrating 80% utilization of their currently allocated space. If they do so, they qualify to receive one or more transfers up to the total size of their current ARIN IPv4 address holdings, with a maximum size of /16.

An organization may qualify via 8.5.7 for a total of a /16 equivalent in any 6 month period.

## 9. Out of Region Use

ARIN registered resources may be used outside the ARIN service region. Out of region use of ARIN registered resources are valid justification for additional number resources, provided that the applicant has a real and substantial connection with the ARIN region which applicant must prove (as described below) and is using the same type of resources (with a delegation lineage back to an ARIN allocation or assignment) within the ARIN service region as follows:

- IPv4: At least a /22 used in region
- IPv6: At least a /44 used in region
- ASN: At least one ASN present on one or more peering sessions and/or routers within the region.

A real and substantial connection shall be defined as carrying on business in the ARIN region in a meaningful manner. The determination as to whether an entity is carrying on business in the ARIN region in a meaningful manner shall be made by ARIN. Simply being incorporated in the ARIN region shall not be sufficient, on its own, to prove that an entity is carrying on business in the ARIN region in a meaningful manner. Methods that entities may consider using, including cumulatively, to prove that they are carrying on business in the ARIN region in a meaningful manner include:

- Demonstrating a physical presence in the ARIN region through a bricks and mortar location that is actually used

for the purposes of conducting business in the ARIN region in a meaningful manner. That is to say, the location is not merely a registered office that serves no other business purpose.

- Demonstrating that the entity has staff in the ARIN region. The greater the number of staff, the stronger this connecting factor is.
- Demonstrating that the entity holds assets in the ARIN region. The greater the asset value, the stronger this connecting factor is.
- Demonstrating that the entity provides services to and solicits sales from residents of the ARIN region.
- Demonstrating that the entity holds periodic meetings in the ARIN region.
- Demonstrating that the entity raises investment capital from investors in the ARIN region.
- Demonstrating that the entity has a registered corporation in the ARIN region, although this factor on its own shall not be sufficient.
- Other fact based criterion that the entity considers appropriate and submits for ARIN's review.

The weight accorded to any of the above-noted factors, if any, shall be determined solely by ARIN.

The services and facilities used to justify the need for ARIN resources that will be used out of region cannot also be used to justify resource requests from another RIR. When a request for resources from ARIN is justified by need located within another RIR's service region, an officer of the application must attest that the same services and facilities have not been used as the basis for a resource request in the other region(s). ARIN reserves the right to obtain from the applicant a listing of all the applicant's number holdings in the region(s) of proposed use, when there are factual reasons to support the request.

## 10. Global Number Resource Policy

### 10.1. IANA to RIR Allocation of IPv4 Address Space

This document describes the policies governing the allocation of IPv4 address space from the IANA to the Regional Internet Registries (RIRs). This document does not stipulate performance requirements in the provision of services by IANA to an RIR in accordance with these policies. Such requirements should be specified by appropriate agreements among the RIRs and ICANN.

#### 1. Allocation Principles

- The IANA will allocate IPv4 address space to the RIRs in /8 units.
- The IANA will allocate sufficient IPv4 address space to the RIRs to support their registration needs for at least an 18 month period.
- The IANA will allow for the RIRs to apply their own respective chosen allocation and reservation strategies in order to ensure the efficiency and efficacy of their work.

#### 2. Initial Allocations

Each new RIR shall, at the moment of recognition, be allocated a new /8 by the IANA. This allocation will be made regardless of the newly formed RIR's projected utilization figures and shall be independent of the IPv4 address space

that may have been transferred to the new RIR by the already existing RIRs as part of the formal transition process.

### 3. Additional Allocations

A RIR is eligible to receive additional IPv4 address space from the IANA when either of the following conditions are met.

- The RIR's AVAILABLE SPACE of IPv4 addresses is less than 50% of a /8 block.
- The RIR's AVAILABLE SPACE of IPv4 addresses is less than its established NECESSARY SPACE for the following 9 months.

In either case, IANA shall make a single allocation of a whole number of /8 blocks, sufficient to satisfy the established NECESSARY SPACE of the RIR for an 18 month period.

#### 3.1. Calculation of AVAILABLE SPACE

The AVAILABLE SPACE of IPv4 addresses of a RIR shall be determined as follows:

AVAILABLE SPACE = CURRENTLY FREE ADDRESSES +  
RESERVATIONS EXPIRING DURING THE FOLLOWING  
3 MONTHS – FRAGMENTED SPACE

FRAGMENTED SPACE is determined as the total amount of available blocks smaller than the RIR's minimum allocation size within the RIR's currently available stock.

#### 3.2. Calculation of NECESSARY SPACE

If the applying Regional Internet Registry does not establish any special needs for the period concerned, NECESSARY SPACE shall be determined as follows:

NECESSARY SPACE = AVERAGE NUMBER OF ADDRESSES  
ALLOCATED MONTHLY DURING THE PAST 6 MONTHS \*  
LENGTH OF PERIOD IN MONTHS

If the applying RIR anticipates that due to certain special needs the rate of allocation for the period concerned will be greater than the previous 6 months, it may determine its NECESSARY SPACE as follows:

A) Calculate NECESSARY SPACE as its total needs for that period according to its projection and based on the special facts that justify these needs.

B) Submit a clear and detailed justification of the above mentioned projection (Item A).

If the justification is based on the allocation tendency prepared by the Regional Internet Registry, data explaining said tendency must be enclosed.

If the justification is based on the application of one or more of the Regional Internet Registry's new allocation policies, an impact analysis of the new policy/policies must be enclosed.

If the justification is based on external factors such as new infrastructure, new services within the region, technological advances or legal issues, the corresponding analysis must be enclosed together with references to information sources that will allow verification of the data.

If IANA does not have elements that clearly question the Regional Internet Registry's projection, the special needs projected for the following 18 months, indicated in Item A above, shall be considered valid.

### 4. Announcement of IANA Allocations

When address space is allocated to a RIR, the IANA will send a detailed announcement to the receiving RIR. The IANA will

also make announcements to all other RIRs, informing them of the recent allocation. The RIRs will coordinate announcements to their respective membership lists and any other lists they deem necessary.

The IANA will make appropriate modifications to the "Internet Protocol V4 Address Space" page of the IANA website and may make announcements to its own appropriate announcement lists. The IANA announcements will be limited to which address ranges, the time of allocation and to which Registry they have been allocated.

## 10.2. Allocation of IPv6 Address Space by the Internet Assigned Numbers Authority (IANA) Policy to Regional Internet Registries

This document describes the policy governing the allocation of IPv6 address space from the IANA to the Regional Internet Registries (RIRs). This document does not stipulate performance requirements in the provision of services by IANA to an RIR in accordance with this policy. Such requirements will be specified by appropriate agreements between ICANN and the NRO.

### 1. Allocation Principles

- The unit of IPv6 allocation (and therefore the minimum IPv6 allocation) from IANA to an RIR is a /12
- The IANA will allocate sufficient IPv6 address space to the RIRs to support their registration needs for at least an 18 month period.
- The IANA will allow for the RIRs to apply their own respective chosen allocation and reservation strategies in order to ensure the efficiency and efficacy of their work.

### 2. Initial Allocations

- On inception of this policy, each current RIR with less than a /12 unallocated address space, shall receive an IPv6 allocation from IANA
- Any new RIR shall, on recognition by ICANN receive an IPv6 allocation from the IANA

### 3. Additional Allocations

A RIR is eligible to receive additional IPv6 address space from the IANA when either of the following conditions are met.

- The RIR's AVAILABLE SPACE of IPv6 addresses is less than 50% of a /12.
- The RIR's AVAILABLE SPACE of IPv6 addresses is less than its established NECESSARY SPACE for the following 9 months.

In either case, IANA shall make a single IPv6 allocation, sufficient to satisfy the established NECESSARY SPACE of the RIR for an 18 month period.

#### 3.1. Calculation of AVAILABLE SPACE

The AVAILABLE SPACE of IPv6 addresses of a RIR shall be determined as follows:

AVAILABLE SPACE = CURRENTLY FREE ADDRESSES +  
RESERVATIONS EXPIRING DURING THE FOLLOWING  
3 MONTHS – FRAGMENTED SPACE

FRAGMENTED SPACE is determined as the total amount of available blocks smaller than the RIR's minimum allocation size within the RIR's currently available stock.

#### 3.2. Calculation of NECESSARY SPACE

If the applying Regional Internet Registry does not establish any special needs for the period concerned, NECESSARY SPACE shall be determined as follows:

NECESSARY SPACE = AVERAGE NUMBER OF ADDRESSES ALLOCATED MONTHLY DURING THE PAST 6 MONTHS \* LENGTH OF PERIOD IN MONTHS

If the applying RIR anticipates that due to certain special needs the rate of allocation for the period concerned will be different from the previous 6 months, it may determine its NECESSARY SPACE as follows:

Calculate NECESSARY SPACE as its total needs for that period according to its projection and based on the special facts that justify these needs.

Submit a clear and detailed justification of the above mentioned projection (Item A).

If the justification is based on the allocation tendency prepared by the Regional Internet Registry, data explaining said tendency must be enclosed.

If the justification is based on the application of one or more of the Regional Internet Registry's new allocation policies, an impact analysis of the new policy/policies must be enclosed.

If the justification is based on external factors such as new infrastructure, new services within the region, technological advances or legal issues, the corresponding analysis must be enclosed together with references to information sources that will allow verification of the data.

If IANA does not have elements that clearly question the Regional Internet Registry's projection, the special needs projected for the following 18 months, indicated in Item A above, shall be considered valid.

#### 4. Announcement of IANA Allocations

The IANA, the NRO, and the RIRs will make announcements and update their respective web sites regarding an allocation made by the IANA to an RIR. ICANN and the NRO will establish administrative procedures to manage this process.

### **10.3. IANA Policy for Allocation of ASN Blocks to RIRs**

#### **Abstract**

This document describes the policy governing the allocation of Autonomous System Numbers (ASNs) from the IANA to the Regional Internet Registries (RIRs).

This policy document does not stipulate performance requirements in the provision of services by the IANA to an RIR. Such requirements will be specified by appropriate agreements between ICANN and the Number Resource Organization (NRO).

#### 1. Allocation Principles

IANA allocates ASNs to RIRs in blocks of 1024 ASNs. In this document the term "ASN block" refers to a set of 1024 ASNs. Until 31 December 2010, allocations of 2-byte only and 4-byte only ASN blocks will be made separately and independent of each other.

This means until 31 December 2010, RIRs can receive two separate ASN blocks, one for 2-byte only ASNs and one for 4-byte only ASNs from the IANA under this policy. After this date, IANA and the RIRs will cease to make any distinction between 2-byte only and 4-byte only ASNs, and will operate ASN allocations from an undifferentiated 4-byte ASN allocation pool.

#### 2. Initial Allocations

Each new RIR will be allocated a new ASN block.

#### 3. Additional Allocations

An RIR is eligible to receive (an) additional ASN block(s) from the IANA if one of the following conditions is met:

1. The RIR has assigned/allocated 80% of the previously received ASN block, or
2. The number of free ASNs currently held by the RIR is less than two months need. This projection is based on the monthly average number of ASNs assigned/allocated by the RIR over the previous six months.

An RIR will be allocated as many ASN blocks as are needed to support their registration needs for the next 12 months, based on their average assignment/allocation rate over the previous six months, unless the RIR specifically requests fewer blocks than it qualifies for.

#### 4. Announcement of IANA Allocations

The IANA, the NRO and the RIRs will make announcements and update their respective websites/databases when an allocation is made by the IANA to an RIR. ICANN and the NRO will establish administrative procedures to manage this process.

### **10.4. Global Policy for the Allocation of the Remaining IPv4 Address Space**

This policy describes the process for the allocation of the remaining IPv4 space from IANA to the RIRs. When a minimum amount of available space is reached, one /8 will be allocated from IANA to each RIR, replacing the current IPv4 allocation policy.

In order to fulfill the requirements of this policy, at the time it is adopted, one /8 will be reserved by IANA for each RIR. The reserved allocation units will no longer be part of the available space at the IANA pool. IANA will also reserve one /8 to any new RIR at the time it is recognized.

The process for the allocation of the remaining IPv4 space is divided in two consecutive phases:

#### **10.4.1. Existing Policy Phase**

During this phase IANA will continue allocating IPv4 addresses to the RIRs using the existing allocation policy. This phase will continue until a request for IPv4 address space from any RIR to IANA either cannot be fulfilled with the remaining IPv4 space available at the IANA pool or can be fulfilled but leaving the IANA remaining IPv4 pool empty.

This will be the last IPv4 address space request that IANA will accept from any RIR. At this point the next phase of the process (Exhaustion Phase) will be initiated.

#### **10.4.2. Exhaustion Phase**

During this phase IANA will automatically allocate the reserved IPv4 allocation units to each RIR (one /8 to each one) and respond to the last request with the remaining available allocation units at the IANA pool (M units).

##### **10.4.2.1. Size of the final IPv4 allocations**

In this phase IANA will automatically allocate one /8 to each RIR from the reserved space as defined in this policy. IANA will also allocate M allocation units to the RIR that submitted the last request for IPv4 addresses.

#### 10.4.2.2. Allocation of the remaining IPv4 Address space

After the completion of the evaluation of the final request for IPv4 addresses, IANA MUST:

- a. Immediately notify the NRO about the activation of the second phase (Exhaustion Phase) of this policy.
- b. Proceed to allocate M allocation units to the RIR that submitted the last request for IPv4 address space.
- c. Proceed to allocate one /8 to each RIR from the reserved space.

#### 10.5. Global Policy for Post Exhaustion IPv4 Allocation Mechanisms by the IANA

The IANA shall establish a Recovered IPv4 Pool to be utilized post RIR IPv4 exhaustion. The Recovered IPv4 Pool will initially contain any fragments that may be left over in the IANA. It will also hold any space returned to the IANA by any other means.

The Recovered IPv4 Pool will be administered by the IANA. It will contain:

- a. Any fragments left over in the IANA inventory after the last /8s of IPv4 space are delegated to the RIRs
  - The IANA inventory excludes "Special use IPv4 addresses" as defined in BCP 153 and any addresses allocated by the IANA for experimental use.
- b. Any IPv4 space returned to the IANA by any means.

The Recovered IPv4 Pool will stay inactive until the first RIR has less than a total of a /9 in its inventory of IPv4 address space. When one of the RIRs declares it has less than a total of a /9 in its inventory, the Recovered IPv4 pool will be declared active, and IP addresses from the Recovered IPv4 Pool will be allocated as follows:

- a. Allocations from the IANA may begin once the pool is declared active.
- b. In each "IPv4 allocation period", each RIR will receive a single "IPv4 allocation unit" from the IANA.
- c. An "IPv4 allocation period" is defined as a 6-month period following 1 March or 1 September in each year.
- d. The IANA will calculate the size of the "IPv4 allocation unit" at the following times:
  - When the Recovered IPv4 Pool is first activated
  - At the beginning of each IPv4 allocation period

To calculate the "IPv4 allocation unit" at these times, the IANA will use the following formula:

IPv4 allocation unit =  $1/5$  of Recovered IPv4 pool, rounded down to the next CIDR (power-of-2) boundary.

No RIR may get more than this calculation used to determine the IPv4 allocation unit even when they can justify a need for it.

The minimum "IPv4 allocation unit" size will be a /24. If the calculation used to determine the IPv4 allocation unit results in a block smaller than a /24, the IANA will not distribute any addresses in that IPv4 allocation period.

The IANA may make public announcements of IPv4 address transactions that occur under this policy. The IANA will make appropriate modifications to the "Internet Protocol V4 Address Space" page of the IANA website and may make announcements to its own appropriate announcement lists. The IANA announcements will be limited to which address

ranges, the time of allocation, and to which Registry they have been allocated.

## 11. Experimental Internet Resource Allocations

ARIN will allocate Numbering Resources to entities requiring temporary Numbering Resources for a fixed period of time under the terms of recognized experimental activity.

"Numbering Resources" refers to unicast IPv4 or IPv6 address space and Autonomous System numbers.

The following are the criteria for this policy:

### 11.1. Documentation of recognized experimental activity

A Recognized Experimental Activity is one where the experiment's objectives and practices are described in a publicly accessible document. It is a normal requirement that a Recognized Experimental Activity also includes the undertaking that the experiment's outcomes be published in a publicly accessible document at the end of the experiment. The conditions for determining the end of the experiment are to be included in the document. Applicants for an experimental allocation are expected to demonstrate an understanding that when the experiment ends, the allocation will be returned; a successful experiment may need a new allocation under normal policies in order to continue in production or commercial use, but will not retain the experimental allocation.

A "publicly accessible document" is a document that is publicly and openly available free of charges and free of any constraints of disclosure.

ARIN will not recognize an experimental activity under this policy if the entire research experiment cannot be publicly disclosed.

ARIN has a strong preference for the recognition of experimental activity documentation in the form of a document which has been approved for publication by the IESG or by a similar mechanism as implemented by the IETF.

### 11.2. Technical Coordination

ARIN requires that a recognized experimental activity is able to demonstrate that the activity is technically coordinated.

Technical coordination specifically includes consideration of any potential negative impact of the proposed experiment on the operation of the Internet and its deployed services, and consideration of any related experimental activity.

ARIN will review planned experimental activities to ensure that they are technically coordinated. This review will be conducted with ARIN and/or third-party expertise and will include liaison with the IETF.

### 11.3. Coordination over Resource Use

When the IETF's standards development process proposes a change in the use of Numbering Resources on an experimental basis the IETF should use a liaison mechanism with the Regional Internet Registries (RIRs) of this proposal. The RIRs will jointly or severally respond to the IETF using the same liaison mechanism.

#### **11.4. Resource Allocation Term and Renewal**

The Numbering Resources are allocated for a period of one year. The allocation can be renewed on application to ARIN providing information as per Detail One. The identity and details of the applicant and the allocated Numbering Resources will be published under the conditions of ARIN's normal publication policy. At the end of the experiment, resources allocated under this policy will be returned to the available pool.

#### **11.5. Single Resource Allocation per Experiment**

ARIN will make one-off allocations only, on an annual basis to any applicant. Additional allocations to an organization already holding experimental activity resources relating to the specified activity outside the annual cycle will not be made unless justified by a subsequent complete application.

It's important for the requesting organization to ensure they have sufficient resources requested as part of their initial application for the proposed experimental use.

#### **11.6. Resource Allocation Fees**

ARIN may charge an administration fee to cover each allocation made of these experimental resources. This fee simply covers registration and maintenance, rather than the full allocation process for standard ARIN members. This administration fee should be as low as possible as these requests do not have to undergo the same evaluation process as those requested in the normal policy environment.

#### **11.7. Resource Allocation Guidelines**

The Numbering Resources requested come from the global Internet Resource space, do not overlap currently assigned space, and are not from private or other non-routable Internet Resource space. The allocation size shall be consistent with the existing ARIN minimum allocation sizes, unless smaller allocations are intended to be explicitly part of the experiment. If an organization requires more resources than stipulated by the minimum allocation size in force at the time of its request, the request must clearly describe and justify why a larger allocation is required.

All research allocations must be registered publicly in whois. Each research allocation will be designated as a research allocation with a comment indicating when the allocation will end.

#### **11.8. Commercial Use Prohibited**

If there is any evidence that the temporary resource is being used for commercial purposes, or is being used for any activities not documented in the original experiment description provided to ARIN, ARIN reserves the right to immediately withdraw the resource and reassign it to the free pool.

#### **11.9. Resource Request Appeal or Arbitration**

ARIN reserves the ability to assess and comment on the objectives of the experiment with regard to the requested amount of Numbering Resources and its technical coordination. ARIN reserves the ability to modify the requested allocation as appropriate, and in agreement with the proposer.

In the event that the proposed modifications are not acceptable, the requesting organization may request an appeal or arbitration using the normal ARIN procedures. In this case, the original proposer of the experimental activity may be requested to provide additional information regarding the experiment, its objectives and the manner of technical coordination, to assist in the resolution of the appeal.

### **12. Resource Review**

1. ARIN may review the current usage of any resources maintained in the ARIN database. The organization shall cooperate with any request from ARIN for reasonable related documentation.
2. ARIN may conduct such reviews:
  - a. when any new resource is requested,
  - b. whenever ARIN has reason to believe that the resources were originally obtained fraudulently or in contravention of existing policy, or
  - c. whenever ARIN has reason to believe that an organization is not complying with reassignment policies, or
  - d. at any other time without having to establish cause unless a full review has been completed in the preceding 24 months.
3. At the conclusion of a review in which ARIN has solicited information from the resource holder, ARIN shall communicate to the resource holder that the review has been concluded and what, if any, further actions are required.
4. Organizations found by ARIN to be materially out of compliance with current ARIN policy shall be requested or required to return resources as needed to bring them into (or reasonably close to) compliance.
  - a. The degree to which an organization may remain out of compliance shall be based on the reasonable judgment of the ARIN staff and shall balance all facts known, including the organization's utilization rate, available address pool, and other factors as appropriate so as to avoid forcing returns which will result in near-term additional requests or unnecessary route de-aggregation.
  - b. To the extent possible, entire blocks should be returned. Partial address blocks shall be returned in such a way that the portion retained will comprise a single aggregate block.
5. If the organization does not voluntarily return resources as requested, ARIN may revoke any resources issued by ARIN as required to bring the organization into overall compliance. ARIN shall follow the same guidelines for revocation that are required for voluntary return in the previous paragraph.
6. Except in cases of fraud, or violations of policy, an organization shall be given a minimum of six months to effect a return. ARIN shall negotiate a longer term with the organization if ARIN believes the organization is working in good faith to substantially restore compliance and has a valid need for additional time to renumber out of the affected blocks.

7. In case of a return under paragraphs 12.4 through 12.6, ARIN shall continue to provide services for the resource(s) while their return or revocation is pending, except any maintenance fees assessed during that period shall be calculated as if the return or revocation was complete.
8. This policy does not create any additional authority for ARIN to revoke legacy address space. However, the utilization of legacy resources shall be considered during a review to assess overall compliance.
9. In considering compliance with policies which allow a timeframe (such as a requirement to assign some number of prefixes within 5 years), failure to comply cannot be measured until after the timeframe specified in the applicable policy has elapsed. Blocks subject to such a policy shall be assumed in compliance with that policy until such time as the specified time since issuance has elapsed.

#### **Appendix A - Change Log**

**The Change Log can be found at:**

**[https://www.arin.net/policy/nrpm\\_changelog.html](https://www.arin.net/policy/nrpm_changelog.html)**

## ARIN FEE SCHEDULE

Effective 1 July 2016

(see previous version)

The ARIN Board of Trustees adopted the fee schedule below on 10 December 2015 and it was implemented on 1 July 2016. Additional information about this fee schedule is available on the Fee Schedule FAQ page. ARIN Online features a fee calculator for ARIN resource holders wishing to view an estimate of annual fees.

### OVERVIEW

ARIN is responsible for maintaining accurate and complete registration of Internet number resources in accordance with the policies established by the Internet community.

To provide for an equitable cost recovery process, ARIN charges an initial transaction fee for the registration or transfer of Internet number resources and an annual fee for ongoing registration services. Organizations must sign the Registration Services Agreement (RSA) prior to being issued or transferred resources by ARIN.

*In accordance with the RSA, all fees paid to ARIN are nonrefundable. Fees may not be prorated, are nontransferable, and must be paid in full. All fees are payable in USD (United States Dollar) only.*

#### Fees by Transaction Type

##### Registration Services Plan

##### Membership

##### Service Categories and Fees

##### Internet Service Providers (ISPs)

##### End Users

##### Autonomous System Numbers (ASNs)

##### Resource Transfers

##### Experimental Allocations

##### Legacy Resources

### REGISTRATION SERVICES PLAN

The Registration Services Plan includes registration and maintenance for all number resources in the ARIN registry, ARIN membership (the ability to participate in ARIN's elections for both the Board of Trustees and Advisory Council) as well as the ability for IPv4 and IPv6 address holders to report reassignment information and/or provide utilization data via the Shared Whois Project (SWIP). Internet Service Providers receive services under a Registration Services Plan.

End users, Autonomous System Number (ASN) holders, and legacy organizations that have a signed Registration Services Agreement (RSA or LRSA 4.0) may elect to have a Registration Services Plan or will be invoiced individual maintenance fees for each of for their number resources. Organizations that choose to convert to the Registration Services Plan will be evaluated as an ISP from a policy perspective when requesting future Internet number resources from ARIN.

### MEMBERSHIP

ARIN automatically accords membership to organizations that receive direct IPv4 or IPv6 resource allocations. These memberships are annually renewed with the payment of an organization's Registration Service Plan renewal fees.

Organizations with Internet number resources from ARIN, such as direct assignments and/or Autonomous System Numbers (ASNs), under either a signed Registration Services Agreement (RSA) or Legacy Registration Services Agreement (LRSA) may become an ARIN member by subscribing to the Registration Services Plan or by paying a separate annual membership fee of \$500 USD.

To retain membership rights, the organization must submit its annual fee by its membership anniversary date. ARIN sends the invoice for the membership renewal fee approximately 60 days before the fee is due.

### SERVICE CATEGORIES AND FEES



The table below displays the fees per service category for ISPs and end users. All fees are charged per Organization Identifier (Org ID). For more information, please refer to the detailed descriptions of each type of resource holder below.

#### Important Waiver Information

Organizations that fall under the current fee schedule's 5X-Large, 4X-Large, and 3X-Large service categories received a fee reduction credit as a result of action by the ARIN Board of Trustees. This one-time adjustment was intended to maintain the same fee for an organization's renewal as the prior fee schedule. The credit adjustment applied to renewal dates between 1 July 2016 and 30 June 2017. Invoice credit adjustments ended on 30 June 2017 and organizations are being invoiced consistent with the published fee schedule.

SERVICE CATEGORIES AND FEES			
Service Category	Fee (USD)	IPv4 Block Size	IPv6 Block Size
3X-Small *	\$250	/24 or smaller	/40 or smaller
2X-Small	\$500	Larger than /24, up to and including /22	Larger than /40, up to and including /36
X-Small	\$1,000	Larger than /22, up to and including /20	Larger than /36, up to and including /32
Small	\$2,000	Larger than /20, up to and including /18	Larger than /32, up to and including /28
Medium	\$4,000	Larger than /18, up to and including /16	Larger than /28, up to and including /24
Large	\$8,000	Larger than /16, up to and including /14	Larger than /24, up to and including /20
X-Large	\$16,000	Larger than /14, up to and including /12	Larger than /20, up to and including /16
2X-Large	\$32,000	Larger than /12, up to and including /10	Larger than /16, up to and including /12
3X-Large	\$64,000	Larger than /10, up to and including /8	Larger than /12, up to and including /8
4X-Large	\$128,000	Larger than /8, up to and including /6	Larger than /8, up to and including /4
5X-Large	\$256,000	Larger than /6	Larger than /4

\* Note: The 3X-Small services category also applies to organizations that only hold ASN(s) and choose to enroll in the Registration Services Plan.

Not all prefix sizes shown in the table are necessarily directly available from ARIN under existing number resource policy. Please review the ARIN Number Resource Policy Manual (NRPM) for applicable policy for obtaining Internet number resources. Under existing policy, ARIN's minimum IPv6 delegation is a /36 allocation for ISPs and a /48 assignment for end users.

#### INTERNET SERVICE PROVIDERS (ISPS)

Internet Service Providers (ISPs) are allocated IP addresses for distribution to the users of their Internet services. The fee schedule continues to encourage IPv6 adoption by providing approved IPv6 requests up to the organization's existing IPv4 service category at no additional charge.

##### Service Fees

###### Initial

A new organization must pay an initial fee that corresponds to the service category (IPv4 or IPv6) approved by Registration Services. After an allocation has been approved, ARIN will invoice for payment. Payment and the executed Registration Services Agreement (RSA) must be received before resources are issued. Organizations may be approved for additional IPv4 or IPv6 allocations. Applicable fees will be invoiced upon annual renewal.

###### Annual

An organization's annual fee is due each year at the end of their anniversary month (the month of their initial allocation). The organization's annual fee is based on their Registration Services Plan category. This category is set to the smallest category that accommodates all of their number resources (both IPv4 and/or IPv6 resource holdings). For organizations holding both ARIN-issued IPv4 and IPv6 allocations, the fee is based on the larger of the two service categories. See [examples in the FAQ](#).

**Reducing Annual Fees**

An organization may return IP address space to ARIN in order to reduce their annual fee. Please contact Registration Services using the Ask ARIN feature in ARIN Online for further information.

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**END USERS**

End users receive IP addresses for use in their internal networks only, and not for distribution to external users of their Internet services.

**End Users with Registration Services Plan**

End users may opt to pay for ARIN registration services on the same schedule as ISPs detailed above by subscribing to a Registration Services Plan. End users who do so receive additional services, including [ARIN Membership](#) and the ability to report reassignment information and/or provide utilization data via the Shared Whois Project (SWIP). Organizations that choose to convert to the Registration Services Plan will be evaluated as an ISP from a policy perspective when requesting future Internet number resources from ARIN. The applicable annual registration services plan will be invoiced annually based on the organization resources in the ARIN registry.

**End Users Paying Per Resource**

End-user customers who do not have a Registration Services Plan pay fees per number resource, as specified below:

**IPv4 / IPv6 Number Resources****Initial**

An organization will be assessed an initial fee for each new IPv4, IPv6, or experimental address assignment based on the service category approved for them by Registration Services. After an assignment has been approved, ARIN will invoice for payment. Payment and the executed [Registration Services Agreement \(RSA\)](#) must be received before resources are issued.

**Annual**

An organization's annual fee is due each year at the end of their anniversary month (the month of their initial assignment). Annual maintenance fees are \$100 for each IPv4 address block, \$100 for each IPv6 address block, and \$100 USD for each ASN assigned to the organization.

Membership is also available to end-user customers who pay fees on a per resource basis.

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**AUTONOMOUS SYSTEM NUMBERS (ASNS)**

An Autonomous System is a connected group of IP networks that adhere to a single unique routing policy that differs from the routing policies of your network's border peers. An ASN is a globally unique number used to identify an Autonomous System.

**Initial**

An organization will be assessed an initial fee \$550 USD for each new ASN approved for them by Registration Services. After an ASN has been approved, ARIN will invoice for payment. Payment and the executed [Registration Services Agreement \(RSA\)](#) must be received before resources are issued.

**Annual**

An organization's annual fee is due each year at the end of their anniversary month (the month of their initial assignment). Annual maintenance fees are \$100 USD for each ASN, \$100 USD for each IPv4 address block, \$100 USD for each IPv6 address block assigned to the organization.

**ASNs with Registration Services Plan**

Organizations only holding ASN(s) may enroll in the Registration Service Plan, which includes ARIN Membership. An organization will be assessed the ASN initial fee and \$250 USD for the Registration Services Plan consistent with the [3X-Small Services category](#). The annual fee to maintain the ASN and Registration Services Plan fee is \$250 USD regardless of the number of ASNs assigned by ARIN.

Membership is also available to ASN-only customers who pay fees on a per resource basis.

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**RESOURCE TRANSFERS**

ARIN will collect a \$300 USD, non-refundable processing fee for each transfer request of Internet number resources, including:

8.2 Merger, Acquisition, and Reorganization transfers; billed to the source (or legal successor) organization.

8.3 Transfers to Specified Recipients within the ARIN region, billed to the source-side organization. The Transfer processing fee is waived when the subject resources are under an existing Registration Services Plan (RSP), and no specific transfer processing fee will be charged to the recipient-side organization.

8.4 Inter-RIR Transfers to Specified Recipients, a fee is billed to the source-side organization if within the ARIN region. This transfer processing fee is waived when the subject resources are under an existing Registration Services Plan (RSP). No specific transfer processing fee will be charged to recipient-side organizations.

This fee will be invoiced to the source organization's billing Point of Contact (POC) and are to be paid before request evaluation begins. This fee does not guarantee approval of a transfer request. Note that this fee change will only affect transfer requests submitted on or after 1 January 2017. For each transfer request of Internet number resources submitted before that date, the recipient organization will pay the 2016 transfer fee of \$500 USD and may need to execute the Registration Services Agreement if a current version is not on file.

For each transfer of Internet number resources, the recipient organization must execute the Registration Services Agreement (RSA) . Refer to the Transfer Resources page for full details on requirements and the process for transferring resources under Mergers and Acquisitions, Transfers to Specified Recipients, and Inter-RIR Transfers policies.

Transferred resources are also subject to annual fees as stipulated by the fee schedule, including registry maintenance fees or corresponding Registration Services Plan. Additional fees may apply based on the status of the source or recipient organization at the time of transfer.

#### **Specified Transfer Listing Service (STLS)**

The fees for the STLS are independent of resource transfer fees and assessed separately, payable on approved application to the service:

Source and recipient organizations: a one-time \$100 USD fee for each approved listing request, no annual fee requirement, meaning they will incur no additional charges until their needs are met or their resources transferred

Facilitator: pay an initial fee of \$100 USD and a recurring annual fee \$100 USD to participate in the service

Should an STLS participant opt out of the service, ARIN charges a fee of \$100 USD for reinstatement.

Refer to the STLS registration guidelines for full details on requirements and process.

#### **Inter-RIR Transfers**

The fees for Inter-RIR Transfers are as follows:

Transfers from ARIN to another RIR: authorized registrant must pay the \$300 USD non-refundable transfer processing fee. This fee is waived if resources to be transferred are presently under a Registration Services Plan with ARIN.

Transfers from another RIR to ARIN: Once approved and prior to the completion of the transfer process, the recipient must execute the Registration Services Agreement (RSA) .

As part of the transfer process, the resources are also subject to fees as stipulated by the Fee Schedule, including initial and/or maintenance fees for assignments and annual fees for allocations, determined by the recipient organization being an end user or ISP, respectively.

An organization's annual fees may increase as a result of transfers if the resulting aggregate holdings move the organization to a larger service category.

Refer to the Inter-RIR Transfer Guidelines for full details on requirements and process.

#### **EXPERIMENTAL ALLOCATIONS**

ARIN charges \$500 USD annually for each experimental allocation of IPv4 addresses, IPv6 addresses, and/or ASNs. Experimental allocations are granted for a period of one year. ARIN, at its discretion, may extend the period of an experimental allocation. At the end of the experiment period, all allocated resources will be returned to the available pool.

After a resource request has been approved, ARIN will invoice for payment.

Payment and the executed Registration Services Agreement (RSA) must be received before resources are issued.

#### **LEGACY RESOURCES**

A legacy number resource is an IPv4 address or ASN that was issued by an Internet Registry (InterNIC or its predecessors) prior to ARIN's inception on 22 December 1997.

##### ***Annual***

Annual maintenance fees are \$100 USD for each IPv4 address block, \$100 USD for each ASN assigned to the organization, and are billed per Organization ID. Up to a \$150 USD limit regardless of the number of resources held under an LRSA.

##### **Legacy with Registration Services Plan**

Legacy organizations that have a signed Registration Services Agreement (LRSA 4.0/RSA 12.0) may enroll in the Registration Services Plan to ARIN Membership and be treated as an ISP (allowing the ability to report reassignment information and/or provide utilization data via the Shared Whois

Project (SWIP)). Organizations that choose to convert to the Registration Services Plan will be evaluated as an ISP. The applicable annual registration services plan will be invoiced annually based on the organization resources in the ARIN registry.

Membership is also available to Legacy organizations that have a signed Registration Services Agreement (LRSA/RSA) who pay fees on a per resource basis.



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Interlocal Agreement between City of College Station and Brazos County for the Arrington Road reconstruction project.  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">17300632_Brazos_County.pdf</a>	ILA	Cover Memo

## **INTERLOCAL AGREEMENT BETWEEN CITY OF COLLEGE STATION AND BRAZOS COUNTY**

THIS INTERLOCAL AGREEMENT ("Agreement") is hereby made and entered into by and between the CITY OF COLLEGE STATION, TEXAS, a Texas Home Rule Municipal Corporation (hereinafter "**College Station**"), and BRAZOS COUNTY, TEXAS (hereinafter "**County**"), a political subdivision of the State of Texas, each acting by and through its duly authorized agents (referred to collectively as the "**Parties**").

WHEREAS, Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act, authorizes all local governments to contract with each other to provide a governmental function or service that each party to the contract is authorized to perform individually and in which the contracting parties are mutually interested; and

WHEREAS, on February 16, 2017 and June 13, 2017, Brazos County officials met with City of College Station officials and other interested parties to further discuss preliminary plans related to Arrington Road roadway improvements; and

WHEREAS, the Brazos County Commissioners Court will need to acquire additional right-of-way, design and construct improvements within the City Limits of College Station for proposed Arrington Road improvements for a length of approximately 7750' and variable width as shown in Exhibits A-1 and A-2 (the "Project"); and

WHEREAS, TEXAS TRANSPORTATION CODE, Section 251.012, requires the consent of the City Council of the City of College Station, Texas, in order for the Brazos County Commissioners Court to expend county funds to finance the Project; and

WHEREAS, in the event the County determines to acquire additional right-of-way for the Project through condemnation, TEXAS TRANSPORTATION CODE, Section 251.101, requires the consent of the City Council of the City of College Station, Texas, in order for the Brazos County Commissioners Court to proceed to condemnation;

NOW, THEREFORE IN CONSIDERATION of the recitals and mutual covenants made herein by the parties hereby mutually agree as follows:

### **ARTICLE I CITY CONSENT**

- 1.1** College Station consents to allow County to expend county funds to finance the Project.
- 1.2** College Station consents to County exercising its power of eminent domain to condemn and acquire right-of-way for the Project.

### **ARTICLE II RESPONSIBILITIES OF PARTIES**

2.1 County will provide the following as part of the Project: property acquisition, grading, drainage, flexible base/asphalt pavement, pavement markings, permanent vegetation, appropriate signage and maintenance.

2.2 College Station agrees to timely cooperate with the County and any contractors in all matters related to the Project.

### ARTICLE III MISCELLANEOUS TERMS

3.1 **Interlocal Cooperation Act.** The Parties expressly acknowledge that each Party to this Agreement is a local government as that term is defined in the Interlocal Cooperation Act. Nothing in this Agreement will be construed as a waiver or relinquishment by either Party of its right to claim such exemptions, privileges, and immunities as may be provided by the Constitution and the Laws of the State of Texas.

3.2 **Amendment.** The terms and conditions of this Agreement may be amended upon mutual consent of all Parties. Mutual consent will be demonstrated by approval of each governing body of each Party hereto. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing, duly approved and signed by the authorized representatives of both Parties.

3.3 **Termination.** This Agreement may be terminated for cause upon sixty (60) days advance written notice by either Party after providing written notice and giving the other Party an opportunity to cure any alleged breach.

3.4 **Public Information Coordination.** Public disclosure of information and related activities conducted under this Agreement may be required pursuant to the Freedom of Information Act and the Texas Public Information Act.

3.5 **Hold Harmless.** To the extent permitted by the Constitution and the laws of the State of Texas and subject to the limitations as to liability and damages in the Texas Tort Claims Act and without waiving its governmental immunity, each party agrees to hold harmless each other, its governing board, officers, agents and employees for any liability, loss, damages, claims or causes of action caused or asserted to have been caused directly or indirectly by any other party to this Agreement or any of its officers, agents or employees, or as the result of its performance under this Agreement.

3.6 **Invalidity.** If any provision of this Agreement shall be held invalid, illegal, or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The Parties shall use their best efforts to replace the respective provision or provisions of the Agreement with legal terms and conditions approximating the original intent of the Parties.

3.7 **Notice.** Any official notices by one Party to another must be in writing and be personally delivered or sent by registered or certified United States Mail, properly addressed to the respective Parties as stated below. Any other day to day communication by the Parties' staff may be by any

other means of sufficient communication.

City of College Station  
P.O. Box 9960  
College Station, Texas 77842  
Attn: City Manager

Brazos County  
200 S. Texas Ave. Suite 332  
Bryan, Texas 77803  
Attn: County Judge

**3.8 Entire Agreement.** This Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the Parties relating to the subject matter of this Agreement. No oral understandings, statements, promises, or inducements contrary to the terms of this agreement exist. This Agreement cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent, or employee of any Party before or after the execution of this Agreement shall affect or modify any of the terms or obligations hereunder.

**3.9 Texas Law.** This Agreement has been made under and shall be governed by the laws of the State of Texas.

**3.10 Venue.** Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

**3.11 Authority to Contract.** Each party has the full power and authority to enter into and perform this Agreement and the person signing this agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement. The persons executing this agreement hereby represent that they have authorization to sign on behalf of their respective governmental bodies.

**3.12 Waiver.** Failure of any Party, at any time, to enforce the provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this agreement, any part hereof, or the right of either Party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the Party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

**3.13 Multiple Originals.** It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

NOW THEREFORE, this Agreement is made and entered into by and between the City of College Station and Brazos County. This Agreement shall be effective when signed by the last party signing which makes the Agreement fully executed.

**CITY OF COLLEGE STATION**

**BRAZOS COUNTY**



By: Karl Mooney  
Karl Mooney, Mayor

Date: 9-26-17

By: Duane Peters  
Duane Peters, County Judge

Date: 10/17/17

ATTEST:

[Signature]  
City Secretary

Date: 9-26-17

ATTEST:

[Signature]  
Karen McQueen, County Clerk

Date: 10/17/17

APPROVED AS TO FORM

[Signature]  
City Attorney

Date: 09/19/17

APPROVED AS TO FORM

[Signature]  
Bruce Erratt, Civil Counsel

Date: 10/17/17

APPROVED

[Signature]  
City Manager

Date: 9-26-17

[Signature]  
Chief Financial Officer

Date: 9-19-17



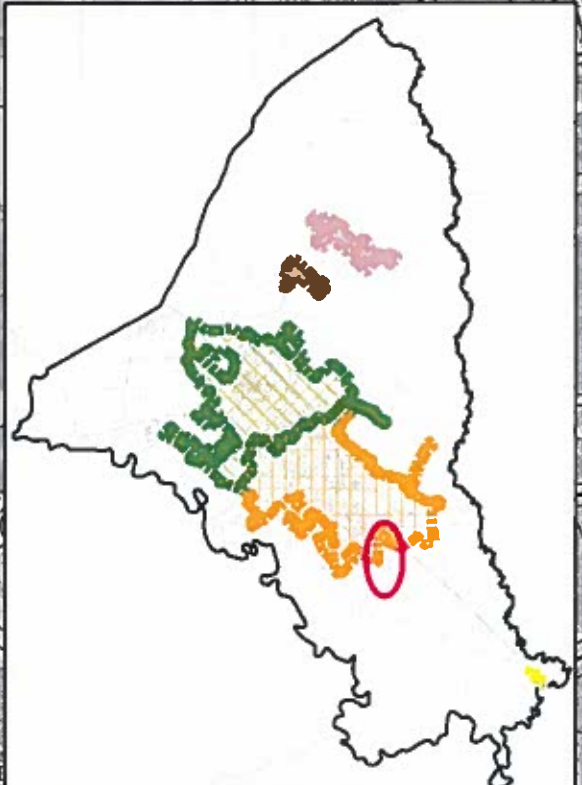
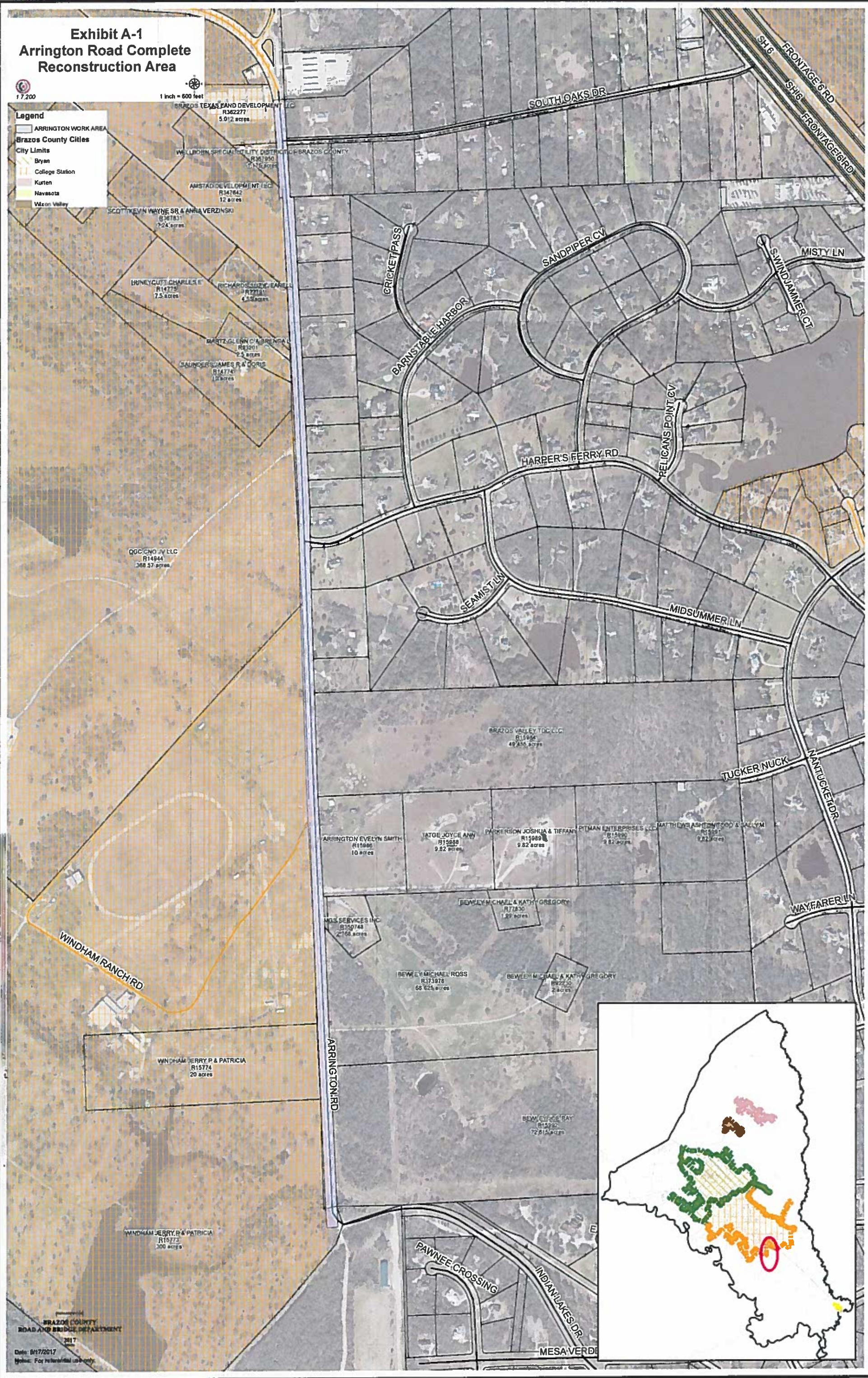
**Exhibit A-1**  
**Arrington Road Complete**  
**Reconstruction Area**

17,200

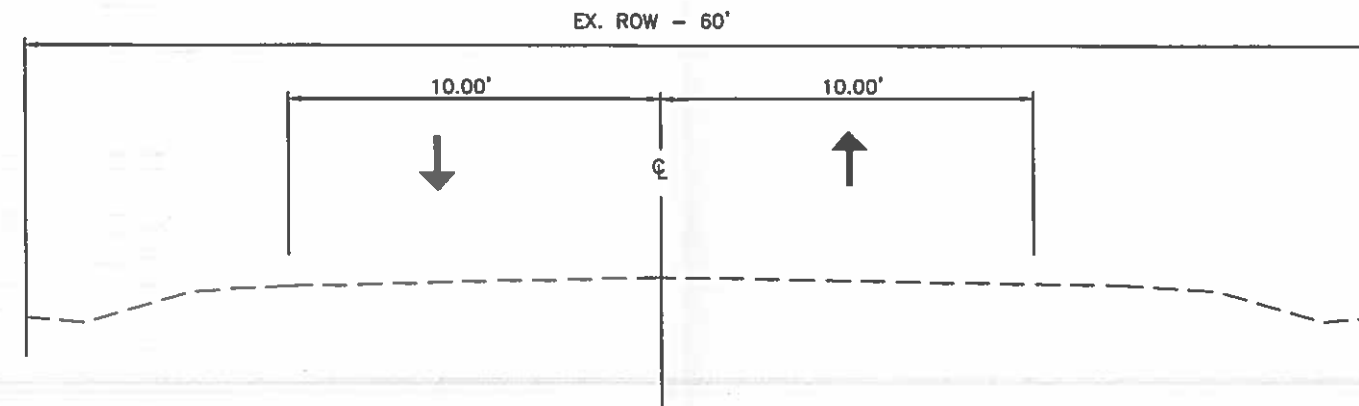
1 inch = 600 feet

**Legend**

- ARRINGTON WORK AREA
- Brazos County Cities
- City Limits
- Bryan
- College Station
- Kurten
- Navasota
- Wilson Valley







EXISTING TYPICAL SECTION - ARRINGTON ROAD  
(NTS)

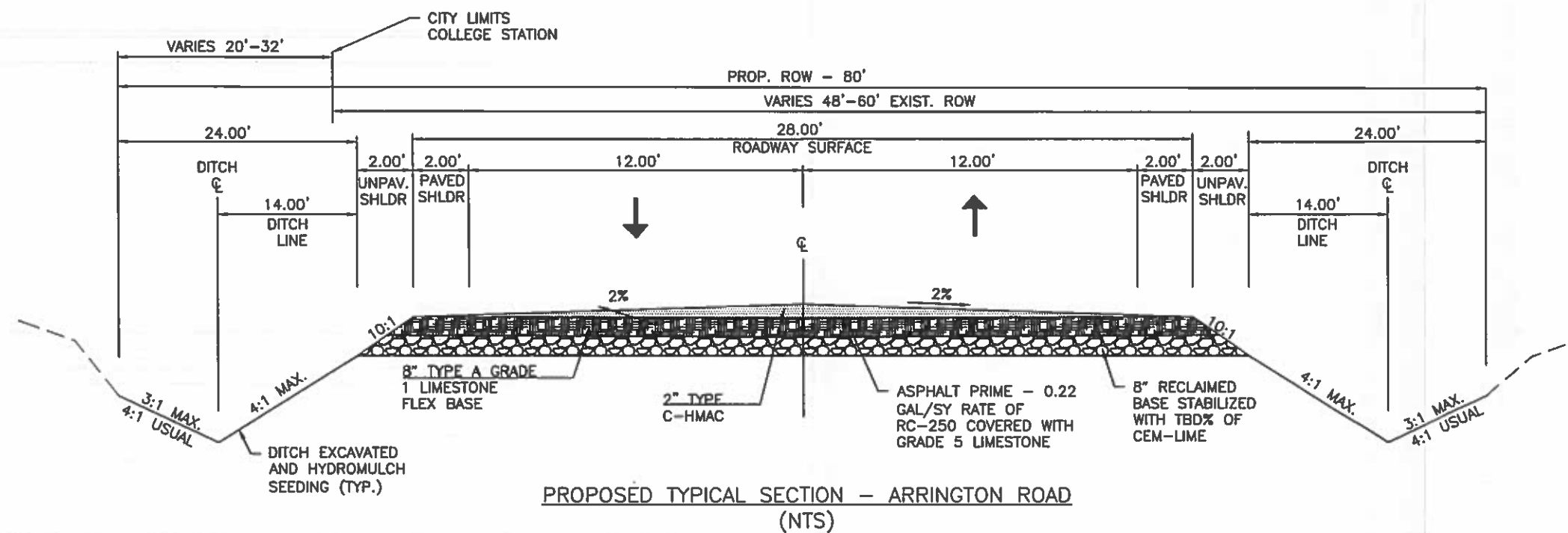


EXHIBIT A-2  
ARRINGTON ROAD RECONSTRUCTION  
TYPICAL SECTION

**From:** Marie Wolfe  
**To:** Duane Peters; Steve HW. Aldrich; Samuel J. Catalena; Nancy F. Berry; Irma Cauley; Karen McQueen; Candy Gallego  
**Cc:** Susan Hardin; Mary Lou Price; Karen Weir; Kim Thompson; Ward Wells; Kevin Griffin; Cecivon Garcia; Howard Williams; Bernie Bernard; Karen Pitts; Teresa Beckham; Jim Maness; Patricia Chalupsky; Terri Pourahmadi; Nadia Nikolov; Felice Long; Gary Arnold  
**Subject:** October 17, 2017 Commissioners Court Agenda Items  
**Date:** Monday, October 16, 2017 10:41:20 AM

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Dear Judge and Commissioners,

Since I will be unable to attend tomorrows Commissioners Court, I wanted to give input on a few items on the agenda and request they be added to the minutes.

**#24. Interlocal agreement between City of College Station and Brazos County for the Arrington Road Reconstruction.**

While I believe Arrington Road is in desperate need of reconstruction, I'm concerned that the improvements will not alleviate the safety concerns for the Nantucket residents that have driveways entering onto Arrington Road. At the March 2017 BCSMPO presentation the County Engineer said that the improvements were to be 3 lanes from the City line to just past Harpers Ferry Road where the majority of the homes reside. The middle lane was to be a turn lane and this was thought to be an excellent way of eliminating some of our safety concerns. Now it seems that the plan has been changed back to 2 lanes improved. Will you reconsider and go back to the original plan?

The other issue is that I have not been able to find documentation about how or if the Nantucket Residents property will be affected? There is also a fence that the Nantucket HOA has installed a few years back. Will that fence be impacted and how? We have drainage concerns, will the same amount of water flow into Nantucket or will it be affected with the reconstruction?

While I understand the need for this interlocal agreement in order to facilitate the County's ability to use eminent domain on City lands to gain the necessary ROW, I would appreciate if the above questions were answered at the meeting.

**#26. Change order to purchase order # 17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.**

While I realize that this is not the Mitchell and Morgan order for the work done by them on the realignment of a future minor collector to Harpers Ferry Road on Arrington Road, I'm still wondering where that purchase order is since I cannot seem to find it when going through the Court's agendas/minutes. Please have someone send me the purchase order for the work I'm interested in.

**#27. Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.**

I wanted to add my voice to the need for this Extension of Mesa Verde as quickly as possible. As you know I've been to the Court requesting this back in 2016.

This is a very large amount of money and there is no documentation attached so a citizen can intelligently review and understand that this is the best bid and the timeframe that it will be worked. First we were told that this work will be completed end of 2017 and now mid-2018. Does the bid guarantee mid-2018?

I would appreciate it if my concerns were brought up and discussed at the Commissioners Court 10/17/2017 meeting so I can listen to the answers. I am very sorry that I cannot attend the meeting, but am sure others would want to hear those answers as well.

Sincerely,

Marie E. Wolfe  
4576 Sandpiper Cove  
College Station, TX 77845



**BRAZOS COUNTY  
BRYAN, TEXAS**

---

DEPARTMENT: Purchasing NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Approval of attached pricing proposal for design and oversight services related to the design- build rehabilitation of McAllester Lane in the amount of \$44,290.

TO: Commissioners Court

FROM: Wm. Charles Wendt

DATE: 10/11/2017

FISCAL IMPACT: True

BUDGETED: True

DOLLAR AMOUNT: \$44,290.00

BUDGET DETAIL:

SOURCE OF FUNDS: 56001000-65670000

ACTION REQUESTED OR ALTERNATIVES: Approval of attached pricing proposal for design and oversight services related to the design- build rehabilitation of McAllester Lane in the amount of \$44,290.

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

[P17-0728-01\\_McAllester\\_Lane\\_Consultation\\_Brazos\\_County.pdf](#) Pricing Proposal

Backup Material



**GESSNER**  
ENGINEERING

October 11, 2017

Mr. Charles Wendt  
Brazos County Purchasing Department  
200 South Texas Avenue, Suite 352  
Bryan, Texas 77803  
979.361.4292  
cwendt@brazoscountytexas.gov

Re: Proposal for Professional Services - Civil Engineering  
McAllester Lane Consultation  
McAllester Lane  
Brazos County, Texas  
Proposal Number: P17-0728-01

Dear Mr. Wendt:

Gessner Engineering is pleased to submit this proposal to provide civil engineering consulting services for the above referenced project. We understand that this Proposal for Professional Services, when signed, will serve as our entire Agreement unless superseded by another document signed by both parties. If this proposal is acceptable, please sign where indicated and return the signed copy to us. This proposal is valid for 90 days.

Please forward all questions to the project manager that has been assigned to you.

Jeremy Peters, P.E.  
jpeters@gessnerengineering.com

We appreciate the opportunity to provide these services and look forward to being a part of your project team

Sincerely,  
**GESSNER ENGINEERING, F-7451**

Katelyn D. Jumper  
Proposal Coordinator

# **PROPOSAL FOR PROFESSIONAL SERVICES - CIVIL ENGINEERING**

## **MCALLESTER LANE CONSULTATION, BRAZOS COUNTY**

### **PROJECT DESCRIPTION**

We understand the project consists of providing civil engineering consulting services for solicitation of design-build services for reconstruction of the McAllester Lane failure. Additionally, civil engineering consulting services will include review of design and design process and facilitation of the construction process.

### **SCOPE OF SERVICES**

The civil engineering scope will include the following services:

- Recommendations for scope of work for the solicitation of design-build services
- Conduct pre-proposal conference and issue any necessary addenda
- Review and recommend best design-build submittal
- Review design documents and conduct design review meetings at designated design milestones
- Conduct pre-construction meeting
- Review all submittals of subcontractors and recommend best applicants
- Conduct construction inspections
- Administer project close-out procedures and create necessary close-out documents

In addition to the services listed above, see details on design service inclusions by phase.

#### **DESIGN-BUILD SOLICITATION**

- Prepare scope of work for design-build contractor
- Make recommendations for qualifications and construction fees
- Conduct pre-proposal meeting
- Issue necessary addenda
- Review all solicitation submittals and make recommendations

#### **DESIGN PHASE**

- Review design submittals at set milestones and conduct design review meetings
- Review design for suitability and effectiveness to address the failures
- Recommend acceptance of Guaranteed Maximum Price (GMP) at a designated milestone
- Review and make recommendations for design-build construction contract
- Review final design and recommend acceptance of final design documents

#### **CONSTRUCTION PHASE**

- Conduct construction inspections (2 visits per week)
- Confirm the design is implemented in the field
- Conduct scheduled construction progress meetings
- Review all payment applications, change orders, and other necessary submittals
- Conduct project close-out procedures and create necessary close-out documents
- Recommend acceptance of the project by Brazos County



# PROPOSAL FOR PROFESSIONAL SERVICES - CIVIL ENGINEERING

## MCALLESTER LANE CONSULTATION, BRAZOS COUNTY

### EXCLUSIONS

The following items are excluded from the scope of this agreement:

- Design of any improvements for remediation
- Platting, re-platting, zoning, or re-zoning
- Landscape architectural design or irrigation design
- Mechanical, Electrical, or Plumbing design
- Design or specification of backflow preventers
- Design or specification equipment required for codes other than applicable development codes
- Extension of public water, sanitary sewer, and/or storm to the site to service the development
- Additional permitting (e.g. TxDOT, Army Corps of Engineers, TCEQ, EPA...)
- Design of site structural components as part of this phase
- Design of any areas not associated with the scope of this proposal
- Services during construction other than described within this proposal
- Mitigation of the site due to flood hazard conditions
- Traffic control plans
- Traffic impact analysis.

### FEE BREAKDOWN

The fee for civil engineering services, as described in this proposal, will be provided on a lump sum basis.

<b>Design-Build Solicitation</b>	<b>\$6,000</b>
Scope of work	\$2,400
RFP Recommendations	\$600
Pre-Proposal Meeting and Necessary Addenda	\$1,800
Review and Recommendations of Best Submittal	\$1,200
<b>Design Phase (4 design submittals)</b>	<b>\$10,450</b>
Design Kickoff	\$1,045
Design Submittal Review and Review Meetings (4 Total)	\$8,360
Final Recommendation	\$1,045
<b>Construction Phase (3 Month Construction)</b>	<b>\$27,840</b>
Construction Inspections (2 visits per week)	\$9,744
Construction Process Meetings (bi-weekly)	\$6,960
Submittal Review	\$2,784
Pay Application Review	\$2,784
Field Changes	\$2,784
Project Close-out	\$2,784
<b>TOTAL</b>	<b>\$44,290</b>

## PROPOSAL FOR PROFESSIONAL SERVICES - CIVIL ENGINEERING MCALLESTER LANE CONSULTATION, BRAZOS COUNTY

Construction phase fee based on a three (3) month construction duration. Should the construction duration exceed three (3) months, services will be billed based on hourly rates.

Total fee amount will be invoiced and is for the complete services to be provided per the above scope. Gessner Engineering, LLC reserves the right to internally reallocate fee amounts to the various project phases, as necessary, based on the necessary time to complete the work. The number of site visits and inspections noted is a maximum number. Phase billing is dependent on the completion of that phase and shall not be contingent on meeting the maximum number of inspections.

If the project is abandoned prior to completion of the design, the fee shall be due the date the project is abandoned and shall be based upon the percentage of services performed.

Please indicate your acceptance by signing below. Return receipt of this proposal shall provide authorization for Gessner Engineering to proceed with our services.

Agreed by:   
Signature

For: ~~Mr. Charles Wendt~~ Duane Peters  
~~Brazos County Purchasing Department~~ County Judge

Date: 10/17/17



**BRAZOS COUNTY  
BRYAN, TEXAS**

DEPARTMENT: Purchasing

NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Change order to purchase order # 17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.

TO: Commissioners Court

FROM: Mandy Rutledge

DATE: 10/10/2017

FISCAL IMPACT: True

BUDGETED: True

DOLLAR AMOUNT: \$9,250.00

BUDGET DETAIL: 21006000 / 80100000

ACTION REQUESTED OR  
ALTERNATIVES: Change order to purchase order #17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

[1724-Change-Order-1.pdf](#)

Change order

Backup Material

[2017 Contract for Engineer Services based on cost in proposal.pdf](#)

Contract for services

Backup Material

## CONTRACT FOR ENGINEER SERVICES

THIS AGREEMENT is made as of this 17<sup>th</sup> day of October, 2017,  
between Brazos County ("OWNER"),  
and Mitchell & Morgan, LLP ("ENGINEER"), 3204  
Earl Rudder Freeway South, College Station, Texas 77845 for services in connection with the  
project known as Brazos County Record Storage.

WHEREAS, OWNER desires to engage ENGINEER to provide professional engineering, consulting and related services in connection with the Project; and

WHEREAS, ENGINEER desires to render these Services as described in SECTION I, Scope of Services.

NOW, THEREFORE, OWNER and ENGINEER in consideration of the mutual covenants contained herein, agree as follows:

### SECTION I. SCOPE OF SERVICES

ENGINEER will provide Services for the Project, which consist of the Scope of Services as outlined in our proposal letter dated Sept. 22, 2017 for the amount of \$9,250.00.

### SECTION II. TERMS AND CONDITIONS OF ENGINEERING SERVICES

Mitchell & Morgan LLP Terms and Conditions for Professional Services, which are attached hereto in Exhibit A, are incorporated into this Agreement by this reference as if fully set forth herein.

### SECTION III. RESPONSIBILITIES OF OWNER

The OWNER shall provide the information set forth in paragraph 6 of the attached "Mitchell & Morgan, LLP Terms and Conditions for Professional Services."

### SECTION IV. COMPENSATION

Compensation for ENGINEER'S services under this Agreement shall be based upon the cost outlined in the proposal.

The project will be invoiced on a percent complete basis. As noted, additional services will be provided on an hourly basis.

## SECTION V. PERIOD OF SERVICE

Upon receipt of written authorization to proceed, ENGINEER shall perform the services described in our proposal letter within a reasonable period of time.

Unless otherwise stated in this Agreement, the rates of compensation for ENGINEER'S services have been agreed to in anticipation of the orderly and continuous progress of the project through completion. If any specified dates for the completion of ENGINEER'S services are exceeded through no fault of the ENGINEER, the time for performance of those services shall be automatically extended for a period which may be reasonably required for their completion and all rates, measures and amounts of ENGINEER'S compensation shall be equitably adjusted.

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


"OWNER"

BY:

NAME:

TITLE:

ADDRESS:

  
\_\_\_\_\_  
Duane Peters  
\_\_\_\_\_  
County Judge  
\_\_\_\_\_  
200 S. Texas Ave, Ste. 332  
\_\_\_\_\_  
Bryan TX 77803  
\_\_\_\_\_


Mitchell & Morgan, LLP  
"ENGINEER"

BY:

NAME:

TITLE:

ADDRESS:

  
\_\_\_\_\_  
Veronica J.B. Morgan, PE, CFM  
\_\_\_\_\_  
Managing Partner  
\_\_\_\_\_  
3204 Earl Rudder Freeway South  
\_\_\_\_\_  
College Station, Texas 77845  
\_\_\_\_\_

## Exhibit A

### Terms and Conditions for Professional Services Between Mitchell & Morgan, LLP and Owner

#### 1. STANDARD OF PERFORMANCE

The standard of care for all professional engineering, consulting and related services performed or furnished by ENGINEER and its employees under this Agreement (the "Services") will be the care and skill ordinarily used by members of ENGINEER'S profession practicing under the same or similar circumstances at the same time and in the same locality. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER'S Services.

#### 2. INSURANCE

ENGINEER agrees to procure and maintain, at its expense, Worker's Compensation insurance as required by statute; Employer's Liability of \$1,000,000; Automobile Liability insurance of \$1,000,000 combined single limit for bodily injury and property damage covering all hired and non-owned vehicles; Commercial General Liability insurance of \$1,000,000 combined single limit for personal injury and property damage; and Professional Liability insurance of \$1,000,000 per claim for protection against claims arising out of the performance of services under this Agreement caused by negligent acts, errors, or omissions for which ENGINEER is legally liable. Upon request, OWNER shall be made an additional insured on Commercial General and Automotive Liability insurance policies and certificates of insurance will be furnished to the OWNER. ENGINEER agrees to indemnify OWNER for the claims covered by ENGINEER'S insurance.

#### 3. OPINIONS OF PROBABLE COST (COST ESTIMATES)

Any opinions of probable project cost or probable construction cost provided by ENGINEER are made on the basis of information available to ENGINEER and on the basis of ENGINEER'S experience and qualifications, and represents its judgment as an experienced and qualified professional engineer. However, since ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s) methods of determining prices, or over competitive bidding or market conditions, ENGINEER does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost ENGINEER prepares.

#### 4. CONSTRUCTION PROCEDURES

ENGINEER'S observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. ENGINEER shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction. ENGINEER shall not be responsible for the acts or omissions of the contractor or other parties on the project. ENGINEER shall be entitled to review all construction contract documents and to require that no provisions extend the duties or liabilities of ENGINEER beyond those set forth in this Agreement. OWNER agrees to include ENGINEER as an indemnified party in OWNER'S construction contracts for the work, which shall protect ENGINEER to the same degree as OWNER. Further, OWNER agrees that ENGINEER shall be listed as an additional insured under the construction contractor's liability insurance policies.

#### 5. CONTROLLING LAW

This Agreement is to be governed by the laws of the state of Texas. Each party hereto hereby submits to the exclusive jurisdiction of the applicable courts located in Brazos County, Texas in connection with any matter arising out of or in connection with this Agreement. Each party agrees to waive any objection that the courts of Brazos County, Texas, are an inconvenient forum.

#### 6. SERVICES AND INFORMATION

OWNER will provide all criteria and information pertaining to OWNER'S requirements for the project, including design objectives and constraints; space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations. OWNER will also provide copies of any OWNER-furnished Standard Details, Standard Specifications, or Standard Bidding Documents which are to be incorporated

The OWNER agrees to bear full responsibility for the technical accuracy and content of OWNER-furnished documents and services.

In performing professional engineering and related Services hereunder, it is understood by OWNER that ENGINEER is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. Further, it is the OWNER'S sole responsibility to obtain the advice of an attorney, insurance counselor or accountant to protect the OWNER'S legal and financial interests. To that end, the OWNER agrees that OWNER or the OWNER'S representative will examine all studies, reports, sketches, drawings, specifications, proposals and other documents, opinions or advice prepared or provided by ENGINEER, and will obtain the advice of an attorney, insurance counselor or other consultant as the OWNER deems necessary to protect the OWNER'S interests before OWNER takes action or forebears to take action based upon or relying upon the Services provided by ENGINEER.

#### 7. SUCCESSORS AND ASSIGNS

OWNER and ENGINEER, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the covenants of this Agreement. Neither OWNER nor ENGINEER will assign, sublet, or transfer any interest in this Agreement or claims arising therefrom without the written consent of the other.

#### 8. OWNERSHIP OF INTELLECTUAL PROPERTY

ENGINEER shall, at all times, be the owner of all information, materials and documents, including all reports, drawings, specifications, computer software or other items prepared or furnished by ENGINEER pursuant to the Agreement with respect to the project, including without limitation, designs, patterns, technical data, layouts, blueprints, and specifications relating thereto, including all creative ideas included therein developed and supplied by ENGINEER (collectively "ENGINEER'S Intellectual Property"). Ownership of ENGINEER'S Intellectual Property remains with ENGINEER, but ENGINEER grants to OWNER a non-exclusive, royalty-free, transferable, irrevocable worldwide license to ENGINEER'S Intellectual Property for OWNER'S information and reference in connection with the project. ENGINEER'S Intellectual Property is not intended or represented to be suitable for reuse by OWNER or others on extensions of the project or on any other project. Any reuse without written verification or adaptation by ENGINEER for the specific purpose intended will be at OWNER'S sole risk and without liability or legal exposure to ENGINEER, and OWNER will defend, indemnify and hold harmless ENGINEER from all claims, damages, losses and expenses, including attorney's fees, arising or resulting therefrom. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

#### 9. TERMINATION OF AGREEMENT

OWNER or ENGINEER may terminate the Agreement, in whole or in part, by giving seven (7) days written notice, if the other party substantially fails to fulfill its obligations under the Agreement through no fault of the terminating party. Where the method of payment is "lump sum" or cost reimbursement, the final invoice will include all Services and expenses associated with the project up to the effective date of termination. An equitable adjustment shall also be made to provide for termination settlement costs ENGINEER incurs as a result of commitments that had become firm before termination, and for a reasonable profit for Services performed.

## Exhibit A

### 10. SEVERABILITY

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term or condition shall not be construed by the other party as a waiver of any subsequent breach of the same provision, term or condition.

### 11. PAYMENT

ENGINEER will submit monthly invoices for Services rendered under this Agreement in the preceding thirty (30) days. OWNER will pay the full amount of each invoice immediately upon receipt of the invoice. OWNER warrants and agrees that payment of ENGINEER's invoices hereunder shall not be conditioned upon Owner's receipt of payment from others regarding the project.

ENGINEER will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by OWNER's auditors upon written request.

If OWNER disputes any items in ENGINEER's invoice for any reason, including the lack of reasonable supporting documentation, OWNER may temporarily suspend payment of the disputed item and pay the remaining amount of the invoice. OWNER will promptly notify ENGINEER of the dispute and request clarification and/or correction. After any dispute has been settled, ENGINEER will include the disputed item on a subsequent, regularly scheduled invoice, or on a special invoice for the disputed item only.

OWNER recognizes that late payment of invoices results in extra expenses for ENGINEER. All overdue invoice payments shall bear interest at the lesser of 18.00% per annum or the maximum rate allowed by law. In the event undisputed portions of ENGINEER's invoices are not paid when due, ENGINEER also reserves the right, after seven (7) days prior written notice to OWNER, to: (i) suspend the performance of its Services under this Agreement until all past due amounts have been paid in full. In the event any unpaid amount related to this Agreement is placed in the hands of an attorney for collection, OWNER also shall pay all ENGINEER's reasonable fees, expenses, and costs of collection, including reasonable attorneys' fees.

### 12. CHANGES

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement. Adjustments in the period of Services and in compensation for the Services shall be in accordance with applicable paragraphs and sections of this Agreement. Any proposed fees by ENGINEER are estimates to perform the Services required to complete the project as ENGINEER understands it to be defined. For those projects involving conceptual or process development services, activities often are not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in the Services to be performed, which may alter the scope of the Services. ENGINEER will inform OWNER of such situations so that changes in scope and adjustments to the time of performance and compensation for the Services can be made as required. If such change, additional Services, or suspension of Services results in an increase or decrease in the cost of or time required for performance of the Services, an equitable adjustment shall be made, and the Agreement modified accordingly.

### 13. CONTROLLING AGREEMENT

This Agreement shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, notice-to-proceed, etc.

### 14. HAZARDOUS MATERIALS

OWNER represents to ENGINEER that, to the best of its knowledge, no hazardous materials are present at the project site. However, in the event hazardous materials are known to be present, OWNER represents that to the best of its knowledge it has disclosed to ENGINEER the existence of all such hazardous materials, including but not limited to asbestos, PCB's, petroleum, hazardous waste, or radioactive material located at or near the project site, including type, quantity and location of such hazardous materials. It is acknowledged by both parties that ENGINEER's scope of Services do not include services related in any way to hazardous materials. In the event ENGINEER or any other party encounters undisclosed hazardous

materials, ENGINEER shall have the obligation to notify OWNER and, to the extent required by law or regulation, the appropriate governmental officials, and ENGINEER may, at its option and without liability for delay, consequential or any other damages to OWNER, suspend performance of Services on that portion of the project affected by hazardous materials until OWNER: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the hazardous materials; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations. OWNER acknowledges that ENGINEER is performing professional services for OWNER and that ENGINEER is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous materials, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the project site in connection with ENGINEER's services under this Agreement. If ENGINEER's Services hereunder cannot be performed because of the existence of hazardous materials, ENGINEER shall be entitled to terminate this Agreement for cause on 30 days written notice. To the fullest extent permitted by law, OWNER shall indemnify and hold harmless ENGINEER its officers, directors, partners, employees, and subconsultants from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from hazardous materials, provided that (i) any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property (other than completed work), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate OWNER to indemnify any individual or entity from and against the consequences of that individual's or entity's sole negligence or willful misconduct.

### 15. EXECUTION

This Agreement, including the exhibits and schedules made part hereof, constitute the entire Agreement between ENGINEER and OWNER, supersedes and controls over all prior written or oral understandings. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by the parties.

### 16. LIMITATION OF LIABILITY

(a) IN NO EVENT SHALL ENGINEER HAVE ANY LIABILITY TO OWNER FOR INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOSSES INCLUDING, BUT NOT LIMITED TO, DAMAGES OR LOSSES FOR LOST PRODUCTION, LOST REVENUE, LOST PRODUCT, LOST PROFITS, LOST BUSINESS OR BUSINESS INTERRUPTIONS,.

(b) Except as set forth in the immediately following sentence, notwithstanding anything to the contrary in this Agreement or otherwise, ENGINEER's total aggregate liability under this Agreement is strictly limited to the total compensation received by ENGINEER for the Services, less the amount payable by ENGINEER to all applicable subcontractors, including, without limitation, any liability in connection with the Services provided hereunder, whether or not resulting from any form of negligence, breach of duty (statutory or otherwise), strict liability, breach of warranty, breach of contract or any other legal fault or responsibility of ENGINEER, its employees or agents, or any other person. Provided, however, this exclusion and limitation of liability does not apply to ENGINEER's liability for fraud, willful misconduct or breach of law.

### 17. LITIGATION SUPPORT

In the event ENGINEER is required to respond to a subpoena, government inquiry or other legal process related to the Services in connection with a legal or dispute resolution proceeding to which ENGINEER is not a party, OWNER shall reimburse ENGINEER for all reasonable costs and expenses incurred by ENGINEER in responding, and shall additionally compensate ENGINEER at its then standard rates for reasonable time incurred in gathering information and documents and attending mediations, depositions, hearings and trial.

### 18. SURVEY REQUIREMENTS (if applicable)

Topographic Data provided by the OWNER shall be provided in NAD 1983 State Plane Coordinates using the NGVD 1929. All distances shall be adjusted to grid distances (not surface distances.) The topographic data shall be provided in AutoCAD format with the line work, break lines, and contours completed by the provider. The data shall additionally be provided as an ASCII file representing all survey points. All surveyed points shall have a realistic elevation. The file shall include coordinate control appropriate for the

## Exhibit A

construction of the project and Benchmark information. The topographic data must be delivered in this format prior to the initiation of the Preliminary Design Stage of the project.

time, or on the next following business day if sent after 5:00 pm local time.

### 19. PUBLIC RESPONSIBILITY

Both the OWNER and the ENGINEER owe a duty of care to the public that requires them to conform to applicable codes, standards, regulations and ordinances, principally to protect the public health and safety. The OWNER shall make no request of the ENGINEER that, in the ENGINEER'S reasonable opinion, would be contrary to the ENGINEER'S professional responsibilities to protect the public. The OWNER shall take all actions and render all reports required of the OWNER in a timely manner. Should the OWNER fail to take any required actions or render any required notices to appropriate public authorities in a timely manner, the OWNER agrees the ENGINEER has the right to exercise its professional judgment in reporting to appropriate public officials or taking other necessary action. The OWNER agrees to take no action against or attempt to hold the ENGINEER liable in any way for carrying out what the ENGINEER reasonably believes to be its public responsibility. The OWNER agrees the ENGINEER shall not be held liable in any respect for reporting said conditions. Accordingly, the OWNER agrees, to the fullest extent permitted by law to indemnify and hold harmless the ENGINEER, its officers, directors, employees and sub-consultants (collectively, ENGINEER) against all damages, liabilities or costs arising out of or in any way connected with the ENGINEER'S notifying or failing to notify appropriate public officials.

### 20. CONFIDENTIALITY.

OWNER agrees that any and all drawings, specifications, processes, reports, data and other technical or proprietary information of ARCHITECT or its affiliates ("Confidential Information") that is disclosed to or received by OWNER (i) shall be treated as ARCHITECT's confidential, proprietary and trade secret information (with ARCHITECT reserving all rights to its Confidential Information); (ii) shall be held by OWNER in strict confidence, (iii) shall be used by OWNER only for purposes of this Agreement, and (iv) that no Confidential Information, including without limitation the provisions of this Agreement, shall be disclosed by OWNER without the prior written consent of ARCHITECT. OWNER shall safeguard ARCHITECT's Confidential Information with at least the same degree of care (which shall always be at least a reasonable amount of care) that it uses to safeguard its own confidential, proprietary, and trade secret information. Upon completion of the applicable project, or upon demand by ARCHITECT, all such Confidential Information and any copies thereof shall immediately be returned to ARCHITECT. Notwithstanding the foregoing, OWNER shall be entitled to disclose ARCHITECT Confidential Information without the prior written consent of ARCHITECT if such disclosure is made: (i) in accordance with the requirements of applicable laws; (ii) to any insurer under a policy of insurance issued pursuant to this Agreement; (iii) to its directors, employees and officers, for the furtherance of the performance of OWNER's obligations under this Agreement; (iv) to any authorized subcontractor or ARCHITECT contractor to the extent necessary to perform their contractual obligations and to further the performance of ARCHITECT's or OWNER's obligations under this Agreement; or (v) to outside consultants or advisors engaged by or on behalf of OWNER and acting in that capacity in connection with this Agreement.

### 21. WARRANTY DISCLAIMER.

EXCEPT AS OTHERWISE PROVIDED HEREIN, ENGINEER DOES NOT MAKE AND OWNER SHALL NOT RELY ON ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION REGARDING OR RELATED TO THE SERVICES. ENGINEER DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY AND ANY WARRANTY AGAINST LATENT DEFECTS.

### 22. NOTICES.

Any notice or communication required or permitted to be given pursuant to this Agreement shall be in writing signed by the party giving such notice or communication and shall be hand delivered, sent by recognized overnight courier, or sent by email to the applicable party at the address given in the Agreement. Each party may change its address or email address for receiving notices by giving notice to the other party of such change. The effective date of any notice or communication issued pursuant to this Agreement shall be (i) if delivered by hand, upon receipt, (ii) if delivered by overnight courier, three (3) business days after it is provided to such courier, or (iii) if delivered by email, on the day sent if sent prior to 5:00 pm local





Gary Arnold  
Brazos County Road & Bridge  
2617 W. HWY 21  
Bryan, Texas 77803

September 22, 2017

**RE: Change Order #1 - Platting Services for the new Brazos County Records Storage Facility Project at Arena Hall located at 2906 Tabor Road in Bryan, Texas**

Dear Gary,

Thank you for the opportunity to provide professional engineering services for the new Brazos County Records Storage Facility Project at Arena Hall located at 2906 Tabor Road in Bryan, Texas.

As you know we met with City of Bryan (CoB) Officials in June for a Pre Application Conference (PAC) and discussed the CoB requirements for this project. Based on this meeting, we developed a scope of work which was then processed and approved through Brazos County and a Site plan was developed and submitted 19July17 addressing the items discussed in the PAC.

On 25Jul17 we received Site Design Review Committee (SDRC) comments from the City of Bryan, noting that the subject property is currently unplatted and the property boundaries in the area are not well documented. Because of these issues, a Preliminary Plan and Final Plat will be required for this development. This change in scope necessitates this change order.

We are more than happy to assist Brazos County with both of these applications as well as process them through the City of Bryan review and approval process. The items and associated cost related to these processes are itemized below:

**Preliminary Plan:**

Preliminary Plan Layout .....	\$2,500.00
Processing of Preliminary Plan .....	\$1,000.00
Preliminary Plan Application Fee .....	\$250.00

**Preliminary Plan Total ..... \$3,750.00**

**Final Plat:**

Final Plat Layout .....	\$2,500.00
Processing of Final Plat .....	\$1,000.00
Final Plat Application Fee .....	\$300.00

**Preliminary Plan Total ..... \$3,800.00**

**Additional Services:**

Survey Services (Review &amp; Seal Plat, set pins, etc.) .....\$1,700.00

\*(See attached table for details)

**Additional Services Total .....\$1,700.00****OVERALL TOTAL .....\$9,250.00**

The following table shows the overall costs for this project.

	Original Proposal	Changes*	Second Proposal	Contract Total
<b>Engineering Services</b>				
Site Plan	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
Utility Plan (water/sewer/electrical/telecom)	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
Drainage Letter	\$ 500.00	\$ -	\$ -	\$ 500.00
Sidewalk Paving & Grading Plan	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
Coordination Time	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
Bidding Services	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
Construction Administration	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
Preliminary Plan	\$ -	\$ -	\$ 3,750.00	\$ 3,750.00
Final Plat	\$ -	\$ -	\$ 3,800.00	\$ 3,800.00
<b>Additional Services</b>				
Drafting Services (Hourly)	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
<b>Reimbursable Services</b>				
Topo Survey	\$ 3,850.00	\$ (1,850.00)	\$ -	\$ 2,000.00
Boundary Survey	\$ -	\$ -	\$ 3,550.00	\$ 3,550.00
Geotechnical & Foundation Design (Performed by others)	\$ 4,050.00	\$ -	\$ -	\$ 4,050.00
Landscape & Irrigation Plans (Performed by others)	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
TDLR Review and Inspection Services (Performed by others)	TBD	\$ -	\$ -	TBD
<b>TOTAL</b>	<b>\$ 21,400.00</b>	<b>\$ (1,850.00)</b>	<b>\$ 11,100.00</b>	<b>\$ 30,650.00</b>

\*Initially the topo survey scope was based on a survey of the entire 1.32 acres. This scope was reduced by utilizing the 2008 survey wherever possible, thus the scope and cost was reduced.

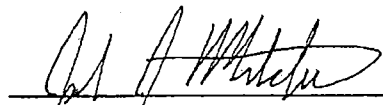
If there are other services that you desire we will provide those services on an hourly basis at the following hourly rates:

**Hourly Rates:**

Sr. Professional Engineer – Development Coordination .....	\$150/hr
Principal Design Engineer.....	\$135/hr
Sr. Professional Design Engineer .....	\$110/hr
Jr. Professional Design Engineer.....	\$100/hr
Staff Planner .....	\$95/hr
Project Coordinator .....	\$90/hr
GIS Technician.....	\$85/hr
Sr. EIT .....	\$85/hr
Jr. EIT .....	\$75/hr
Drafter .....	\$65/hr
Administrative.....	\$55/hr

We do require a signed contract to begin work and we have attached one for your signature. Invoices will be submitted monthly based on work completed during that month. Reimbursable items such as other professional services, printing, copying, shipping and mailing, etc. will be covered by Mitchell & Morgan, LLP up to a maximum of \$500.00 and billed at cost or invoice plus ten percent and reimbursed during the monthly billing cycle. Please let us know if you have any questions or comments. We really look forward to working with you on this project.

Sincerely,

  
\_\_\_\_\_  
Joel J. Mitchell, PE  
Partner

cc: file

**From:** Marie Wolfe  
**To:** Duane Peters; Steve HW. Aldrich; Samuel J. Catalena; Nancy F. Berry; Irma Cauley; Karen McQueen; Candy Gallego  
**Cc:** Susan Hardin; Mary Lou Price; Karen Weir; Kim Thompson; Ward Wells; Kevin Griffin; Cecivon Garcia; Howard Williams; Bernie Bernard; Karen Pitts; Teresa Beckham; Jim Maness; Patricia Chalupsky; Terri Pourahmadi; Nadia Nikolov; Felice Long; Gary Arnold  
**Subject:** October 17, 2017 Commissioners Court Agenda Items  
**Date:** Monday, October 16, 2017 10:41:20 AM

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Dear Judge and Commissioners,

Since I will be unable to attend tomorrows Commissioners Court, I wanted to give input on a few items on the agenda and request they be added to the minutes.

#24. Interlocal agreement between City of College Station and Brazos County for the Arrington Road Reconstruction.

While I believe Arrington Road is in desperate need of reconstruction, I'm concerned that the improvements will not alleviate the safety concerns for the Nantucket residents that have driveways entering onto Arrington Road. At the March 2017 BCSMPO presentation the County Engineer said that the improvements were to be 3 lanes from the City line to just past Harpers Ferry Road where the majority of the homes reside. The middle lane was to be a turn lane and this was thought to be an excellent way of eliminating some of our safety concerns. Now it seems that the plan has been changed back to 2 lanes improved. Will you reconsider and go back to the original plan?

The other issue is that I have not been able to find documentation about how or if the Nantucket Residents property will be affected? There is also a fence that the Nantucket HOA has installed a few years back. Will that fence be impacted and how? We have drainage concerns, will the same amount of water flow into Nantucket or will it be affected with the reconstruction?

While I understand the need for this interlocal agreement in order to facilitate the County's ability to use eminent domain on City lands to gain the necessary ROW, I would appreciate if the above questions were answered at the meeting.

#26. Change order to purchase order # 17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.

While I realize that this is not the Mitchell and Morgan order for the work done by them on the realignment of a future minor collector to Harpers Ferry Road on Arrington Road, I'm still wondering where that purchase order is since I cannot seem to find it when going through the Court's agendas/minutes. Please have someone send me the purchase order for the work I'm interested in.

#27. Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.

I wanted to add my voice to the need for this Extension of Mesa Verde as quickly as possible. As you know I've been to the Court requesting this back in 2016.

This is a very large amount of money and there is no documentation attached so a citizen can intelligently review and understand that this is the best bid and the timeframe that it will be worked. First we were told that this work will be completed end of 2017 and now mid-2018. Does the bid guarantee mid-2018?

I would appreciate it if my concerns were brought up and discussed at the Commissioners Court 10/17/2017 meeting so I can listen to the answers. I am very sorry that I cannot attend the meeting, but am sure others would want to hear those answers as well.

Sincerely,

Marie E. Wolfe  
4576 Sandpiper Cove  
College Station, TX 77845



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Purchasing NUMBER:

DATE OF COURT MEETING: 10/17/2017

ITEM: Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.

TO: Commissioners Court

FROM: Wm. Charles Wendt

DATE: 10/11/2017

FISCAL IMPACT: True

BUDGETED: True

DOLLAR AMOUNT: \$1,196,445.20

ACTION REQUESTED OR  
ALTERNATIVES: Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

**AGREEMENT  
FOR EXTENSION OF MESA VERDE**

**BID #17-301**

**BRAZOS COUNTY, TEXAS**

## TABLE OF ARTICLES

1. General Provisions
2. Owner
3. Contractor
4. Administration of the Contract
5. Subcontractors
6. Construction by Owner or by Separate Contractors
7. Changes in the Work
8. Time
9. Payments and Completion
10. Protection of Persons and Property
11. Insurance and Bonds
12. Uncovering and Correction of Work
13. Miscellaneous Provisions
14. Termination or Suspension of the Contract
15. Access to the Work
16. Standards
17. Prohibition against personal interest in the Contract
18. Prevailing Wage Rates
19. Authority to Contract



## **AGREEMENT FOR CONSTRUCTION OF BRAZOS COUNTY ROADWAY**

This Agreement for the construction of the EXTENSION OF MESA VERDE, Brazos County, Texas, in the amount of \$ 1,196,445.20, is entered into this 17<sup>th</sup> day of October, 2017 by and between **BRAZOS COUNTY, TEXAS** (hereafter referred to as "Owner"), 200 South Texas Ave., Suite 352, Bryan, Texas 77803, and **Knife River Corporation- South.**, (hereinafter referred to as "Contractor"). The EXTENSION OF MESA VERDE is hereinafter referred to as the "Project." The Engineer for the Project is the firm of **MITCHELL & MORGAN, LLP** and is hereinafter referred to as "Engineer."

### **ARTICLE 1 GENERAL PROVISIONS**

#### **1.1. BASIC DEFINITIONS**

**1.1.1 THE COMPLETE CONTRACT DOCUMENTS:** The complete Contract Documents ("Contract Documents") consist of the Agreement between Owner and Contractor (hereinafter the "Agreement"), Conditions of the Contract (General, Supplementary and other Conditions), all documents included in **BID # 17-301** and the Drawings, Project Manual and Bid Specifications, as well as Addenda issued prior to execution of the Contract, other documents listed in the Agreement and Modifications issued after execution of the Contract.

A Modification is: (1) a written amendment to the Contract signed by both parties; (2) a Change Order or Change Proposal Request; (3) a Construction Change Directive, or (4) a clarification, interpretation or written order for a minor change in the Work issued by the Engineer. Unless specifically enumerated in the Agreement, the Contract Documents do not include other documents such as bidding requirements (advertisement or invitation to bid, Instructions to Bidders, sample forms or portions of addenda relating to bidding requirements). The Contract Documents executed in accordance with Sub-paragraph 1.5.1. shall prevail in case of an inconsistency with subsequent versions made through manipulatable electronic operations involving computers.

**1.1.2 THE CONTRACT:** The Contract Documents form the Contract for Construction ("Contract"). The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind: (1) between the Contractor and Engineer or Engineer's consultants; (2) between the Owner and a Subcontractor or Sub-subcontractor, or (3) between any persons or entities other than the Owner and Contractor. The Engineer shall, however, with the consent of Owner, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Engineer's duties.

**1.1.3 THE WORK:** The term "Work" means the construction and services required by the Contract, whether completed or partially completed, and includes all other labor,

materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project. Although not indicated, "Work" includes providing supplementary or miscellaneous items, appurtenances and devices incidental to or necessary for a sound, secure, complete and functional installation.

**1.1.4 THE PROJECT:** The Project is the construction of the **EXTENSION OF MESA VERDE** in Brazos County, Texas as specified in the Contract Documents. The Project may include construction by the Owner or by separate contractors.

**1.1.4.1 SUMMARY OF THE WORK:** This project consists of the construction of approximately 2,559 linear feet of ditch section County road, approximately 175 linear feet of concrete pavement boulevard section urban roadway, approximately 575 linear feet of right turn lane on SH 6, all traffic control for the connection to an existing SH roadway and all associated earthwork, drainage, striping and signage, SWPPP in accordance with the bid documents, plans and specifications.

**1.1.5 THE DRAWINGS:** The Drawings are the graphic and pictorial portions of the Contract Documents, wherever located and whenever issued, showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams.

**1.1.6 THE SPECIFICATIONS:** The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the Work, and performance of related services.

**1.1.7 THE PROJECT MANUAL:** The Project Manual is the volume usually assembled for the Work that may include the bidding requirements, sample forms, this Agreement, Supplementary Conditions of the Contract and Specifications.

**1.1.8 GENERAL DEFINITIONS:** Construction industry technical terms not defined in the Contract Documents shall have the meanings given as listed in the latest edition of the AIA "Glossary of Construction Industry Terms." Those not specifically defined at either place shall have the meanings commonly attributed to them by the particular trade involved.

- .1 Provide:** shall be understood to mean: "Furnishing of all labor, materials, equipment, transportation and services referred to and installation of the materials, equipment and other items referred to, all in compliance with the requirement of the Contract Documents and applicable Federal, State and local laws and ordinances as well as requirements of Federal, State and local authorities having jurisdiction at the site of the Work."
- .2 Required:** shall be understood to refer to the requirements of the contract Documents unless its use in a sentence clearly implies a different interpretation.
- .3** Where "**as shown,**" "**as indicated,**" "**as noted,**" and similar terms are used, it shall be understood that reference to the Contract Drawings is

made, unless their use in a sentence clearly implies a different interpretation.

- .4 Where the terms **"Plans"** or **"Drawings"** are used, they shall be understood to include drawings, details and schedules as applicable.
- .5 **Construction Time:** the number of calendar days required to perform the work. Refer to Sections 8.1.1 and 8.1.2.
- .6 **Day:** A calendar day beginning and ending at 12:00 midnight.
- .7 **Equal; approved equal; Engineer approved; acceptable; approved; satisfactory; required; directed; instructed:** Such terms and related phrases shall relate to the opinions and interpretations of the Contract Documents by the Engineer, unless otherwise stated, and shall be limited in authority and responsibility as defined under this Agreement and the contract between the Engineer and Owner.
- .8 **Date of Final Completion:** The date when Engineer and Owner find all the work of the Contract documents acceptable and the Contract fully performed.
- .9 **Occurrence:** Is defined as follows for purpose of insurance – An event which occurs during the policy period, or a continuous or repeated exposure to conditions which result, during the policy period in bodily injury, sickness or disease, or injury to or destruction of property, excluding injuries or deaths of one or more persons or organizations, including the loss of use thereof, resulting from a common cause or from exposure to substantially the same general condition existing at or emanating from each location shall be deemed to result from one occurrence.
- .10 **Not-In-Contract ( N.I.C.):** Work not included in this Contract.
- .11 **And/or:** Shall mean both **"and"** and **"or"** and shall be enforceable by Owner when read in either manner.
- .12 **General Contractor:** Same as Contractor.
- .13 **Material Man; Material Supplier:** Anyone that supplies material only and does not perform any labor at the site of the work.
- .14 **Timely Change:** A change in the work that can be arranged before the particular item of work has required the expenditure of any non-recoverable costs by the Contractor and/or subcontractors.
- .15 **Late Change:** A change in the work that cannot be performed before the particular item of work that requires the expenditure of some non-recoverable cost after shop drawings, samples and/or schedules related to the change have been reviewed and found acceptable.
- .16 **Prompt:** Promptly and similar terms shall be held to refer to a time period

of not less one week or more than two weeks.

- .17 **Addendum:** A change to the Construction Documents (General Documents, Specifications and Drawings) issued prior to the execution of the Agreement.
- .18 **Agreement/Contract:** Agreement/Contract means the same and are used interchangeably throughout this document. This Agreement/Contract is the signed agreement between Owner and Contractor for the performance of the Work.
- .19 **Critical Path:** The project's tasks that will cause the project end date to be delayed if they are delayed. The word "critical" does not imply how important a task is; a task is critical solely because it must occur as scheduled for the project to finish on time.
- .20 **Furnish:** Unless specifically limited in context, the word "furnish" and any derivatives thereof mean: deliver indicated items, materials, equipment, apparatus, appurtenances and all items necessary for a complete and proper installation to Project site and stored in secure locations.
- .21 **Install:** "Install" and any derivatives thereof mean; incorporated indicated items, materials, equipment, apparatus, appurtenances and all items necessary for the Work including all necessary labor, materials and connections to perform a properly and complete installation ready for operation of use, including but not limited to unpacking and assembly, if necessary.
- .22 **The Contractor Shall:** In the interest of conciseness; sentences, statements and clauses may be verb phrases with expressed verbs such as "furnish," "install," "provide," "construct," "erect," "comply," "apply," "submit," etc. Any such sentences, statements and clauses are to be interpreted to include the applicable form of the phrase "the Contract shall" preceding the expressed verb, with the requirements described interpreted as mandatory elements of the Contract.
- .23 **Evaluation:** "Evaluation" and any derivative thereof, as used in reference to Engineer mean; to become generally familiar with the progress and quality of the portion of Work completed to determine in general if it is being performed in a manner indicating that the Work when completed may be occupied or utilized by the Owner for its intended use. Such evaluations shall be based on what is plainly visible at the construction site during periodic visits to the Project, and without the removal of material or other Work that is in place.
- .24 **Inspect:** "Inspect" and any derivative thereof, as used in reference to the Engineer shall mean; Type of evaluation that a reasonably prudent Engineer, in the exercise of ordinary care, would make to determine if the Work is in general accordance with the Contract Documents; they are not "inspections" as would necessarily disclose a defect.

- .25 See:** In the interest of conciseness, references to specification sections and details are preceded by the word "see." Any such references are to be interpreted to include applicable form of phrase "...and comply with."

## **1.2 CORRELATION AND INTENT OF THE CONTRACT DOCUMENTS**

**1.2.1.** The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them.

**1.2.2.** Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed, nor limit the scope of work performed by any trade or by any Sub-contractor or supplier.

**1.2.3.** Unless otherwise stated in the Contract Documents, words which have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

**1.2.4.** General Conditions and Supplementary Condition and General Requirements apply to all of the Contract Documents.

**1.2.5** Precedence of the Contract Documents: The most recently issued Document takes precedence over previous issues of the same Document. The order of precedence is as follows with the highest authority listed as "A."

- A. Modifications, Change Orders or a Change Proposal Request
- B. This Agreement, including the General Conditions stated herein.
- C. Addenda
- D. Supplementary Conditions
- E. Specifications and Drawings. In the case of an inconsistency between Drawing and specifications or within either document, the better quality and the greater quantity of work shall be provided unless otherwise directed by Engineer.

**1.2.6** Current Editions: When any work is governed by reference to standard, codes, manufacturer's instructions or other reference documents, the latest issue in effect on the original issue date of the Construction Documents shall apply whether or not the proper edition is noted.

**1.2.7** Enumeration of Items: Lists of "work included," "work excluded" and "description of the work" and similar groupings are not intended to enumerate each and every item of work or appurtenance required therein, but shall be used in conjunction with all other portions of the Contract Documents to establish the requirements for completion of the Work or any portions thereof.

**1.2.8** Reference Guarantees: When reference standards are made a part of the requirements, the warranties and guarantees they contain shall apply, except for the portions that are less stringent than those required by the Contract Documents or imply

or state exclusions, limitations or waivers that are inconsistent with the requirements of the Contract Documents.

### **1.3 CAPITALIZATION**

**1.3.1** Terms capitalized in these General Conditions include those which are: (1) specifically defined; (2) the titles of numbered articles and identified references to Paragraphs, Subparagraphs and Clauses in the document, or (3) the titles of other documents published by the American Institute of Engineers.

### **1.4 INTERPRETATION**

**1.4.1** In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

### **1.5 EXECUTION OF CONTRACT DOCUMENTS**

**1.5.1** The Contract Documents shall be enumerated on attachment(s) to the Agreement and attachments(s) shall be signed by the Owner and Contractor as provided in the Agreement.

**1.5.2** Execution of the Contract by the Contractor is a representation that the Contractor has visited the site, become familiar with local conditions under which the work is to be performed and correlated personal observations with requirements of the Contract Documents. Contractor shall verify the location of all easements before beginning the project.

### **1.6 OWNERSHIP AND USE OF ENGINEER'S DRAWINGS, SPECIFICATIONS AND OTHER DOCUMENTS:**

**1.6.1.** The Drawings, Specifications and other documents, including those in electronic form, prepared by the Engineer and/or Engineer's consultants are Instruments of the Engineer's service through which the Work to be executed by the Contractor is described. The Contractor may retain one contract record set. Neither the Contractor, nor any Subcontractor, Sub-subcontractor or material or equipment supplier shall own or claim a copyright in the Drawings, Specifications and other documents prepared by the Engineer or the Engineer's consultants, and unless otherwise indicated the Engineer or the Engineer's consultants shall be deemed the author of them and will retain all common law, statutory and other reserved rights, in addition to the copyright, unless indicated differently in the Owner – Engineer Agreement. The Drawings, Specifications and other documents prepared by the Engineer, and copies thereof furnished to the Contractor, are for use solely with respect to this Project. They are not to be used by the Contractor or any Subcontractor, Sub-subcontractor or material or equipment supplier on other projects or for additions to this Project outside the scope of the work without the specific written consent of the Owner, Engineer and/or Engineer's consultants. The Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers are granted a limited license to use and reproduce applicable portions of the Drawings, Specifications and other documents prepared by the Engineer and/or Engineer's consultants appropriate to and for use in the execution of their Work under the Contract Documents. All copies made under this license shall bear the statutory copyright notice, if any, shown on the Drawings, Specifications and other documents prepared by the Engineer and/or the Engineer's consultants.

Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project is not to be construed as publication in derogation of the Engineer's copyright or other reserved rights.

## **1.6.2 CONTRACTOR'S USE OF INSTRUMENTS OF SERVICE IN ELECTRONIC FORM**

**1.6.2.1** Engineer may furnish or sell, at an agreed upon cost, to Contractor, Subcontractor, Sub-subcontractor, and material and equipment supplier, or others versions of Instruments of Service in electronic form for use solely with respect to this Project. The Contract Documents executed or identified in accordance with Subparagraph 1.5.1 shall prevail in case of an inconsistency with subsequent versions made through manipulatable electronic means involving computers.

**1.6.2.2** If required to be furnished, or if furnished, Engineer or Engineer's Consultants will furnish electronic data in software format in use by Engineer at the time Engineer's services are performed. Contractor, any Subcontractors or Sub-subcontractors, material or equipment suppliers, or others shall be responsible for proper storage, maintenance and conversions necessary to prevent degradation or obsolescence of data. Any change or modification in electronic data by Contractor, any Subcontractors or Sub-subcontractors, material or equipment suppliers, or others shall be at their sole risk and without liability or legal exposure to Engineer, Engineer's consultants or Owner, and to fullest extent permitted by law, the Contractor, any Subcontractors or Sub-subcontractors, material or equipment suppliers agrees to hold harmless and indemnify Engineer, Engineer's consultants and Owner from and against all claims, liabilities, losses, damages and costs, including but not limited to reasonable attorney's fees, arising there from or in connection therewith.

**1.6.2.3** The Contractor, any Subcontractors or Sub-subcontractors, material or equipment suppliers, and others understand that the conversion of electronic information and data supplied by the Engineer or Engineer's consultants from the system and format used by the Engineer or Engineer's consultants to an alternative or upgraded system or format, whether performed by Engineer, Engineer's consultants or others, cannot be accomplished without the introduction of inexactitudes, anomalies, omissions and errors. In the event the electronic data furnished to the Contractor, any Subcontractors or Sub-subcontractors, material or equipment suppliers, is converted, they agree to assume all risks associated with such conversion. If Engineer and/or Engineer's consultants furnish electronic data, the Contractor, any Subcontractors or Sub-subcontractors, material or equipment suppliers, and others agrees to hold Engineer, Engineer's consultants and Owner harmless and to waive any and all claims, liabilities, losses, damages and costs arising out of, or in any way connected with, the conversion of electronic data supplied by the Engineer or Engineer's consultants.

**1.6.2.4** If documents, including those in electronic form, are modified, revised or changed in any way by the Contractor, Subcontractor, Sub-subcontractor, and material and equipment supplier, or others, any reference to the Engineer and Engineer's consultant and any professional seals and signatures shall be removed from the documents.

**1.6.2.5** In consideration for the use of the Drawings, Specifications and other documents, including those in electronic form, Contractor, Subcontractor, Sub-

subcontractor, material and equipment supplier and others agree to indemnify, defend and hold harmless the Engineer, Engineer's consultants and Owner from and against, any claim or liabilities arising out of such use.

## **ARTICLE 2**

### **OWNER**

#### **2.1 DEFINITION**

**2.1.1** The Owner is Brazos County, Texas. The term "Owner" means the Owner or the Owner's authorized representative. The Owner's representative is **Gary Arnold, Capital Project Manager**, or such other person as may from time to time be so designated by the Brazos County Commissioners Court to act on behalf of Owner.

**2.1.2** The Owner upon reasonable written request shall furnish to the Contractor in writing information which is necessary and relevant for the Contractor to evaluate, give notice of or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property on which the Project is located, usually referred to as the site, and the Owner's interest therein at the time of execution of the Agreement and within five (5) days after any change, information of such change in title, recorded or unrecorded.

#### **2.2 INFORMATION AND SERVICES REQUIRED OF THE OWNER**

**2.2.1** The Owner shall furnish surveys describing physical characteristics and legal limitations for the site of the Project, and a legal description of the site. The Contractor shall be entitled to rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

**2.2.2** Except for permits and fees, including those required under Paragraph 3.7, which are the responsibility of the Contractor under the Contract Documents, Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction.

**2.2.3** Information or services required of the Owner by the Contract Documents shall be furnished by the Owner with reasonable promptness and complete and accurate to the best of the Owner's information and belief. Any other information or services relevant to the Contractor's performance of the Work under the Owner's control shall be furnished by the Owner after receipt from the Contractor of a written request for such information or services.

**2.2.4** Contractor will be furnished, free of charge, one set of Contract Documents in Adobe "PDF" file format suitable for plotting or printing. Contractor may use for limited purpose of making prints thereof required for use in performance of Work, in accordance with Paragraph 1.6.

**2.2.5** The foregoing are in addition to other duties and responsibilities of the Owner enumerated herein and especially those in respect to Article 6 (Construction by Owner or by Separate Contractors), Article 9 (Payments and Completion) and Article 11 (Insurance and Bonds).

**2.3 OWNER'S RIGHT TO STOP THE WORK:** If the Contractor fails to correct Work which is not in accordance with the requirements of the Contract Documents as



required by Paragraph 12.2 or fails, more than once, to carry out Work in accordance with the Contract Documents, the Owner by written order may order the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Subparagraph 6.1.3. Owner does not waive the right to stop the work in any future situation if Owner waives this right in any one situation.

## **2.4 OWNER'S RIGHT TO CARRY OUT THE WORK**

**2.4.1** If the Contractor defaults or neglects to carry out the Work, or any portion thereof, in accordance with the Contract Documents or fails to complete, within the time period stipulated, any items of work scheduled (punch listed) to be done subsequent to the Date of Substantial Completion or fails to complete or correct any items of work disclosed subsequent to the Date of Substantial Completion and fails within a seven day period after receipt of written notice from Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case, an appropriate Change Order shall be issued deducting from payments then, or thereafter, due the Contractor the cost of correcting such deficiencies, including compensation for the Engineer's additional services and expenses made necessary by such default, neglect or failure. Such action by the Owner and amounts charged to the Contractor shall be done after consultation with the Engineer. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner.

**2.4.2** Neither Owner nor its officers, agents, or employees are in any way liable or accountable to Contractor or its Surety for any method by which completion of said Work, or any portion thereof, is accomplished or for price paid therefore, unless Surety is required to pay cost to complete the Project, in excess of the amount contained in the Owner-Contractor Agreement, as a direct result of the Engineer's negligent issuance of Certificate(s) for Payment. Contractor and Surety are responsible for all costs for completing the Work including cost in excess of original Contract Sum. Owner does not forfeit right to recover damages from Contractor or Surety for failure to complete Contract by taking over the Work or by declaring Contract in default. Maintenance of the Work remains Contractor's and Surety's responsibility as provided for in Performance Bond and guarantee of Contractor.

**2.4.3** The Owner reserves the right to:

- .1 observe the work, at any time, whenever it is in preparation or progress;
- .2 make emergency repairs to the work during the guarantee period, to prevent further damages and the Contractor shall pay for such repairs when necessitated by defects in the Contractor's work;
- .3 make changes to the work.

**2.4.4** The Owner shall not be required to accept from the Contractor (unless specifically agreed upon):

- .1 Partial Substantial Completion;
- .2 Substantial Completion when it occurs prior to the expiration of the Construction Time.

## **ARTICLE 3 CONTRACTOR**

### **3.1 GENERAL**

**3.1.1** The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The term "Contractor" means the Contractor or the Contractor's authorized representative.

**3.1.2** The Contractor shall perform the Work in accordance with the Contract Documents.

**3.1.3** The Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Engineer in the Engineer's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Contractor.

### **3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS**

**3.2.1** Since the Contract Documents are complementary, before starting each portion of the Work, the Contractor shall carefully study and compare the various Drawings and other Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Subparagraph 2.2.1, shall take field measurements of any existing conditions related to that portion of the Work and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating construction by the Contractor and are not for the purpose of discovering errors, omissions or inconsistencies in the Contract Documents; however, any errors, inconsistencies or omissions discovered by the Contractor shall be reported promptly to the Engineer as a properly prepared, timely Request For Information (RFI) in such form as the Engineer may require.

**3.2.2** Any design errors or omissions noted by the Contractor during this review shall be reported promptly to the Engineer, but it is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional unless otherwise specifically provided in the Contract Documents. The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes and rules and regulations, unless they bear upon construction means, methods, techniques or safety and health precautions, but the Contractor shall promptly report to Engineer any nonconformity discovered by or made known to the Contractor as a Request For Information (RFI) in such form as the Engineer may require.

**3.2.3** If the Contractor believes that additional cost or time is involved because of clarifications, interpretations or instructions issued by the Engineer in response to the Contractor's notices or requests for information pursuant to Subparagraphs 3.2.1 and 3.2.2, the Contractor shall make Claims as provided in Subparagraphs 4.3.6 and 4.3.7. If the Contractor fails to perform the obligations of Subparagraphs 3.2.1 and 3.2.2, the Contractor shall pay such costs and damages to the Owner as would have been avoided if the Contractor had performed such obligations. The Contractor shall not be liable to the Owner or Engineer for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for differences between field measurements or conditions and the Contract Documents unless the Contractor recognized such error, inconsistency, omission or difference and knowingly failed to report it to the Engineer.

**3.2.3** The Contractor shall verify the location of all easements before beginning the Project.

**3.2.4** The Contractor shall perform the Work in accordance with the Contract Documents and submittals approved pursuant to Paragraph 3.12.

### **3.3 SUPERVISION AND CONSTRUCTION PROCEDURES**

**3.3.1** The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract, unless the Contract Documents give other specific instructions concerning these matters. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences or procedures, the Contractor shall review, substantiate, and comply with current industry execution standards and manufacturer's current execution instructions and evaluate the jobsite safety thereof and, except as stated below, shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures.

If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely written notice to the Owner and Engineer and shall not proceed with that portion of the Work without further written instructions from the Engineer. If the Contractor is then instructed to proceed with the required means, methods, techniques, sequences or procedures without acceptance of changes proposed by the Contractor, the Owner shall be solely responsible for any resulting loss or damage.

**3.3.2** The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons performing portions of the Work under a contract with the Contractor.

**3.3.3** The Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Engineer in the Engineer's administration of the Contract, or by tests, inspections or approvals required or performed by persons other than the Contractor.

**3.3.4** The Contractor shall be responsible for inspection of portions of Work already performed under this Contract to determine that such portions are in proper condition to receive subsequent Work.

**3.3.5** Contractor is solely responsible for coordination of scope of Work for its own forces, and of Subcontractors and suppliers, and to complete all Work, whether performed by the Contractor or a Subcontractor.

**3.3.6** The Contractor shall provide a full-time Project Superintendent. Refer to Bid Section E(8)(f).

**3.3.7** Layout/grades will be per plans.

### **3.4 LABOR AND MATERIALS**

**3.4.1** Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, utilities, transportation and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent, and whether or not incorporated or to be incorporated in the Work.

**3.4.2** The Contractor may make substitutions only if allowed by Contract Documents and with the consent of the Owner, after evaluation by the Engineer and in accordance with a Change Order, or by Owner's approval of a Substitution Request.

**3.4.3** The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them.

### **3.5 WARRANTY**

**3.5.1** The Contractor warrants to the Owner and Engineer that all materials and equipment furnished under this Contract will be of good quality and new unless otherwise specified and that all Work will be provided in accordance with the requirements of the Contract Documents and will be of good quality, free of faults and defects. All Work not conforming to the requirements of the Contract Documents, including substitutions or changes made by the Contractor or any subcontractor, material supplier or equipment supplier that have not been specifically identified (PRIOR to Contract award) by means of a Letter of Notice to Engineer and properly accepted and authorized by Engineer, shall be considered defective and not in agreement with the requirements of the Contract Documents, and shall be promptly corrected in accordance with the requirements of Article 12 of this Agreement and amendments thereto as set forth in Supplementary Conditions or Modifications. Notation or listing of such substitutions or changes on shop drawings or other types of submittal will not be considered acceptable to Engineer whether or not such submittal has been reviewed or stamped by Engineer. Notice must be specific and transmitted in letter form. If required by Owner or Engineer, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment actually provided. This warranty is not limited by the provisions of Paragraph 12.2.

**3.5.2** Immediately prior to Date of Substantial Completion, Contractor shall execute and deliver to Engineer, a written warranty in approved form, stating that all materials and equipment provided and all work performed are in accordance with the requirements of the Contract Documents and authorized modifications and additions thereto; and further stating that Contractor guarantees, should any condition arise or be disclosed during the time of Contract warranty, which conditions are due to incomplete, or improper or defective materials, or due to incomplete or improper or defective workmanship or arrangement, such condition, together with all work affected in correcting such condition, shall be (upon written notice from Owner) promptly and satisfactorily corrected by Contractor at no additional cost to Owner. Contractor shall be fully responsible for the prompt, satisfactory completion of all warranty work whether performed by his own or subcontract personnel.

**3.5.3** Work Covered by Warranty: Contractor's warranty shall cover all work under the

Contract, whether or not any portion or trade has been assigned or sub-let. In the event any portion of the Work is performed by an assignee or subcontractor, Contractor shall obtain from such assignee and/or subcontractor a written warranty to Contractor and Owner covering their respective portion of the Work for the period required. Contractor shall deliver them, together with his own warranty, to Owner prior to final payment. Assigns' and subcontractors' warranties shall expressly provide that the same shall be enforceable directly by Owner, if he so elects, and shall run concurrently with Contractor's warranty. Warranty shall be secured by Contractor's Performance Bond as directed by Owner.

**3.5.4 Time of Warranty:** Contractor's warranty shall be for a period of one year from Date of Substantial Completion of the Work. Should a warranty required under any Section of the Specifications or of this Contract be for a period of more than one year, Contractor's and subcontractor's warranty, with respect to such work, shall be for such longer period. Warranty for work done subsequent to Date of Substantial Completion shall be for a period of one year from date of Final Completion or such longer period, if so specified.

**3.5.5 Partial Occupancy:** Should Owner occupy a portion of the Work before the date of Substantial Completion, the warranty period for that portion so occupied shall begin on the date of such occupancy as agreed in writing with Owner.

**3.5.6 Objectionable Process:** Where any material, process, or method or operation or application procedure is required, which in the opinion of the Contractor, would render the finished work unsuitable for the required warranty, then, before a bid is submitted, such unsuitable material, process, or application method shall be objected to in writing to Engineer, stating reasons therefore and recommending other alternate materials or methods so that the Work, when completed, will be suitable for the required warranty. In the event the Contractor's recommendations are approved, the work shall be installed in accordance therewith, and all changes in cost resulting there from shall be included in the Contract bid amount.

**3.5.7** Under the requirements of this Paragraph 3.5, Contractor shall be responsible for:

- .1 Damages existing facilities, fences or other appurtenances or services when damages result from use of faulty materials or negligent workmanship.
- .2 Warranting modifications accepted under subparagraph 3.5.6 above will give satisfactory results.
- .3 Warranting substitutions will be equal or superior to the specified item or method unless he specifically lists shortcomings in his request for making substitution.
- .4 Obtaining and enforcing all subcontract warranties with particular attention being directed to enforcement of warranty work by electrical and other subcontractors.

## **3.6 TAXES**

**3.6.1** Although Owner is a tax-exempt unit of local government, the Contractor shall pay all sales, consumer, use and similar taxes for the Work or portions thereof provided by the Contractor which may not be within Owner's exemption that are legally enacted

when Contractor's bids were received or negotiations between Owner and Contractor were concluded, whether or not yet effective or merely scheduled to go into effect.

**3.6.2** Contractor requires all Subcontractors, Sub-subcontractors and suppliers to bill Contractor for all sales and use taxes on all materials and equipment incorporated into Project as clearly discernible separate item to facilitate Contractor's keeping tax as separate item of expense on records. Furnish this information to Owner to enable Owner to meet state reporting requirements

### **3.7 PERMITS, FEES AND NOTICES**

**3.7.1** Unless otherwise provided in the Contract Documents, the Contractor shall secure and pay for the building permit and other permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Work which are customarily secured after execution of the Contract and which are legally required when bids are received or negotiations concluded.

**3.7.1.1** Owner shall secure and pay for health and environmental impact fees, water and sewer connections and impact fees, and zoning regulation fees and permits. The Contractor shall secure and pay for all other permits and governmental fees, licenses and inspections necessary for proper execution of and completion of Work which are customarily secured after execution of Contract and which are legally required when bids are received or Contract is executed.

**3.7.2** The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules, regulations and lawful orders of public authorities bearing on performance of the Work.

**3.7.3** It is not the Contractor's responsibility to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations, unless they bear upon construction means, methods, techniques or safety and health precautions. However, if the Contractor observes that portions of the Contract Documents are at variance therewith, the Contractor shall promptly notify the Engineer and Owner in writing and necessary changes shall be accomplished by appropriate Modification.

**3.7.4** If the Contractor performs Work, knowing it to be contrary to laws, statutes, ordinances, building codes, and rules and regulations without such notice to the Engineer and Owner, the Contractor shall assume full responsibility for such Work and shall bear all the costs attributable for any and all repairs required for conformance, including but not limited to, any penalties, fines or other damages realized..

### **3.8 ALLOWANCES**

**3.8.1** The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities against which the Contractor makes reasonable objection.

**3.8.2** Unless otherwise provided in the Contract Documents:

**.1** allowances shall cover the cost to the Contractor of materials and

- equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the allowances, and
  - .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect: (1) the difference between actual costs and the allowances under Clause 3.8.2.2, and (2) changes in Contractor's costs under Clause 3.8.2.3.

**3.8.3** Contingency Allowance is established as \$100,000 and shall be processed pursuant to the Specifications.

### **3.9 SUPERINTENDENT**

**3.9.1** The Contractor shall employ a competent superintendent. Refer to Bid Section E(8)(f).

**3.9.2** The Contractor, as soon as practicable after award of the Contract, shall furnish in writing to the Owner and Engineer the name and qualifications of a proposed superintendent. The Owner or Engineer may reply within fourteen (14) days to the Contractor in writing stating: (1) whether the Owner or Engineer has reasonable objection to the proposed superintendent, or (2) that the Owner or Engineer requires additional time to review. Failure of the Owner or Engineer to reply within the fourteen (14) day period shall constitute notice of no reasonable objection.

**3.9.3** The Contractor shall not employ a proposed superintendent to whom the Owner or Engineer has made reasonable and timely objection. The Contractor shall not change the superintendent without the Owner's consent, which shall not unreasonably be withheld or delayed.

### **3.10 CONTRACTOR'S CONSTRUCTION SCHEDULES**

**3.10.1** The Contractor, promptly (within ten (10) days) after notification of contract award, shall prepare and submit for the Owner's and Engineer's information a Contractor's construction schedule for the Work. The schedule shall not exceed time limits current under the Contract Documents, shall be revised monthly or at appropriate intervals as required by the conditions of the Work and Project whichever is less, shall be related to the entire Project to the extent required by the Contract Documents and shall provide for expeditious and practicable execution of the Work.

**3.10.1.1** Owner may authorize construction activities to commence prior to completion of Drawings and Specifications. If Drawings and Specifications require further development at the time the initial construction schedule is prepared, Contractor shall: 1) allow time in the schedule for further development of Drawings and Specifications by Engineer, including time for review by Owner and Contractor and for Contractor's coordination of Subcontractors' Work, and 2) furnish to Owner, in a timely manner, information regarding anticipated market conditions and construction cost, availability of labor, materials and equipment, and proposed methods, sequences and time schedules for construction of Work.

**3.10.2** The Contractor shall prepare and keep current, for the Engineer's approval, a schedule of submittals which is coordinated with the Contractor's construction schedule and allows the Engineer reasonable time, as defined by the Engineer to review submittals. If the Contractor fails to submit a schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

**3.10.3** The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Engineer.

**3.10.4** Owner shall not be bound by any early completion deadline submitted in any schedule.

**3.10.5** Owner does not approve or accept any schedule, but reserves the right to review, comment and reject.

### **3.11 DOCUMENTS AND SAMPLES AT THE SITE**

**3.11.1** The Contractor shall maintain at the site for the Owner one record copy of the Drawings, Specifications, Addenda, Change Orders and other Modifications, in good order and marked currently to record changes and selections made during construction, and in addition approved Shop Drawings, Product Data, Samples and similar required submittal. These shall be available to the Engineer and shall be delivered to the Owner upon completion of the Work.

### **3.12 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES**

**3.12.1** Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

**3.12.2** Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

**3.12.3** Samples are physical examples which illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

**3.12.4** Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. The purpose of their submittal is to demonstrate for those portions of the Work for which submittals are required the way the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents. Review by the Engineer is subject to the limitations of Subparagraph 4.2.7. Informational submittals upon which the Engineer is not expected to take responsive action may be so identified in the Contract Documents. Submittals which are not required by the Contract Documents may be returned by the Engineer without action.

**3.12.5** The Contractor shall review for compliance with the Contract Documents, approve and submit to the Engineer; Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of separate contractors. Submittals which are not marked as reviewed for



compliance with the Contract Documents and approved by the Contractor may be returned by the Engineer without action.

**3.12.6** By submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor and Sub-contractor represent to the Owner and Engineer that the Contractor and Sub-contractor have (1) reviewed and approved them, (2) have reviewed for compliance with the Contract Documents, (3) determined and verified materials, field measurements and field construction criteria related thereto, or will do so, and (4) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents, and have approved the submittal.

**3.12.7** The Contractor shall perform no portion of the Work requiring submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the Engineer. Such Work shall be in accordance with approved submittals.

- .1 The Contractor shall make all revisions as noted by Engineer and shall re-submit the required number of corrected copies of Shop Drawings, product data or samples until no exceptions are taken. The Contractor shall direct specific attention, by cover letter accompanying resubmitted Shop Drawings, to all revisions made in addition to those requested by Engineer on previous submissions, if any.

**3.12.8** The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Engineer's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the Engineer in writing of such deviation at the time of submittal and the Engineer has given written approval to the specific deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Engineer's approval thereof.

**3.12.9** The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the Engineer on previous submittals. In absence of such written notice the Engineer's approval of a re-submission shall not apply to such revisions.

**3.12.10** The Contractor shall not be required to provide professional services which constitute the practice of Engineer or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Engineer will specify performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such

professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Engineer. The Owner and the Engineer shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals, provided the Owner and Engineer have specified to the Contractor appropriate performance and design criteria that such services must satisfy. Pursuant to this Subparagraph 3.12.10, the Engineer will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contractor shall not be responsible for the adequacy of the performance or design criteria required by the Contract Documents.

**3.12.11** When professional certification of performance criteria of materials, systems or equipment is required by the Contract Documents, the Engineer shall be entitled to rely upon the accuracy and completeness of such calculations and certifications.

### **3.13 USE OF SITE**

**3.13.1** The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, policies, codes, rules and regulations, and lawful orders of public authorities and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

**3.13.2** Contractor shall assume full responsibility for protection and safekeeping of materials stored on premises.

**3.13.3** Contractor shall provide all necessary precautions to protect public, visitors and tenants from activities of Contractor or his agents on project.

### **3.14 CUTTING AND PATCHING**

**3.14.1** The Contractor shall be responsible for cutting, fitting or patching required to complete the Work or to make its parts fit together properly.

**3.14.2** The Contractor shall not damage or endanger a portion of the Work, or fully or partially completed construction, by the Owner, or separate contractors by cutting, patching or otherwise altering such construction, or by excavation. The Contractor shall not cut or otherwise alter such construction by the Owner, or a separate contractor, except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold from the Owner, or a separate contractor, the Contractor's consent to cutting or otherwise altering the Work.

### **3.15 CLEANING UP**

**3.15.1** The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work the Contractor shall remove from and about the Project waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials.

**3.15.2** If the contractor fails to clean up as provided in the Contract Documents after

reasonable notice from Owner of such failure, the Owner may do so and the cost thereof shall be charged to the Contractor.

### **3.16 ACCESS TO WORK**

**3.16.1** The Contractor shall provide governmental authorities who lawfully request access to the work, the Owner and Engineer proper facilities and equipment for access to the Work in preparation and progress wherever located.

### **3.17 ROYALTIES AND PATENTS**

**3.17.1** The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of patent rights and shall hold the Owner and Engineer harmless from loss (including but not limited to attorney's fees, court cost, and other cost of defense), on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Contract Documents. However, if the Contractor has reason to believe that the required design, process or product is an infringement of a copyright, trademark, trade name, or similar property right or interest, or a patent, the Contractor shall be responsible for such loss unless such information is promptly furnished to the Engineer.

### **3.18 INDEMNIFICATION**

**3.18.1 TO THE FULLEST EXTENT PERMITTED BY LAW, THE CONTRACTOR SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE OWNER, ITS ELECTED OFFICIALS, APPOINTED OFFICIALS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES, ENGINEER, ENGINEER'S CONSULTANTS (COLLECTIVELY REFERRED TO AS THE "INDEMNITEES") FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, DAMAGES, LOSSES, COSTS, AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEY'S FEES, ARISING OUT OF, RESULTING FROM, OR OCCURRING IN CONNECTION WITH THE PERFORMANCE OF THE WORK PROVIDED THAT SUCH CLAIM, LIABILITY, DAMAGES, LOSS, COSTS OR EXPENSE IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE, OR DEATH OR TO INJURY TO, OR DESTRUCTION OF, TANGIBLE PROPERTY (OTHER THAN THE WORK ITSELF), INCLUDING THE LOSS OF USE THEREOF IN ANY WAY OCCURRING, INCIDENT TO, ARISING OUT OF OR IN CONNECTION WITH: (A) A BREACH OF THE WARRANTIES PROVIDED BY THE CONTRACTOR; (B) THE WORK PERFORMED OR TO BE PERFORMED BY THE CONTRACTOR, ITS CONTRACTORS, SUB-CONTRACTORS, SUB-SUB-CONTRACTORS, AND SUPPLIERS, AND THEIR EMPLOYEES AND AGENTS; (C) ANY NEGLIGENT ACTION AND/OR OMISSION OF THE INDEMNITEES RELATED IN ANY WAY TO THE PROJECT WHETHER THE INDEMNITEES ARE NEGLIGENT IN WHOLE OR IN PART, AND EVEN WHEN THE LOSS IS CAUSED BY THE SOLE FAULT OR NEGLIGENCE (INCLUDING ACTS OR OMISSIONS THAT ARE CHARACTERIZED AS NEGLIGENCE PER SE, NEGLIGENCE PREMISED ON STRICT LIABILITY, OR ANY OTHER TYPE OF NEGLIGENCE) OF THE INDEMNITEES; OR (D) ANY FINES, PENALTIES, DAMAGES (INCLUDING PUNITIVE), LIABILITIES, COSTS AND EXPENSES IN CONNECTION WITH: (1) A VIOLATION OF ANY LAW, STATUTE, RULE, ORDINANCE, CODE OR OTHER REQUIREMENT OF PUBLIC AUTHORITIES; (2) MEANS, METHODS, PROCEDURES OR SEQUENCES OF EXECUTION OR PERFORMANCE OF THE WORK; AND (3) FAILURE TO SECURE AND PAY FOR**

**PERMITS, FEES, APPROVALS, LICENSES AND INSPECTIONS FOR WHICH THE CONTRACTOR IS RESPONSIBLE UNDER THE CONTRACT DOCUMENTS. THE CONTRACTOR'S INDEMNITY OBLIGATION HEREIN SHALL NOT BE CONSTRUED TO NEGATE, ABRIDGE OR REDUCE OTHER RIGHTS OR OBLIGATIONS OF INDEMNITY THAT WOULD OTHERWISE EXIST AS TO A PARTY OR PERSON DESCRIBED IN THIS SECTION 3.18. THE SCOPE AND EXTENT OF THIS INDEMNITY SHALL NOT BE LIMITED BY THE AVAILABILITY OF COVERAGE UNDER THE CONTRACTOR'S INSURANCE AND SHALL NOT LIMIT INDEMNITEES' OTHER LEGAL REMEDIES AGAINST CONTRACTOR OR ANY OTHER PERSON OR ENTITY. THIS INDEMNIFICATION PROVISION SHALL SURVIVE TERMINATION OF THE CONTRACT.**

**3.18.2** In claims against any person or entity indemnified under Paragraph 3.18 by an employee of the Contractor, a Subcontractor, Sub-Sub-contractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Paragraph 3.18 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

**3.18.3** The obligations of the Contractor under Paragraph 3.18 shall not extend to the liability of the Engineer, the Engineer's consultants and agents and employees of any of them arising out of: (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications; or (2) the giving of, or the failure to give, directions or instructions by the Engineer, the Engineer's consultants and agents and employees of any of them, provided such giving, or failure to give, is the primary cause of the injury or damage. The indemnity for the Engineer, the Engineer's Consultants, agents and employees does not extend to any indemnity prohibited by Section 130.003 of the Texas Civil Practice and Remedies Code.

### **3.19 ADDITIONAL REQUIREMENTS**

**3.19.1** Contractor shall submit to Engineer, in writing, all substitutions proposed PRIOR TO the bid opening date. Contractor shall furnish sufficient data for evaluation. To be acceptable for project use, substitutions must be approved in writing by Engineer or by appropriate addendum.

**3.19.2** Contractor shall follow manufacturer instructions. Where such instructions are in conflict with the Contract Documents, Contractor shall notify Engineer for clarification before proceeding. A copy of the manufacturer's instructions shall be kept at job site and made available to Engineer.

**3.19.3** Contractor shall stop the Work affected when notified of a proposed change and when unsatisfactory results are anticipated. Contractor shall proceed only after receiving additional instructions from Engineer.

**3.19.4** Contractor shall establish and maintain bench marks, and all other grades, lines, and levels necessary for the Work, report errors and inconsistencies to Engineer, in writing, before commencing work affected. Contractor shall be responsible for placement of Project Work and shall make all corrections necessary to achieve an accurate layout of Project Work.

**3.19.5** Contractor shall provide acceptable access facilities to the Work for the Owner, Engineer, and all local, State and Federal authorities having jurisdiction. All access facilities shall be made safe and reasonably convenient.

**3.19.6** Contractor shall prepare quotations, for proposed changes in the Work. Quotations shall be in a "break-down" form giving the number of units, unit cost of materials, tool costs, taxes, overhead, profit, etc. Quotations shall reflect credits as well as extras.

**3.19.7** Contractor shall furnish written warranties using the form directed by Owner or Engineer.

**3.19.8** Contractor shall secure required inspection certificates and transmit them to Engineer and Owner.

#### **ARTICLE 4** **ADMINISTRATION OF THE CONTRACT**

**4.0 SCHEDULE OF WORK (at a maximum, in calendar days)**

**Day 0: Contractors receipt of Notice to Proceed**

**Submittals, as needed, to be provided within a reasonable time.**

**Day 180: Contractor attains Substantial Completion**

**Day 194: Contractor attains Final Completion**

**\*No work will be allowed within the TxDOT ROW from November 1, 2017 through January 1, 2018**

**4.1 ENGINEER**

**4.1.1** The Engineer is the person lawfully licensed to practice Engineering, or an entity lawfully practicing Engineering identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The term "Engineer" means the Engineer or the Engineer's authorized representative or such representative as the Engineer may designate, who may be employed by the Engineer as a consultant.

**4.1.1.1** Each of these terms; "Engineer," "Engineer," "Engineer/Engineer," "A/E," or "Engineer/Engineer" shall mean Engineer, or an affiliate as otherwise provided in the Contract Documents, or duly authorized representatives, such representatives acting severally within scope of particular duties entrusted to them, unless otherwise provided in Contract Documents.

**4.1.2** Duties, responsibilities and limitations of authority of the Engineer as set forth in the Contract Documents shall not be restricted, modified or extended without written consent of the Owner, Contractor and Engineer. Consent shall not be unreasonably withheld.

**4.1.3** In case of termination of employment of the Engineer, the Owner shall appoint a new Engineer whose status under the Contract Documents shall be that of the former Engineer.

## **4.2 ENGINEER'S ADMINISTRATION OF THE CONTRACT**

**4.2.1** The Engineer, acting in consultation with Owner's representative, will provide administration of the Contract as described in the Contract Documents: (1) during construction; (2) until final payment is due, and (3) with the Owner's concurrence, from time to time during the correction period described in Paragraph 12.2. The Engineer will advise and consult with the Owner. The Engineer will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents, unless otherwise modified by written instrument in accordance with other provisions of the Contract; however, such authority shall not be considered or construed as creating a fiduciary relationship between the Engineer and Owner.

**4.2.2** The Engineer, as a representative of the Owner, will visit the site at intervals appropriate to the stage of the Contractor's operations, or as otherwise agreed by Owner and Engineer, and as Engineer deems necessary: (1) to become generally familiar with and to keep the Owner informed about the progress and aesthetic quality of the portion of the Work completed; (2) to endeavor to guard the Owner against defects and deficiencies in the Work, and (3) to determine in general if the Work observed is being performed in a manner indicating that the Work, when completed, will be in general accordance with the Contract Documents. However, the Engineer will not be required to make exhaustive or continuous on-site evaluations or inspections to check the quality or quantity of the Work. The Engineer will neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for the safety or health precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents, except as provided in Subparagraph 3.3.1.

**4.2.2.1** Contractor shall reimburse Owner for compensation paid to Engineer for additional site visits made necessary by fault, neglect or request of Contractor.

**4.2.3** The Engineer will not have control over or charge of and will not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, since these are solely the Contractor's responsibility as provided in Paragraph 3.3. The Engineer will not be responsible for the Contractor's failure to perform the Work in accordance with the Contract Documents or failure to complete Work on schedule. The Engineer will not have control over or charge of and will not be responsible for acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other persons performing portions of the Work.

**4.2.4** Except as otherwise provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall endeavor to communicate through the Engineer. Communications by and with the consultants shall be through the Engineer, unless otherwise approved by the Engineer. Communications by and with Subcontractors and material suppliers shall be through the Contractor. Communications by and with separate contractors shall be through the Owner. The Engineer's presence at the Project Site shall not imply concurrence or approval of the work. Contractor shall call specific items to the Engineer's attention in writing if he wishes to obtain Engineer's opinion.

**4.2.5** Based on the Engineer's observations and evaluations of the Contractor's Applications for Payment, the Engineer will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

**4.2.6** The Engineer has authority to reject Work which does not conform to the Contract Documents. Whenever the Engineer considers it necessary or advisable for implementation of the intent of the Contract Documents, the Engineer will have authority to require additional inspection or testing of the Work in accordance with Subparagraphs 13.5.2 and 13.5.3, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Engineer nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Engineer to the Contractor, Subcontractors, materials and equipment suppliers, their agents or employees, or other persons performing portions of the Work. All costs made necessary by such failure, including those of repeated procedures shall be at Contractor's sole expense, including compensation for Engineer's services and expenses.

**4.2.7** The Engineer will review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Such review and action on the part of the Engineer is limited to only those submittals required by the Contract Documents. The Engineer's action will be taken with such reasonable promptness as to cause no delay in the Work or in the activities of the Owner, Contractor or separate contractors, while allowing sufficient time in the Engineer's professional judgment to permit adequate review by the Engineer, Engineer's consultants and Owner, if needed. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Engineer's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Paragraphs 3.3, 3.5 and 3.12. The Engineer's review shall not constitute approval of safety or health precautions or, unless otherwise specifically stated by Engineer, of any construction means, methods, techniques, sequences or procedures. The Engineer's review or approval of a specific item shall not indicate approval of an assembly of which the item is a component.

**4.2.8** The Engineer will prepare Change Orders and Construction Change Directives, or other change documents for changes in the Work for the Owner's approval and execution, and the Engineer may authorize minor changes in the Work as provided in Paragraph 7.4.

**4.2.9** The Engineer and Owner will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion. The Engineer may receive and forward to the Owner for the Owner's review and records written warranties and related documents as required by the Contract Documents and assembled by the Contractor, and will issue a final Certificate for Payment based upon final inspection indicating the Work complies with the requirements of the Contract Documents.

**4.2.10** If the Owner and Engineer agree, Engineer will provide one or more project representatives to assist in carrying out the Engineer's responsibilities at the site. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in an exhibit to be incorporated in the Contract Documents.

**4.2.11** The Engineer will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Engineer's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If no agreement is made concerning the time within which interpretations required of the Engineer shall be furnished in compliance with this Paragraph 4.2, then delay shall not be recognized on account of failure by the Engineer to furnish such interpretations until twenty (21) days after written request is received.

**4.2.12** Interpretations and decisions of the Engineer will be consistent with the intent of and reasonably inferable from the Contract Documents and will be in writing or in the form of drawings.

**4.2.13** The Owner's and Engineer's decisions on matters relating to aesthetic effect will be final, if consistent with the intent expressed in the Contract Documents.

### **4.3 CLAIMS AND DISPUTES**

**4.3.1 Definition.** A Claim is a demand or assertion by one of the parties seeking, as a matter of right, adjustment or interpretation of Contract terms, payment of money and extension of time or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Contractor arising out of, or relating to, the Contract. Claims must be made by written notice. The responsibility to substantiate Claims shall rest with the party making the Claim.

#### **4.3.1.1 Claims must contain following:**

- .1 Date of the event giving rise to such Claim and, if applicable, date when the event ceased;
- .2 Nature of occurrence or condition giving rise to the Claim;
- .3 Identification of contractual provisions affected and a detailed explanation of how the Claim is contrary to those provisions;
- .4 An estimate of effect upon the Contract Sum, including an itemized breakdown of additional cost, if any;
- .5 An estimate of the effect upon the Project Schedule, including a comparison of Project Construction Schedule and schedules prepared in connection with the Claim. If required by Owner or Engineer, this shall include showing in CPM format, both critical and non-critical path activities affected and showing Project Construction Schedule and Claim sequences, durations and float substantiating delay claimed.

**4.3.2 Decision of Engineer.** Claims, including those alleging an error or omission by the Engineer, shall be referred initially to the Engineer for action as provided in Paragraph 4.4. A decision by the Engineer and Owner, as provided in Subparagraph 4.4.4, shall be required as a condition precedent to litigation of a Claim between the Contractor and Owner as to all such matters arising prior to the date final payment is



due, regardless of: (1) whether such matters relate to execution and progress of the Work, or (2) the extent to which the Work has been completed.

**4.3.3 Time Limits on Claims initiated prior to Final Payment.** Claims by either party must be initiated and submitted within **twenty-one (21)** days after occurrence of the event giving rise to such Claim or within **twenty-one (21)** days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be initiated and submitted by written notice to the Engineer and the other party. An additional Claim made after the initial Claim has been implemented by Change Order will not be considered unless submitted in a timely manner.

**4.3.4 Continuing Contract Performance.** Pending final resolution of a Claim, unless otherwise agreed in writing or as provided in Sub-paragraph 9.7.1 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Contract Documents.

**4.3.5 Waiver of Claims: Final Payment.** The making of final payment shall constitute a waiver of Claims by the Owner except those arising from:

- .1 liens, Claims, security interests or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Contract Documents; or
- .3 terms of special warranties required by the Contract Documents.

**4.3.6 Claims for Concealed or Unknown Conditions.** If conditions are encountered at the site which are: (1) subsurface or otherwise concealed physical conditions which differ materially from those indicated in the Contract Documents, or (2) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, then notice by the observing party shall be given to the other party promptly before conditions are disturbed. The Engineer will promptly investigate and evaluate such conditions and, if they differ materially and cause an increase or decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend an equitable adjustment in the Contract Sum or Contract Time, or both. If the Engineer determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Engineer shall so notify the Owner and Contractor in writing, stating the reasons. Claims by either party in opposition to such determination must be made and submitted within **twenty-one (21)** days after the Engineer has given notice of the decision. If the Owner and Contractor cannot agree on an adjustment in the Contract Sum or Contract Time, the adjustment shall be referred to the Engineer for initial determination, subject to further proceedings pursuant to Paragraph 4.4.

**4.3.7 Claims for Additional Cost.** If the Contractor wishes to make Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Paragraph 10.6. If the Contractor believes additional cost is involved for reasons including but not limited to: (1) a written interpretation from the Engineer; (2) an order by the Owner to stop the

Work where the Contractor was not at fault; (3) a written order for a minor change in the Work issued by the Engineer; (4) failure of payment by the Owner; (5) termination of the Contract by the Owner; (6) Owner's suspension, or (7) other reasonable grounds, Claim shall be filed in accordance with this Paragraph 4.3.

#### **4.3.8 Claims for Additional Time**

**4.3.8.1** If the Contractor wishes to make Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Contractor's Claim shall demonstrate that the task is on the critical path and identify the new completion date. In the case of a continuing delay, only one Claim is necessary.

**4.3.8.1.1** The Contractor's request for an increase in the time shall be submitted with pay applications. The delay impacting the critical path shall be addressed no later than the pay application for the month following the month in which the time was lost.

**4.3.8.1.2** Only delay impacting the critical path of the Work shall be considered when determining if Contractor is entitled to additional time.

**4.3.8.2** If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated, that weather conditions had an adverse effect on the scheduled construction and that the activities delayed by weather were on the critical path.

**4.3.8.2.1** The Brazos County representative will monitor the weather and site conditions on a daily basis. Allowances for additional days will be based on the determination of the Brazos County representative.

**4.3.8.3** Claims for increase in Contract Time shall set forth in detail the circumstances that form the basis of the Claim, date upon which each cause of delay began to affect progress of Work, date upon which each cause of delay ceased to affect progress of Work and the number of days' increase in Contract Time claimed as a consequence of each such cause of delay. Contractor shall provide such supporting documentation as Owner or Engineer may require including, where appropriate, a revised construction schedule indicating all activities affected by circumstances forming the basis of the Claim.

**4.3.8.4** Contractor shall not be entitled to a separate increase in Contract Time for each one of the number of causes of delay which may have concurrent or interrelated effects on progress of Work or for concurrent delays due to fault of Contractor.

**4.3.9 Injury or Damage to Person or Property.** If either party to the Contract suffers injury or damage to person or property because of an act or omission of the other party, of any of the other party's employees or agents, or of others for whose acts such party is legally liable, written notice of such injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding **twenty-one (21)** days after first observance. The notice shall provide sufficient detail to enable the other party to investigate and evaluate the matter.

**4.3.10** If unit prices are stated in the Contract Documents, or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Construction Change Directive, so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

**4.3.11** Owner reserves the right to audit the Contractor's costs and bid documents if Contractor files a claim against Owner.

**4.3.12** Contractor, not owner, shall handle any disputes which may arise between subcontractor and owner.

#### **4.4 RESOLUTION OF CLAIMS AND DISPUTES**

##### **4.4.1 Decision of Engineer:**

Claims, including those alleging an error or omission by the Engineer but excluding those arising under Paragraphs 10.3 through 10.5, shall be referred initially to the Engineer for decision. An initial decision by the Engineer shall be required as a condition precedent to mediation, arbitration (if allowed) or litigation of all Claims between the Contractor and Owner arising prior to the date final payment is due, unless thirty (30) days have passed after the Claim has been referred to the Engineer with no decision having been rendered by the Engineer. The Engineer will not decide disputes between the Contractor and persons or entities other than the Owner.

**4.4.2** The Engineer will review Claims and within **twenty-one (21)** days of the receipt of the Claim take one or more of the following preliminary actions within ten (10) days of receipt of a Claim: (1) request additional supporting data from the claimant or a response with supporting data from the other party; (2) reject the Claim in whole or in part; (3) recommend approval of the Claim by the other party; (4) suggest a compromise, or (5) advise the parties that the Engineer is unable to resolve the Claim, if the Engineer lacks sufficient information to evaluate the merits of the Claim or if the Engineer concludes that, in the Engineer's sole discretion, it would be inappropriate for the Engineer to resolve the Claim.

**4.4.3** In evaluating Claims, the Engineer may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Engineer in rendering a decision. The Engineer may request the Owner to authorize retention of such persons at the Owner's expense.

**4.4.4** If the Engineer requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten (10) days after receipt of such request and shall either, provide a response on the requested supporting data, advise the Engineer when the response or supporting data will be furnished, or advise the Engineer that no supporting data will be furnished. Within **twenty-one (21)** days of receipt of the response or supporting data, if any, the Engineer will either reject or approve the Claim in whole or in part.

**4.4.5** If a Claim has not been resolved after consideration of the foregoing and of further evidence presented by the parties or requested by the Engineer, the Engineer will notify the parties in writing that the Engineer's decision will be made within seven (7) days. Upon expiration of such time period, the Engineer will render to the parties

the Engineer's written decision relative to the Claim. If any change in the Contract Sum or Contract Time or both is included as part of the Engineer's decision, Engineer will be required to submit his decision to the Brazos County Commissioners Court for final approval. If there is a surety and there appears to be a possibility of a Contractor's default, the Engineer may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

## **ARTICLE 5 SUBCONTRACTORS**

### **5.1 DEFINITIONS**

**5.1.1** A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a separate contractor or subcontractors of a separate contractor.

**5.1.2** A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

**5.1.3** Engineer and Engineer's consultants may, but are not required to, communicate directly with any Subcontractor, Sub-subcontractor, or materials supplier when it is necessary to obtain information necessary for the Engineer or Engineer's consultants to complete its services on the Project. The Engineer shall endeavor to keep Contractor informed of conversations. Requests for information, interpretation or clarification, and correspondence must all be in writing and must be routed through Contractor.

### **5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK**

**5.2.1** Unless otherwise stated in the Contract Documents or the bidding requirements, the Contractor, within fourteen (14) days after award of the Contract, shall furnish in writing to the Owner through the Engineer the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the work. The Engineer will promptly reply to the Contractor in writing stating whether or not the Owner or the Engineer, after due investigation, has reasonable objection to any such proposed person or entity. Failure of the Owner or Engineer to reply promptly shall constitute notice of no reasonable objection.

**5.2.2** The Contractor shall not contract with a proposed person or entity to which the Owner or Engineer has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection.

**5.2.3** If the Owner or Engineer has reasonable objection to a person or entity

proposed by the Contractor, the Contractor shall propose another to whom the Owner or Engineer has no reasonable objection. The Contract Sum shall be increased or decreased by the difference in cost occasioned by such change and an appropriate Change Order shall be issued. However, no increase in the Contract Sum shall be allowed for such change unless the Contractor has acted promptly and responsively in submitting names as required.

**5.2.4** The Contractor shall not change a Subcontractor, person or entity previously selected, if the Owner or Engineer makes reasonable objection to such change. Acceptance of the substitute Subcontractor after previous acceptance of a Subcontractor for any portion of the work shall not constitute reason for an increase in the Contract amount.

### **5.3 SUBCONTRACTUAL RELATIONS.**

By appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities which the Contractor, by these Documents, assumes toward the Owner and Engineer. Each subcontractor agreement shall preserve and protect the rights of the Owner and Engineer under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors.

The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement which may be at variance with the Contract Documents. Subcontractors shall similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

**5.3.2** Contractor is fully responsible for acts and omissions of Subcontractors, and persons either, directly or indirectly, employed by them or under their control, as Contractor is for their own employees.

**5.3.3** Nothing in Contract Documents creates any contractual relationship between any Subcontractor or Sub-subcontractor, or other tiers, and Owner or Engineer, except for provisions in paragraph 5.4.

### **5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS**

**5.4.1** Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner provided that:

- .1** Assignment is effective only after termination of the Contract by the Owner for cause pursuant to Paragraph 14.2 and only for those subcontract agreements which the Owner accepts by notifying the

- Subcontractor in writing, and
- .2 Assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

**5.4.2** Upon such Assignment, if the Work has been suspended for more than thirty (30) days, the Subcontractor's compensation shall be equitably adjusted.

**5.4.3** Contractor will provide copies of its subcontracts, agreements and current information on status of its accounts, upon demand by Owner.

## **ARTICLE 6**

### **CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS**

#### **6.1 OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS**

**6.1.1** Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces and to award separate contracts in connection with other portions of the Project or other construction of operations on the site under Conditions of the Contract identical, or substantially similar, to these including those portions related to insurance and waiver of subrogation. If the Contractor claims that delay or additional cost is involved because of such action by the Owner, the Contractor shall make such Claim as provided in Paragraph 4.3.

**6.1.2** When separate contracts are awarded for different portions of the Project or other construction of operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

**6.1.3** The Owner shall provide for coordination of the activities of the Owner's own forces and of each separate contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with other separate contractors and the Owner in reviewing their construction schedules when directed to do so. The Contractor shall make any revisions to the construction schedule and Contract Sum deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, separate contractors and the Owner until subsequently revised.

**6.1.4** Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces, the Owner shall be deemed to be subject to the same obligations and to have the same rights which apply to the Contractor under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6 and Articles, 10, 11 and 12.

#### **6.2 MUTUAL RESPONSIBILITY**

**6.2.1** The Contractor shall afford the Owner and separate Contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

**6.2.2** If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a separate contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly report to the Engineer apparent discrepancies or defects in such other construction that would render it unsuitable for such proper execution and results. Failure of the Contractor to report shall constitute an acknowledgment that the Owner's or separate contractors' completed, or partially completed construction, is fit and proper to receive the Contractor's Work, except as to defects not then reasonably discoverable.

**6.2.3** The Owner shall be reimbursed by the Contractor for costs incurred by the Owner which are payable to a separate contractor because of delays, improperly timed activities or defective construction of the Contractor. The Owner shall be responsible to the Contractor for costs incurred by the Contractor because of delays, improperly timed activities, and damage to the Work or defective construction of a separate contractor.

**6.2.4** The Contractor shall promptly remedy damage caused by the Contractor to completed or partially completed construction or to property of the Owner or separate contractors as provided in Subparagraph 10.2.5.

**6.2.5** The Owner and each separate contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Paragraph 3.14.

### **6.3 OWNER'S RIGHT TO CLEAN UP**

**6.3.1** If a dispute arises among the Contractor, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up after reasonable written notice and the cost will be paid by those responsible.

## **ARTICLE 7** **CHANGES IN THE WORK**

### **7.1 CHANGES**

**7.1.1** Changes in the Work may be accomplished after execution of the Contract and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

**7.1.2** A Change Order shall be based upon agreement among the Owner, Contractor and Engineer; a Construction Change Directive requires agreement by the Owner and Engineer and may or may not be agreed to by the Contractor and an order for a minor change in the Work may be issued by the Engineer alone.

**7.1.3** Changes in the Work shall be performed under applicable provisions of the Contract Documents and the Contractor shall proceed promptly, unless otherwise provided in the Change Order, Construction Change Directive or order for a minor change in the Work.

**7.1.4** If unit prices are stated in the Contract Documents, or subsequently agreed upon, and if quantities originally contemplated are so changed in a proposed Change Order or Construction Change Directive that application of such unit prices to quantities

of Work proposed will cause substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

## **7.2 CHANGE ORDERS**

**7.2.1** A Change Order is a written instrument prepared by the Engineer and signed by the Owner, Contractor and Engineer, stating their agreement upon all of the following:

- .1 a change in the Work;
- .2 the amount of the adjustment in the Contract Sum, if any, and
- .3 the extent of the adjustment in the Contract Time, if any.

**7.2.2** Methods used in determining adjustments to the Contract Sum may include those listed in Subparagraph 7.3.3.

## **7.3 CONSTRUCTION CHANGE DIRECTIVES**

**7.3.1** A Construction Change Directive is a written order prepared by the Engineer and signed by the Owner and Engineer directing a change in the Work and stating a proposed basis for adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

**7.3.2** A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

**7.3.3** If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 unit prices stated in the Contract Documents or subsequently agreed upon;
- .3 cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 as provided in Subparagraph 7.3.6.

**7.3.4** Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Engineer of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

**7.3.5** A Construction Change Directive signed by the Contractor indicates the agreement of the Contractor therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

**7.3.6** If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the method and the adjustment shall be determined by the Engineer on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, a reasonable allowance for overhead and profit. In such case, and also



under Clause 7.3.3.3, the Contractor shall keep and present, in such form as the Engineer may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Subparagraph 7.3.6 shall be limited to the following:

- .1 costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or custom, and workers' or workmen's compensation insurance;
- .2 costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;
- .3 rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;
- .4 costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work;
- .5 additional costs of supervision and field office personnel directly attributable to the change; and
- .6 the maximum allowance for overhead and profit combined included in the total cost to Owner shall be based on the following schedule:
  - A. for Contractor, for any work performed by his own forces, 15% of the cost;
  - B. for each subcontractor involved, work performed by his own forces, 10% of the cost;
  - C. for Contractor, for work performed by his subcontractor, 5% of the amount due the subcontractor.

**7.3.7** The amount of credit to be allowed by the Contractor to the Owner for a deletion or change which results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Engineer. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change. If the net value of a change results in a credit from Contractor or subcontractor, the credit given shall be the net cost, overhead and profit.

**7.3.8** Pending final determination of the total cost of a Construction Change Directive to the Owner, amounts not in dispute for such changes in the Work shall be included in Applications for Payment accompanied by a Change Order indicating the parties' agreement with part or all of such costs. For any portion of such cost that remains in dispute, the Engineer will make an interim determination for purposes of monthly certification for payment for those costs. That determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a claim in accordance with Article 4.

**7.3.9** When the Owner and Contractor agree with the determination made by the Engineer concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and shall be recorded by preparation and execution of an appropriate Change Order.

## **7.4 MINOR CHANGES IN THE WORK**

**7.4.1** To the extent allowed by law, the Engineer has authority to order minor changes in the Work not involving adjustment in the Contract Sum or extension of the Contract

Time and not inconsistent with the intent of the Contract Documents. Such changes shall be effected by written order and shall be binding on the Owner and Contractor. The Contractor shall carry out such written orders promptly.

## **ARTICLE 8**

### **TIME**

#### **8.1 DEFINITIONS**

**8.1.1** The Contractor shall achieve substantial completion of the Work not later than one hundred eighty (180) calendar days from the date of commencement, subject to adjustments of the time for completion as provided in this Agreement.

**8.1.2** The date of commencement of the Work shall be effective upon the final approval of the Agreement, receipt of performance and payment bonds and receipt by the Contractor of the written notice to proceed from either the Owner or the Engineer."

**8.1.3** The date of Substantial completion is the date certified by the Engineer in accordance with Paragraph 9.8.

**8.1.4** The term "day" as used in the contract documents shall mean calendar day.

**8.1.5** The term "critical path" as used in the Contract Documents shall mean the project's tasks that will cause the project end date to be delayed if they are delayed. The word "critical" does not imply how important a task is; a task is critical solely because it must occur as scheduled for the project to finish on time.

**8.1.6** The term "free slack time" as used in the Contract Documents shall mean the amount of time a task can be delayed without delaying another task.

**8.1.7** The term "total slack time" as used in the Contract Documents shall mean the amount of time a task can be delayed without delaying the finish date of the project.

#### **8.2 PROGRESS AND COMPLETION**

**8.2.1** Time limits stated in this Agreement are of the essence of the contract. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

**8.2.2** The Contractor shall not, except by agreement or instruction of the Owner in writing, prematurely commence operations on the site or elsewhere or store materials or equipment on site prior to the effective date of insurance required by Article 11 to be furnished by the Contractor and Owner. The date of commencement of the Work shall not be changed by the effective date of such insurance. Unless the date of commencement is established by the Contract Documents and a notice to proceed given by the Owner, the Contractor shall notify the Owner in writing not less than five (5) days or other agreed period before commencing the Work to permit the timely filing of mortgages, mechanic's liens and other security interests.

**8.2.3** The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

**8.2.4** Contractor and their Subcontractors shall complete and coordinate Work in accordance with established schedule.

**8.2.5** Contractor is responsible for expediting Work, identifying potential conflicts and coordination problems, and proposing measures to avoid such problems

**8.2.6** Whenever it becomes apparent that any activity completion date may not be met, unless delay is related to an approved extension of time, Contractor shall take some or all of following actions and submit supplementary schedule indicating effect of action on progress and completion of Work, all without additional costs to Owner;

- .1 increase number of working hours per shift, shifts per working days, working days per week, or amount of construction equipment, or any combination of foregoing which will substantially eliminate backlog of Work, and put Project back on schedule, and/or,
- .2 increase construction manpower in such quantity as will substantially eliminate backlog of Work, and put Project back on schedule, and/or,
- .3 reschedule activities to achieve maximum practical concurrency of accomplishment of activities, and put Project back on schedule.

**8.2.7** If Contractor fails to take any of actions indicated in subparagraph 8.2.6 within three (3) days after receiving written notice, Owner may take action to attempt to put Project back on schedule, and deduct cost of such actions from money due or to become due Contractor, or shall be grounds for determination by Owner that Contractor is not prosecuting Work with such diligence as will insure completion within Contract Time. Upon such determination, Owner may terminate Contractor's right to proceed with Work, or any separable part thereof, in accordance with provisions of Article 14.

**8.2.8** Contractor shall bear cost of any services of Engineer made necessary by delays in completion of Work due to actions or inactions of Contractor or any Subcontractors. Contractor shall promptly pay any such cost upon demand by Owner. At Owner's option, these costs may be deducted from any amounts otherwise due Contractor.

### **8.3 DELAYS AND EXTENSION OF TIME**

**8.3.1** Except as otherwise provided in the Contract Documents, if the Contractor is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or Engineer, or of an employee of either, or of a separate Contractor employed by the Owner, or by changes ordered in the Work, or by labor disputes, fire, adverse conditions as provided for in 4.3.8.2, unusual delay in deliveries, unavoidable casualties or other causes beyond the Contractor's control, or by delay authorized by the Owner, or by other causes which the Owner determines may justify delay, then the Contract Time shall be extended by Change Order for such reasonable time as the Engineer and Owner may determine.

- .1 If at least seven (7) hours of work time are available out of the working day, no extensions of time will be allowed;
- .2 No extension of time will be allowed for Saturdays, Sundays, or holidays unless the Contract requires and stipulates overtime work and it has been approved in writing by Owner; and
- .3 Time extensions will not be allowed for drying of materials when it is possible for the Contractor to enclose area and materials or use an

acceptable drying process.

**8.3.2** There will be no delay claims by Contractor if the Contractor finishes the Project early, even if owner delays the work.

**8.3.3** Claims relating to time shall be made in accordance with applicable provision of Paragraph 4.3.

**8.3.4** If Contract Time is extended pursuant to paragraph 8.3, such extension shall be the exclusive remedy of Contractor and said Contractor shall not be entitled to recover damages from Owner or Engineer.

**8.3.4** Owner's exercise of any of its rights under "**ARTICLE 7 - CHANGES IN THE WORK,**" regardless of the extent of number of such changes, or requirement of correction or re-execution of defective work, or extent of number of Engineer's interpretations or clarifications of the Contract Documents, shall not, under any circumstances, be construed as neglect or intentional interference with Contractor's performance of the Work.

## **ARTICLE 9**

### **PAYMENTS AND COMPLETION**

#### **9.1 CONTRACT SUM**

**9.1.1** The Contract Sum is \$1,196,445.20 and, subject to authorized adjustments as provided in this Agreement, is the total amount payable by the Owner to the Contractor for performance of the Work.

#### **9.2 SCHEDULE OF VALUES**

**9.2.1** Unless otherwise provided in the Contract documents, before the first application for Payment, the Contractor shall submit to the Engineer a schedule of values allocated to various portions of the Work prepared in such form and supported by such data to substantiate its accuracy as the Engineer may require. This schedule, unless objected to by the Engineer, shall be used as a basis for reviewing the Contractor's Applications for Payment.

**9.2.2** The Engineer will provide to the Contractor a list of the portions or sections of work for which he wishes to have separate values included and those items for which he will require material quantities to be shown.

#### **9.3 APPLICATIONS FOR PAYMENT**

**9.3.1** Unless otherwise provided in the Contract Documents; at least twenty (20) days before the date established for each progress payment, the Contractor shall submit to the Engineer an itemized Application for Payment for operations completed in accordance with the schedule of values. Such application shall be notarized and supported by such data substantiating the contractor's right to payment including the most current Contractors Construction Schedule and/or copies of requisitions from Subcontractors and material providers as the Owner or Engineer may require, and reflecting retainage if provided for elsewhere in the Contract documents.

**9.3.1.2** Such applications may not include requests for payment of amounts the

Contractor does not intend to pay to a Subcontractor or material supplier because of a dispute or other reason.

**9.3.2** Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include applicable insurance, storage and transportation to the site for such materials and equipment stored off the site.

**9.3.3** The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor, Subcontractors, material suppliers or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work.

**9.3.4** The Contractor shall submit his Application for Payment, amounting to 95% of the cost of the work performed and 95% of the materials on hand in accordance with paragraph 9.3.2 above, as of the last day of each month.

#### **9.4 CERTIFICATES FOR PAYMENT**

**9.4.1** The Engineer will, within seven (7) days after receipt of the Contractor's Application for Payment and the Engineer's site visit, either, issue to the Owner a Certificate for Payment for such amount as the Engineer determines is properly due or notify the Contractor and Owner in writing of the Engineer's reasons for withholding certification in whole or in part as provided in Subparagraph 9.5.1.

**9.4.2** The issuance of a Certificate for Payment will constitute a representation by the Engineer to the Owner, based on the Engineer's observations at the site and the data comprising the Application for Payment, that the Work has progressed to the point indicated and that, to the best of the Engineer's knowledge, information and belief, the observed aesthetic quality of the Work is in accordance with the Contract Documents. The Engineer's Certificate for Payment shall be based, in part, on the recommendation of the Contractor. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract documents upon Substantial Completion, to results of subsequent tests and inspections, to minor deviations from the Contract Documents correctable prior to completion and to specific qualifications expressed by the Engineer. The issuance of a Certificate for Payment will further constitute a representation that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment will not be a representation that the Engineer has: (1) made exhaustive or continuous on-site evaluations and/or inspections to check the quality or quantity of the Work; (2) reviewed construction means, methods, techniques, sequences or procedures; (3) reviewed copies of

requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment; or (4) made examination to ascertain how or for what purpose the contractor has used money previously paid on account of the Contract Sum.

## **9.5 DECISIONS TO WITHHOLD CERTIFICATION**

**9.5.1** The Engineer may decide not to certify payment and may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner if, in the Engineer's opinion, the representations to the Owner required by Subparagraph 9.4.2 cannot be made. If the Engineer is unable to certify payment in the amount of the Application, the Engineer will notify the Contractor and Owner as provided in Subparagraph 9.4.1. If the Contractor and Engineer cannot agree on a revised amount, the Engineer will promptly issue a Certificate for Payment for the amount for which the Engineer is able to make such representations to the Owner. The Engineer may also decide not to certify payment or, because of subsequently discovered evidence or subsequent observations, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Engineer's opinion to protect the Owner from loss because of:

- .1 defective Work not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims;
- .3 failure of the Contractor to make payments properly to Subcontractors or for labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or another contractor;
- .6 reasonable evidence that the Work will not be completed within the contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
- .7 persistent failure to carry out the Work in accordance with the Contract Documents;
- .8 failure to comply with the approved Project Construction Schedule;
- .9 erroneous estimates by the Contractor or a Sub-contractor of values of Work performed, or
- .10 the existence of any event of default under the Contract Documents.

**9.5.2** When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

## **9.6 PROGRESS PAYMENTS**

**9.6.1** After the Engineer has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Engineer.

**9.6.1.1** Owner will make partial payments to Contractor within thirty (30) days after receipt of Certificate for Payment from Engineer.

**9.6.1.2** Owner may withhold payment to Contractor notwithstanding Engineer's certification, if it is necessary, in Owner's opinion, to do so to protect Owner from loss due to any of the reasons set forth in Subparagraphs 9.5.1.1 through 9.5.1.10, inclusive.

**9.6.2** The Contractor shall pay each Sub-contractor any due amounts in accordance with Texas Law. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in similar manner.

**9.6.3** The Engineer will, on request, furnish to a Sub-contractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Engineer on account of portions of the Work done by such Sub-contractor.

**9.6.4** The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and material and equipment supplier's amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven (7) days, the Owner shall have the right to contact Subcontractors to ascertain whether they have been properly paid. Neither the Owner nor Engineer shall have an obligation to pay, or to see to the payment of money, to a Subcontractor except as may otherwise be required by law.

**9.6.5** Contractor's payment to material suppliers and equipment suppliers shall be treated in a manner similar to that provided in Subparagraphs 9.6.2, 9.6.3 and 9.6.4.

**9.6.6** A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the contract Documents.

#### **9.7.1 FAILURE OF PAYMENT**

9.7.1. If the Engineer does not issue a Certificate for Payment, through no fault of the Contractor, within seven (7) days after receipt of the Contractor's Application for Payment, or if the Owner does not pay the contractor within seven (7) days after the date established in the Contract Documents the amount certified by the Engineer, then the Contractor may, upon seven (7) additional days' written notice to the Owner or Engineer, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shut-down, delay and start-up, as provided for in the Contract Documents.

#### **9.8 SUBSTANTIAL COMPLETION**

**9.8.1** Substantial Completion is the stage in the progress of the Work when the Work is complete in accordance with the Contract Documents so the Owner can occupy or utilize the Work for its intended use.

**9.8.2** Unless otherwise provided in the Contract Documents, when the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall thoroughly inspect the Work and prepare and submit to the Engineer a comprehensive list of items to be completed or corrected, Contractor's Notice of Substantial Completion, and a written request for Engineer's review of the Work. The Contractor shall proceed promptly to complete and correct items on the list. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract

Documents. Upon approval of Substantial Completion by Brazos County, Contractor has fourteen (14) days to reach Final Completion of the Work .

**9.8.3** Unless otherwise provided in the Contract Documents, after receipt of the Contractor's Notice of Substantial Completion and the Contractor's list, the Engineer and Owner will make inspections to determine whether the Work or designated portion thereof is substantially complete. If the Engineer's and Owner's inspections disclose any item, whether or not included on the Contractor's list, which is not in accordance with the requirements of the Contract Documents, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Engineer. In such case, the Contractor shall then submit another Contractor's Notice of Substantial Completion and a request for another inspection by the Engineer and Owner to determine Substantial Completion.

**9.8.4** When the Work is substantially complete, the Engineer will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion, shall establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance, and shall fix the time within which the contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance or responsibilities assigned to them in such Certificate.

**9.8.5** The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in such Certificate. Upon such acceptance and consent of surety, if any, the Owner shall make payment of retainage applying to such Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

## **9.9 PARTIAL OCCUPANCY OR USE**

**9.9.1** The Owner may occupy, or use, any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Contractor, provided such occupancy or use is consented to by the insurer as required under Subparagraph 11.4.1.5 and authorized by public authorities having jurisdiction over the Work. Such partial occupancy, or use, may commence whether or not the portion is substantially complete provided that the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion substantially complete, or the Owner notifies the Contractor of intent to occupy or use a portion of the Work prior to substantial completion, the Contractor shall prepare and submit a list to the Engineer as provided under Subparagraph 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Engineer.



**9.9.2** Immediately prior to such partial occupancy, or use, the Owner, Contractor and Engineer shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

**9.9.3** Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

## **9.10 FINAL COMPLETION AND FINAL PAYMENT**

**9.10.1** Unless otherwise provided in the Contract Documents; the Contractor shall inspect the Work to determine that it is sufficiently complete in accordance with the Contract Documents and the Contract is fully performed. Upon receipt of Contractor's Notice of Final Completion written notice certifying that the Work is sufficiently complete in accordance with the Contract Documents, that the Contract is fully performed, that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Engineer and Owner will in a reasonable time, make such inspection and when the Engineer and Owner finds the Work acceptable under the Contract Documents and the Contract sufficiently performed, the Engineer will promptly issue a final Certificate for Payment stating that to the best of the Engineer's knowledge, information and belief, and on the basis of the Engineer's and Owner's on-site visits and inspections, the Work has been sufficiently completed in accordance with terms and conditions of the Contract Documents. The Engineer's final Certificate for Payment will constitute a further representation that conditions listed in Subparagraph 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled. However, 95% of the contract amount will be due and payable to Contractor as noted in said final Certificate, with the remaining 5% retainage due and payable to the Contractor within thirty (30) days after acceptance of the Work by the Owner.

**9.10.2** Unless otherwise provided in the Contract Documents, neither final payment nor any remaining retained percentage shall become due until the Contractors submits to the Engineer: (1) an affidavit that payrolls, bills for materials and equipment and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied; (2) a certificate evidencing that insurance required by the Contract Document to remain in force after final payment is currently in effect and will not be canceled or allowed to expire until at least thirty (30) days' prior written notice has been given to the Owner; (3) a written statement that the Contractor knows of no substantial reason that the insurance will not be renewable to cover the period required by the Contract Documents; (4) consent of surety, if any, to final payment, and (5) if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, releases and waivers of liens, claims, security interests or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner, for Owner's review and approval. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien. If such lien remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging such lien, including all costs and reasonable attorney's fees.

**9.10.3** If, after Substantial Completion of the Work, Final Completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion and the Engineer so confirms, the Owner shall, upon application by the Contractor and certification by the Engineer and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents and if bonds have been furnished the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Engineer prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

**9.10.3.1** Final payment constituting entire unpaid balance of Contract Amount will be paid by Owner to Contractor within thirty (30) days after final Certificate for Payment has been issued by Engineer.

**9.10.4** The making of final payment shall constitute a waiver of Claims by the Owner except those arising from:

- .1** liens, Claims, security interests or encumbrances arising out of the Contract and unsettled;
- .2** failure of the Work to comply with the requirements of the Contract Documents;
- .3** terms of special warranties required by the Contract Documents, or
- .4** non-conforming, faulty or defective Work appearing at or after final payment.

**9.10.5** Acceptance of final payment by the Contractor, a Subcontractor or material supplier shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

## **9.11 LIQUIDATED DAMAGES**

**9.11.1** Owner will suffer financial loss if the Project is not Substantially Complete on the date set forth in the Contract. Contractor and Contractor's Surety shall be liable for and shall pay Owner stipulated and fixed sums, hereinafter agreed to as liquidated damages, for each calendar day of delay after the date established for Substantial Completion until the Work is Substantially Complete: Two thousand, seven hundred, forty dollars (\$2,740.00). It is understood that said sum shall be considered as liquidated damages and shall not be considered as a penalty against the Contractor

## **ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY**

### **10.1 SAFETY AND HEALTH PRECAUTIONS AND PROGRAMS**

**10.1.1** The Contractor shall be responsible for initiating, maintaining and supervising all safety and health precautions and programs in connection with the performance of the Contract. This requirement applies continuously and is not limited to normal Working

hours.

## **10.2 SAFETY OF PERSONS AND PROPERTY**

**10.2.1** The Contractor shall at all times conduct all operations under this Agreement in a manner to avoid the risk of bodily injury or risk of damage to the following:

- .1** employees on the Work and other persons who may be affected thereby, to include but not limited to the Owner and Engineer and their consultants and employees;
- .2** the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Contractor or the Contractor's Subcontractors or Sub-subcontractors; and
- .3** other property at the site or adjacent thereto, such as trees, shrubs, lawns walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

**10.2.2** The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, standards, rules, regulations, policies and lawful orders of public authorities (including reference standards issued under the Occupation Safety Act and the Occupancy Safety and Health Administration) bearing on safety and health of persons or property or their protection from damage, injury or loss.

**10.2.3** The Contractor shall erect and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities.

**10.2.4** When use or storage of hazardous materials or equipment or unusual methods are necessary for execution of the Work, such as driving or removal of piles, wrecking, demolition, excavation or other similar potentially dangerous work is necessary, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel, and shall give Owner reasonable advance notice. Contractor is fully responsible for any and all damages, claims, and for the defense of all actions against Owner and Engineer, and their consultants and employees resulting from the prosecution of such work.

**10.2.4.1** Use or storage of explosives is prohibited.

**10.2.5** The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Paragraphs 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them or by anyone for whose acts they may be liable and for which the Contractor is responsible under Paragraphs 10.2.1.2 and 10.2.1.3, except damage or loss attributable to acts or omissions of the Owner or Engineer or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Paragraph 3.18.

**10.2.6** The Contractor shall designate a responsible, properly trained and qualified member or members of the Contractor's organization at the site whose duties shall be the prevention of accidents, damage to property and to supervise and train personnel in the use of dangerous and hazardous equipment, materials and substances necessary for the execution of the Work. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Engineer.

**10.2.7** The Contractor shall not permit any part of the construction or site, including new construction or existing facilities to be loaded with weights that will exceed design loads or so as to endanger safety of persons or property or cause damage or create an unsafe condition.

**10.2.8** Contractor shall give notice in writing at least forty-eight (48) hours or longer if required by affected parties before breaking ground, to all persons having interests on or near site, Public Utility Companies, owners of property having structures or improvements in proximity to site of the Work, agencies, authorities, inspectors, or those otherwise in charge of property, streets, water pipes, gas pipes, sewer pipes, telephone cables, electric cables, railroads or otherwise who may be affected by Contractor's operation, in order that they may remove any obstruction for which they are responsible and have representative on site to see that their property is properly protected. Such notice does not relieve Contractor of responsibility for any damages, claims, and defense of all actions against Owner and Engineer resulting from performance of such Work in connection with or arising out of Contract.

**10.2.9** All parts of Work shall be braced to resist wind or other loads. Contractor shall perform Work with the explicit understanding that the design of the Project is based on all parts of Work having been completed and as such, the methods of performance of each part of Work shall be done accordingly.

**10.2.10** Temporary items such as, but not limited to: scaffolding, staging, lifting and hoisting devices, shoring, excavation, barricades, and safety and construction procedures necessary in completion of Project shall be the responsibility of the Contractor and its Subcontractors and shall comply with all applicable codes and regulations. It shall not be responsibility of Owner, Engineer or their representatives to determine if Contractor, Subcontractors or their representatives are in compliance with the aforementioned regulations.

**10.2.11** The Contractor shall comply with all Federal Occupational Safety and Health Administration Hazard Communications Act (HAZCOM) requirements, including properly maintaining Materials Safety Data Sheets (MSDS) at the Project site. The Contractor shall ensure that all MSDS are compiled in a single location at the Project site, and are available to the regulating agencies. The Contractor shall indemnify and hold harmless the Owner and Engineer for their respective failure to comply with this provision.

**10.2.12** The Contractor shall be responsible for any fines, penalties or charges by any regulatory body by reason of any violation of safety or health regulations. Contractor shall also be responsible for reimbursement of any OSHA fines incurred by

the Engineer for Project site safety conditions created or controlled by the Contractor that result in the Engineer receiving a citation under the OSHA multi-employer citation provision.

**10.2.13** The Contractor shall notify Owner's and Engineer's personnel upon arrival to the Project site of any known safety or health hazards at the Project and the precautions they should take.

**10.2.14** The Contractor shall provide safety and health equipment (excluding boots) for the Owner and Engineer to protect them from safety and health risks during the performance of their services during the construction of the Project.

**10.2.15** The Engineer's review of Contractor's performance does not include review of adequacy of Contractor's safety or health measures.

### **10.3 HAZARDOUS MATERIALS OR SUBSTANCES**

**10.3.1** The Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a hazardous material or substance, including but not limited to, asbestos or polychlorinated biphenyl (PCB) encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner, in writing, with a copy to the Engineer.

**10.3.1.1** The term "hazardous materials or substance" also includes, but is not limited to, asbestos, asbestos products, polychlorinated biphenyl (PCB), radon gas, industrial waste, acids, lead, alkaline, irritants, contaminants or other pollutants, excluding mild chemicals used in the cleaning of finished building materials.

**10.3.2** Upon receipt of the Contractor's written notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Contractor will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If the Contractor has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor has no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order the Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Contractor's reasonable additional costs of shut-down, delay and start-up.

**10.3.3** To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor, Subcontractors, Engineer, Engineer's consultants and agents

and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Subparagraph 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself) except to the extent that such damage, loss or expense is to the fault or negligence of the party seeking indemnity.

**10.3.4** The Engineer and Engineer's consultants and employees shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons, to hazardous materials or toxic substances in any form at the Project site.

**10.3.5** The Owner and Engineer shall not be responsible under Paragraph 10.3 for hazardous materials and substances brought to the Project site by the Contractor unless such materials or substances were required by the Contract Documents and the Contractor so notified the Owner and Engineer. The Contractor shall notify the Owner and Engineer prior to bringing any hazardous material or substance onto the Project site.

**10.3.6** If, without negligence on the part of the Contractor, the Contractor is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Owner shall indemnify the Contractor for all cost and expense thereby incurred.

#### **10.4 EMERGENCIES**

**10.4.1** In an emergency affecting safety or health of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Paragraph 4.3. and Article 7.

**10.4.2** The Contractor shall promptly report in writing to Owner and Engineer all accidents arising out of, or in connection with, the performance of the Work, whether on or off the site, which caused death, personal injury or property damage, giving full details and statements of any witnesses. In addition, if death, serious personal injuries or serious property damages are caused, the accident shall be reported immediately by telephone or messenger to Owner and Engineer.

### **ARTICLE 11** **INSURANCE AND BONDS**

#### **11.1 CONTRACTOR'S LIABILITY INSURANCE**

**11.1.1** The Contractor shall purchase from and maintain in a company or companies lawfully authorized to do business in the State of Texas such insurance as will protect the Contractor from claims set forth below which may arise out of, or result from, the Contractor's operations under the Contract and for which the Contractor may be legally liable, whether such operations be by Contractor or by a Subcontractor or by anyone directly, or indirectly, employed by any of them, or by anyone for whose acts any of them may be liable:

- .1** claims under workers' or workmen's compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to

- be performed;
- .2 claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
  - .3 claims for damages because of bodily injury, sickness, disease or death of any person other than the Contractor's employees or persons or entities excluded by statute from requirements of Subparagraph 11.1.1.1, but required by Contract Documents to provide insurance required by that Subparagraph;
  - .4 claims for damages insured by usual personal injury liability coverage which are sustained by: (1) by a person as a result of an offense directly or indirectly related to employment of such person by the Contractor; or (2) by another person;
  - .5 claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting there from;
  - .6 claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;
  - .7 claims for bodily injury or property damage arising out of completed operations;
  - .8 claims involving contractual liability insurance applicable to the Contractor's obligations under Paragraph 3.18.
  - .9 Liability Insurance shall include all major divisions of coverage and be on a comprehensive basis including:
    - (1) Premises Operations (including X, C and U coverages as applicable).
    - (2) Independent Contractors' Protective.
    - (3) Products and Completed Operations.
    - (4) Personal Injury Liability with Employment Exclusion deleted.
    - (5) Contractual, including specified provision for Contractor's obligations under Paragraph 3.18.
    - (6) Owned, non-owned and hired motor vehicles.
    - (7) Broad Form Property Damage including Completed Operations.
  - .10 If General Liability coverages are provided by a Commercial General Liability Policy on a claims-made basis, the policy date or Retroactive Date shall predate the Contract; the termination date of the policy or applicable extended reporting period shall be no earlier than the termination date of coverages required to be maintained after final payment, certified in accordance with Subparagraph 9.10.2.

**11.1.2** The insurance required by Subparagraph 11.1.1 shall be written for not less than the limits of liability specified in the Bid documents or as required by law, whichever coverage is greater. Coverage shall be written on an occurrence basis and shall be maintained without interruption from date of commencement of the Work until date of final payment and termination of any coverage required to be maintained after final payment.

**11.1.2.1** The insurance required by Subparagraph 11.1.1 shall be written for not less than the following limits, or greater if required by law:

- 1. Workers' Compensation:
  - (a) State: **Texas** Statutory

- (b) Applicable Federal (e.g., Longshoremen harbor work, Work at or outside U.S. Boundaries):  
Statutory: **Not Applicable**
  - (c) Maritime: **Not Applicable**
  - (d) Employer's Liability: **\$ 500,000** each accident  
**\$ 500,000** disease, policy limit  
**\$ 500,000** disease, each employee
  - (e) Benefits required by union labor contracts: **As Applicable**
  - (f) "Texas Waiver of Our Right to Recover From Others Endorsement" shall be included in this policy. (Waiver of Subrogation)
2. Comprehensive or Commercial General Liability (including Premises-Operations; Independent Contractors' Protective: Products and Completed Operations; Broad Form Property Damage):
- (a) Bodily Injury: **\$ 1,000,000** each occurrence  
**\$ 1,000,000** aggregate
  - (b) Property Damage: **\$ 1,000,000** each occurrence  
**\$ 1,000,000** aggregate
  - (c) Products and Completed Operations Insurance to be maintained for a minimum period of **five (5)** year(s) after final payment:
  - (d) Property Damage Liability Insurance shall include coverage for the following hazards:
    - 1) X (Explosion).
    - 2) C (Collapse).
    - 3) U (Underground).
  - (e) Broad Form Property Coverage shall include Completed Operations.
  - (f) "Texas Waiver of Our Right to Recover From Others Endorsement" shall be included in this policy. (Waiver of Subrogation)
3. Contractual Liability:
- (a) Bodily Injury: **\$ 1,000,000** each occurrence
  - (b) Property Damage: **\$ 1,000,000** each occurrence  
**\$ 2,000,000** aggregate
4. Personal Injury with Employment Exclusion deleted: **\$ 1,000,000** aggregate
5. If the General Liability coverages are provided by a Commercial Liability policy, the:
- (a) General Aggregate shall be not less than **\$ 2,000,000** and it shall apply, in total, to this Project only.
  - (b) Fire Damage Limit shall be not less than **\$ 100,000** on any one Fire.
  - (c) Medical Expense Limit shall be not less than **\$ 10,000** on any one person.
  - (d) "Texas Waiver of Our Right to Recover From Others Endorsement" shall be included in this policy. (Waiver of Subrogation)
6. Umbrella Excess Liability: **\$ 2,000,000** over primary insurance  
**\$ 10,000** retention for self-insured hazards each



7. Business Auto Liability (including owned, non-owned and hired vehicles):
  - (a) Bodily Injury: **\$ 500,000** each person  
**\$ 1,000,000** each accident
  - (b) Property Damage: **\$ 500,000** each occurrence
  - (c) "Texas Waiver of Our Right to Recover From Others Endorsement" shall be included in this policy. (Waiver of Subrogation)

**Note:** The State of **Texas** has a no fault automobile insurance requirement. Contractor shall be certain coverage is provided which conforms to any specific stipulation in the law.

**11.1.3** Certificates of Insurance acceptable to the Owner shall be filed with the Owner prior to commencement of the Work. These Certificates and the insurance policies required by this Paragraph 11.1 shall contain a provision that coverage afforded under the policies will not be canceled, or allowed to expire, until at least thirty (30) days prior written notice has been given to the Owner. If any of the foregoing insurance coverage are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final Application for Payment as required by Subparagraph 9.10.2. Information concerning reduction of coverage shall be furnished by the Contractor with reasonable promptness in accordance with the Contractor's information and belief. Not later than ten (10) days from award of bid, Contractor shall deliver to the Owner, copies of the insurance certificate in accordance with the above requirements naming Owner as additional insured.

## **11.2 OWNER'S LIABILITY INSURANCE:**

**11.2.1** The Owner reserves the right to be self-insured for any and all insurance of any kind, type, or nature required by the Contract Documents.

**11.2.1.1** Contractor shall purchase and maintain insurance covering Owner's contingent liability for claims which may arise from operations under the Contract.

- .1 Bodily Injury:  
**\$ 1,000,000** each occurrence  
**\$ 1,000,000** aggregate
- .2 Property Damage:  
**\$ 1,000,000** each occurrence  
**\$ 1,000,000** aggregate

## **11.3 PROPERTY INSURANCE**

**11.3.1** The Contractor shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus Engineer fees, plus value of subsequent Contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional

deductibles. Such property insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made as provided in Paragraph 9.10 or until no person or entity other than the Owner has an insurable interest in the property required by this Paragraph 11.3 to be covered, whichever is later. This insurance shall include interests of the Owner, the Contractor, Subcontractors and Sub-subcontractors in the Project. The form of policy for this coverage shall be (Completed Value) (Reporting), in the names of the Owner, Contractor, Subcontractors and Sub-subcontractors as their interests may appear in amount equal to contract sum for the Work. If Owner is damaged by failure of Contractor to maintain such insurance, then Contractor shall bear all reasonable costs properly attributable thereto.

**11.3.1.1** Property insurance shall be on an "all-risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements and shall cover reasonable compensation for Engineer's and Contractor's services and expenses required as a result of such insured loss.

**11.3.2** Loss of Use Insurance. The Owner, at the Owner's option, may purchase and maintain such insurance as will insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused.

**11.3.3** If the Contractor requests in writing that insurance for risks other than those described herein or for other special hazards be included in the property insurance policy, the Owner shall, if possible, include such insurance, and the cost thereof shall be charged to the Contractor by appropriate Change Order.

#### **11.4 PERFORMANCE BOND AND PAYMENT BOND**

**11.4.1** Not later than ten (10) days from and after the date on which the award of the bid is made by the Owner, Contractor shall execute, as Principal, bonds joined in by a Surety Company of the Contractor's choice, generally referred to as a "Performance Bond" and a "Payment Bond," each in a penal sum equal to 100% of the Contract Sum. The Bonds shall be on the form provided by Owner and shall be compatible with provisions of governing authorities. Contractor shall file bonds with the Owner.

**11.4.2** Surety Company executing bonds shall be acceptable to Owner and shall be authorized to do business in the State of Texas.

**11.4.3** Surety Company shall list the address and phone number of the home office of its' principal place of business. Surety shall also provide the name, address and phone number of the local Agent issuing the bonds.

**11.4.4** Contractor shall require attorney-in-fact who executes required bonds on behalf of surety to affix thereto a certified and current copy of power of attorney.

**11.4.5** Contractor shall deliver required bonds to Owner not later than three (3) days

following the date the Agreement is entered into, or if Work is to be commenced prior thereto in response to a letter of intent, Contractor shall, prior to commencement of Work, submit evidence satisfactory to Owner that such bonds will be furnished.

**11.4.6** Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.

**11.4.7** Contractor shall keep surety informed of progress of Work and where necessary, obtain surety's consent to, or waiver of: (1) notice of changes in the Work; (2) request for reduction or release of retention; (3) request for final payment; and (4) any other information required by surety.

## **ARTICLE 12**

### **UNCOVERING AND CORRECTION OF WORK**

#### **12.1 UNCOVERING OF WORK**

**12.1.1** If a portion of the Work is covered contrary to the Engineer's, Owner's or governing authority's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Engineer, be uncovered for the Engineer's, Owner's or governing authority's examination and be replaced at the Contractor's expense without change in the Contract Time.

**12.1.2** If a portion of the Work has been covered which the Engineer, Owner or governing authority has not specifically requested to examine prior to its being covered, the Engineer, Owner or governing authority may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, costs of uncovering and replacement shall, by appropriate Change Order, be at the Owner's expense. If such Work is not in accordance with the Contract Documents, such cost and the cost of correction shall be at the Contractor's expense unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs.

#### **12.2 CORRECTION OF WORK**

##### **12.2.1 BEFORE OR AFTER SUBSTANTIAL COMPLETION**

**12.2.1.1** The Contractor shall promptly correct Work rejected by the Engineer, Owner or governing authority or failing to conform to the requirements of the Contract Documents, whether observed before, or after, Substantial Completion and whether or not fabricated, installed or completed. The Contractor shall bear costs of correcting such rejected Work, including additional testing and inspections and compensation for the Engineer's services and expenses made necessary thereby.

##### **12.2.2 AFTER SUBSTANTIAL COMPLETION**

**12.2.2.1** In addition to the Contractor's obligation under Paragraph 3.5, if, within one (1) year after the date of Substantial Completion of the Work, or designated portion thereof, or after the date for commencement of warranties established under Subparagraph 9.9.1, or by terms of an applicable special warranty required by the Contract Document, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously

given the Contractor a written acceptance of such condition. This period of one (1) year shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. This obligation under this paragraph 12.2.2 shall survive acceptance of the Work under the Contract and termination of the Contract. The Owner shall give such notice promptly after discovery of the condition.

**12.2.2.2** The one (1) year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

**12.2.2.3** The one (1) year period for correction of Work shall not be extended by corrective Work performed by the Contractor pursuant to this Paragraph 12.2.

**12.2.2.4** Upon request of Owner and prior to expiration of one (1) year from date of Substantial Completion, Engineer may conduct, and Contractor shall attend, a meeting with Owner to review facility operations and performance.

**12.2.3** The Contractor shall remove from the site portions of the Work which are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

**12.2.4** The Contractor shall bear the cost of correcting destroyed, or damaged, construction, whether completed or partially completed, of the Owner or separate contractors caused by the Contractor's correction or removal of Work which is not in accordance with the requirements of the Contract Documents.

**12.2.5** Nothing contained in this Paragraph 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents. Establishment of the one (1) year period for correction of Work as described in Subparagraph 12.2.2 relates only to the specific obligation of the Contractor to correct the Work and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

## **12.3 ACCEPTANCE OF NONCONFORMING WORK**

**12.3.1** If the Owner prefers to accept Work which is not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Contractor shall bear all direct, indirect and consequential costs attributable to Owner's evaluation of and determination to accept such defective or nonconforming Work (such costs to include but not limited to fees and charges of Engineers, engineers, testing agencies, consultants, attorneys and other professionals). Such adjustment shall be effected whether or not final payment has been made. If any such acceptance occurs prior to final payment, Owner shall be entitled to an appropriate decrease in the Contract Sum. If the acceptance occurs after final payment, an appropriate amount will be paid by the Contractor to the Owner.

**ARTICLE 13**  
**MISCELLANEOUS PROVISIONS**

**13.1 GOVERNING LAW:** The Contract shall be governed by the laws of the State of Texas.

**13.2 SUCCESSORS AND ASSIGNS**

**13.2.1** The Owner and Contractor respectively bind themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in the Contract Documents. Neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

**13.2.2** The Owner may, without consent of the Contractor, assign the Contract to lender providing construction financing for the Project. If the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate such assignment.

**13.2.3** Contractor shall not assign any monies due or to become due hereunder without written consent of Owner and of Contractor's Surety. The Contractor shall file a copy of such consent of Surety, together with copy of assignment with Owner and Engineer. In case Contractor assigns all or any part of any monies due or to become due under this Contract, instrument of assignment must contain a clause substantially to effect that it is agreed that right of assignees in and to any monies due or to become due to Contractor shall be subject to prior liens and claims of all persons, firms and corporations for services rendered; for payment of all laborers and mechanics for labor performed; for payment for all materials and equipment furnished and payment for all materials and equipment used or rented in performance of the Work called for in Contract; and for payment of any liens, claims, or amounts due to governments or any of their funds.

**13.3 WRITTEN NOTICE:** Written notice shall be deemed to have been duly served if delivered in person to the individual or a member of the firm or entity or to an officer of the corporation for which it was intended, or if delivered or sent by registered or certified mail or by courier service providing proof of delivery to the last business address known to the party giving notice.

**13.4 RIGHTS AND REMEDIES**

**13.4.1** Duties and obligations imposed by the Contract Documents and rights and remedies available there under shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law.

**13.4.2** No action or failure to act by the Owner, Engineer or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach there under, except as may be specifically agreed in writing.

### **13.5 TESTS AND INSPECTIONS**

**13.5.1** Tests, inspections and approvals of portions of the Work required by the Contract Documents or by laws, ordinances, rules, regulations or orders of public authorities having jurisdiction shall be made at an appropriate time. Unless otherwise provided, the County shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity, and shall bear all related costs of tests, inspections and approvals. The Contractor shall give the testing agency, Project inspector (if any), public authorities and (if requested), Engineer timely notice of when and where tests and inspections are to be made so that they may observe such procedures. The Owner shall bear costs of tests, inspections or approvals which do not become requirements until after bids are received or negotiations concluded.

**13.5.2** If the Engineer, Owner, Project inspector (if any), or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection or approval not included under Subparagraph 13.5.1, the Project inspector (if any), or Engineer will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Contractor shall give timely notice to the testing agency, project inspector (if any), governing agency, and (if requested), Engineer of when and where tests and inspections are to be made so they may observe such procedures. The Owner shall bear such costs except as provided in Subparagraph 13.5.3.

**13.5.3** If procedures for testing, inspection or approval under Subparagraphs 13.5.1 and 13.5.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, laws, statutes, ordinances, codes, rules or regulations, all costs made necessary by such failure including those of repeated procedures and compensation for the Engineer's services and expenses shall be at the Contractor's expense.

**13.5.4** Required certificates of testing, inspection or approval shall, unless otherwise required by the Contract Documents, be secured by the Contractor and promptly delivered to the Engineer and Project inspector (if any).

**13.5.5** If the Engineer, Owner or Project inspector (if any), is to observe tests, inspections or approvals required by the Contract Documents, they will do so promptly and where practicable, at the normal place of testing.

**13.5.6** Test or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

### **13.6 INTEREST**

**13.6.1** Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the legal rate prevailing for public entities under the laws of the State of Texas.

### **13.7 COMMENCEMENT OF STATUTORY LIMITATION PERIOD**

#### **13.7.1 As between the Owner and Contractor:**

- .1 Before Substantial Completion.** Before Substantial Completion, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than such date of Substantial Completion;
- .2 Between Substantial Completion and Final Certificate for Payment.** As to acts or failures to acts occurring subsequent to the relevant date of Substantial Completion and prior to issuance of the final Certificate for Payment, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the date of issuance of the final Certificate for Payment; and
- .3 After Final Certificate for Payment.** As to acts or failures to act occurring after the relevant date of issuance of the final Certificate for Payment, any applicable statute of limitations shall commence to run and any alleged cause of action shall be deemed to have accrued in any and all events not later than the date of any act or failure to act by the Contractor pursuant to any warranty provided under Paragraph 3.5, the date of any correction of the Work or failure to correct the Work by the Contractor under paragraph 12.2, or the date of actual commission of any other act or failure to perform any duty or obligation by the Contractor or Owner, whichever occurs last.

### **13.8 EQUAL OPPORTUNITY**

#### **13.8.1 Contractor shall maintain policies of employment as follows:**

- .1** Contractor and Contractor's Subcontractors shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth policies of nondiscrimination.
- .2** Contractor and Contractor's Subcontractors shall, in all solicitations or advertisements for employees placed by them or on their behalf, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex or national origin.

### **13.9 NON-DISCRIMINATION**

**13.9.1** In performance of Work, Contractor and Subcontractors agree not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability, sexual orientation or national origin. This provision shall include, but not be limited to the following; employment, upgrading, demotion, promotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of

compensation; and selection for training, including apprenticeships.

## **ARTICLE 14**

### **TERMINATION OR SUSPENSION OF THE CONTRACT**

#### **14.1 TERMINATION BY THE CONTRACTOR**

**14.1.1** The Contractor may terminate the Contract if the work is stopped for a period of thirty (30) days through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons performing portions of the Work under the Contract with the Contractor, for any of the following reasons:

- .1** issuance of an order of a court or other public authority having jurisdiction;
- .2** an act of government, such as a declaration of national emergency, making material unavailable;
- .3** because the Engineer has not issued a Certificate for Payment and has not notified the Contractor of the reason for withholding certification as provided in Subparagraph 9.4.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Contract Documents; or
- .4** if repeated suspensions, delays or interruptions by the Owner as described in Paragraph 14.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or one hundred twenty (120) days in any three hundred sixty-five (365) day period, whichever is less.

**14.1.2** If one of the above reasons exists, the Contractor may, upon seven (7) additional days written notice to the Owner and Engineer, terminate the Contract and recover from the Owner payment for Work executed and for proven loss with respect to materials, equipment, tools and construction equipment and machinery, including reasonable overhead, profit and damages.

**14.1.3** If the Work is stopped for a period of sixty (60) days through no act or fault of the Contractor or a Subcontractor or their agents, employees or any other persons performing portions of the Work under the Contract with the Contractor because the Owner has persistently failed to fulfill the Owner's obligations under the Contract Documents with respect to matters important to the progress of the Work, the Contractor may, upon seven (7) additional days written notice to the Owner and the Engineer, terminate the Contract and recover from the Owner as provided in Subparagraph 14.1.2.

#### **14.2 TERMINATION BY THE OWNER FOR CAUSE**

**14.2.1** The Owner may terminate the Contract if the Contractor:

- .1** persistently or repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
- .2** fails to make prompt payment to Subcontractors for materials or labor in accordance with the respective agreement between the Contractor and the Subcontractors;
- .3** persistently disregards laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction; or
- .4** otherwise is guilty of substantial breach of a provision of the Contract



## Documents.

**14.2.2** When any of the above reasons exist and the Owner believes that sufficient cause exists to justify such action, the Owner may, without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety seven (7) days written notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

- .1 take possession of the site and of all materials, equipment, tools, construction equipment and machinery thereon owned by the Contractor;
- .2 accept assignment of subcontracts pursuant to Paragraph 5.4; and
- .3 finish the Work by whatever reasonable method the Owner may deem expedient.

**14.2.3** When the Owner terminates the Contract for one of the reasons stated in Subparagraph 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

**14.2.4** If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, including compensation for the Engineer's services and expenses made necessary thereby, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the Contractor shall pay the difference to the Owner. This obligation for payment shall survive termination of the Contract.

### **14.3 SUSPENSION BY OWNER FOR CONVENIENCE**

**14.3.1** The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the Owner may determine.

**14.3.2** The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Subparagraph 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent:

- .1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Contractor is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

### **14.4 TERMINATION BY THE OWNER FOR CONVENIENCE**

**14.4.1** The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

**14.4.2** Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Contractor shall:

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

**14.4.3** In case of such termination for the Owner's convenience, the Contractor shall be entitled to receive payment for Work executed and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed.

## **ARTICLE 15** **ACCESS TO THE WORK**

**15.1** Engineer, the Owner, and their authorized representatives, shall have access at all times to the work for inspection wherever it is in preparation or progress and the Contractor shall provide proper facilities for such access and inspection.

## **ARTICLE 16** **STANDARDS**

**16.1** Any material specified by reference to the number, symbol or title of a specific standard, such as a Commercial Standard, a Federal specification, a trade association standard or other similar standard, shall comply with the requirements in the latest revision thereof and any amendment or supplement thereto in effect on the date of these Specifications, except as limited to type, class or grade, or modified in such reference.

**16.2** The Standards referred to, except as modified in the Specifications, shall have full force and effect as though printed in the Specifications. These Standards are not furnished to bidders for the reason that the manufacturers and trade involved are assumed to be familiar with their requirements. The Engineer will furnish, upon request, information as to how copies of the standards referred to may be obtained.

**16.3** It is not the intent of the Specifications to limit materials to the product of any particular manufacturer. Where definite materials, equipment and/or fixtures have been specified by name, manufacturer or catalog number, it has been done to set a definite standard and a reference for comparison of quality, application, physical conformity and other characteristics. It is not the intention to discriminate against, or prevent, any dealer, jobber or manufacturer from furnishing materials, equipment and fixtures which, in the judgment of the Engineer, expressed in writing, meet or exceed the characteristics of the specified items.

## **ARTICLE 17** **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS**

**17.1** No officer or employee of Brazos County, Texas, shall have a financial interest, direct or indirect, in this Agreement or shall be financially interested, directly or indirectly, in the sale of any materials, supplies or services, except on behalf of the County as an officer or employee. Any willful violation of this Article shall constitute malfeasance in office and any officer or employee guilty thereof shall be subject to removal from his office or position. Any violation of this Article with the knowledge, express or implied, of the Contractor or Subcontractors shall render this Agreement voidable by Brazos County.

**ARTICLE 18**  
**PREVAILING WAGE RATES**

**18.1 PREVAILING WAGE RATE DETERMINATION**

**18.1.1** Chapter 2258, Texas Government Code, Title 10, requires state agencies, cities, counties, independent school districts and all other political subdivisions that engage in construction projects using public funds to include prevailing wage rates in the project bid documents and the construction contract.

**ARTICLE 19**  
**AUTHORITY TO CONTRACT**

The County Judge is authorized to execute this Agreement upon the Commissioners Court's approval of the Agreement as set forth in the minutes of the Court's October 7, 2017, meeting.

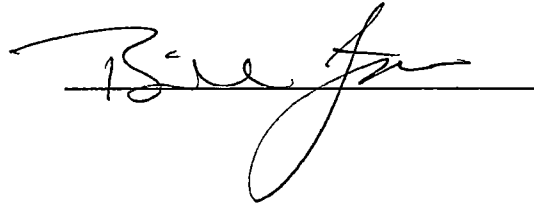
This Agreement is entered into in as of the day and year first written above and is executed in at least three (3) original copies of which one (1) is to be delivered to the Contractor, one (1) to the Engineer for use in the administration of the Contract, and the remainder to the Owner.

**OWNER:**  
**BRAZOS COUNTY, TEXAS**



Brazos County Judge  
330 South Texas Ave., Suite 332  
Brazos, Texas 77803

**CONTRACTOR:**  
**KNIFE RIVER CORP.- SOUTH**



Date: 10/6/17

**ATTACHMENT "A"**  
**EXTENSION OF MESA VERDE**  
**REQUEST FOR PROPOSAL 17-301**



# Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

## Bid Bond

### CONTRACTOR:

(Name, legal status and address)

Knife River Corporation - South  
6310 State Hwy 21 West  
Bryan, TX 77806

### OWNER:

(Name, legal status and address)

Brazos County  
200 South Texas Avenue, Suite 352  
Bryan, TX 77803

**BOND AMOUNT:** Five Percent of Amount Bid

5%

### PROJECT:

(Name, location or address, and Project number, if any)

Extension of Mesa Verde Drive, Project No. 17-301

### SURETY:

(Name, legal status and principal place of business)

Liberty Mutual Insurance Company  
175 Berkeley Street  
Boston, MA 02116  
Mailing Address for Notices

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

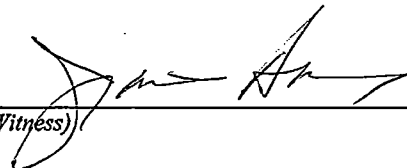
Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

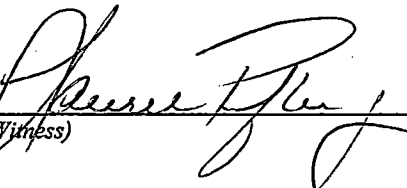
The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 6th day of September, 2017.

  
(Witness)

  
(Witness)

Knife River Corporation - South

(Principal)

By: 

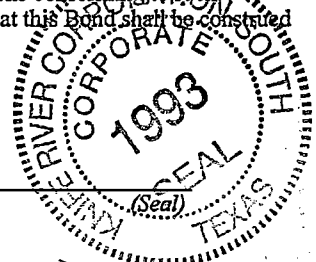
(Title)

Liberty Mutual Insurance Company

(Surety)

By: 

(Title) Heather R. Goedtel, Attorney-in-Fact



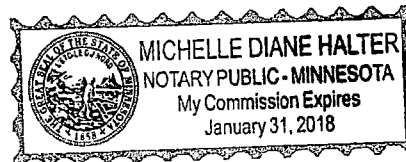
# Surety Acknowledgment

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State of Minnesota }  
County of Hennepin } ss.

On this 6<sup>th</sup> day of September 2017, before me personally came Heather R. Goedtel, to me known, who being by me duly sworn, did depose and say that she is the Attorney-in-Fact of Liberty Mutual Insurance Company described in and which executed the above instrument; that she/he knows the seal of said corporation; that the seal affixed to said instruments is such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that she/he signed her/she/his name to it by like order.

Michelle Halter  
Notary Public



**THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.**

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7794865

Liberty Mutual Insurance Company  
The Ohio Casualty Insurance Company West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Brian D. Carpenter; Craig Olmstead; Heather R. Goedtel; Jessica Hoff; Jill N. Swanson; Laurie Pflug; Michelle Halter; Nicole Langer

all of the city of Minneapolis, state of MN each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations; in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 12th day of June, 2017.



The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

By: David M. Carey  
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss  
COUNTY OF MONTGOMERY

On this 12th day of June, 2017, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Upper Merion Twp., Montgomery County  
My Commission Expires March 28, 2021  
Member, Pennsylvania Association of Notaries

By: Teresa Pastella  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

**ARTICLE IV – OFFICERS** – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

**ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings.** Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation** – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization** – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 10<sup>th</sup> day of September, 2017.



By: Renee C. Llewellyn  
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**MESA VERDE DRIVE  
BID PROPOSAL FORM**

Item No.	Spec. No.	Units	Item Description	Quant.	Unit Price	Total Price
<b>Roadway Items</b>						
1	500	L.S.	Mobilization	1	\$ 57,575.00	\$ 57,575.00
2	502	Month	Traffic Control	12	\$ 1,340.00	\$ 16,080.00
3	100	Acre	Prepare ROW	7	\$ 11,000.00	\$ 77,000.00
4	105	S.Y.	Removed Asphalt Pavement	183	\$ 8.70	\$ 1,592.10
5	105	Ea.	Remove Storm Pipe	1	\$ 300.00	\$ 300.00
6	506	L.F.	SWPPP-Silt Fence	500	\$ 2.50	\$ 1,250.00
7	506	Ea.	SWPPP-Rock Filter Dam (Permanent)	79	\$ 450.00	\$ 35,550.00
8	506	Ea.	SWPPP-Rock Filter Dam (Temporary)	2	\$ 689.00	\$ 1,378.00
9	506	Ea.	SWPPP-Construction Entrance	1	\$ 1,700.00	\$ 1,700.00
10	110	C.Y.	Excavation	11653	\$ 6.40	\$ 74,579.20
11	216	Hr	Proof Rolling	12	\$ 90.00	\$ 1,080.00
12	164	S.Y.	Cellulose Fiber Mulch Seeding	16506	\$ 1.36	\$ 22,448.16
13	168	1K Gal	Vegetative Watering	50	\$ 43.00	\$ 2,150.00
14	260275	S.Y.	Stabilized Subgrade (8") - Lime, Cement, and/or Fly Ash (260, 265, or 275)	12257	\$ 5.33	\$ 65,329.81
15	3031	S.Y.	TENSAR TX5 TRIAX GEOGRID	2485	\$ 3.31	\$ 8,225.35
16	247	S.Y.	Type A Grade 1 Crushed Limestone Base (10")	10483	\$ 15.65	\$ 164,058.95
17	276	S.Y.	Cement Treated Base - Plant Mixed (6" Thick)	1141	\$ 15.60	\$ 17,799.60
18	340	S.Y.	D-GR HMA (SQ) TYPE D SAC-B PG70-22 (2")	10198	\$ 7.00	\$ 71,386.00
19	340	S.Y.	D-GR HMA (SQ) TYPE B PG 64-22 (2.5")	10340	\$ 8.20	\$ 84,788.00
20	340	Ton	D-GR HMA (SQ) TYPE B PG 64-22 (LEVEL UP)	5	\$ 300.00	\$ 1,500.00
21	347	S.Y.	1" THIN OVERLAY (TOM-C)	2718	\$ 7.00	\$ 19,026.00
22	292	S.Y.	Asphalt Treatment 1" (bond breaker)	1141	\$ 7.40	\$ 8,443.40
23	529	L.F.	Type 2 Curb and Gutter, 6" Ht.	354	\$ 26.00	\$ 9,204.00
24	529	L.F.	Type 2 Curb and Gutter, 6" Ht. (SLOTTED)	354	\$ 26.00	\$ 9,204.00
25	528	S.Y.	Landscape Pavers	58	\$ 135.33	\$ 7,849.14
26	432	S.Y.	Common Rip Rap (Item 432)	552	\$ 51.00	\$ 28,152.00
27	432	S.Y.	Concrete Cap on Gas Lines	34	\$ 235.00	\$ 7,990.00
28	360	S.Y.	8" JRPC	993	\$ 74.00	\$ 73,482.00
29	464	L.F.	18" RCP	30	\$ 63.75	\$ 1,912.50
30	467	Ea.	18" SET	2	\$ 715.00	\$ 1,430.00
31	464	L.F.	36" RCP	226	\$ 112.00	\$ 25,312.00
32	467	Ea.	36" SET	6	\$ 4,000.00	\$ 24,000.00
33	467	Ea.	60" RCP	128	\$ 264.00	\$ 33,792.00



**MESA VERDE DRIVE  
BID PROPOSAL FORM**

Item No.	Spec. No.	Units	Item Description	Quant.	Unit Price	Total Price
34	464	L.F.	60" SET	2	\$ 6,050.00	\$ 12,100.00
35	465	Ea.	84" RCP	96	\$ 500.00	\$ 48,000.00
36	464	L.F.	84" SET	2	\$ 17,500.00	\$ 35,000.00
37	402	L.F.	Trench Safety	224	\$ 8.70	\$ 1,948.80
38	644	EA	Aluminum Sign Type A (Small)	30	\$ 720.00	\$ 21,600.00
39	666	LF	Pavement Markings, Type I, 8" Solid White	371	\$ 4.67	\$ 1,732.57
40	666	LF	Pavement Markings, Type I, 24" Solid White	123	\$ 13.86	\$ 1,704.78
41	666	LF	Pavement Markings, Type I, 6" Solid White	478	\$ 3.53	\$ 1,687.34
42	666	LF	Pavement Markings, Type I, 6" Dashed White	110	\$ 4.62	\$ 508.20
43	666	LF	Pavement Markings, Type I, 6" Solid Yellow	386	\$ 3.53	\$ 1,362.58
44	666	LF	Pavement Markings, Type II, 4" Solid White	5294	\$ 0.54	\$ 2,858.76
45	666	LF	Pavement Markings, Type II, 4" Solid Yellow	5228	\$ 0.54	\$ 2,823.12
46	666	LF	Pavement Markings, Type II, 8" Solid White	573	\$ 1.09	\$ 624.57
47	666	LF	Pavement Markings, Type II, 24" Solid White	287	\$ 4.62	\$ 1,325.94
48	666	LF	Pavement Markings, Type II, 12" Solid Yellow	12	\$ 2.34	\$ 28.08
49	666	LF	Pavement Markings, Type II, 6" Solid White	478	\$ 1.09	\$ 521.02
50	666	LF	Pavement Markings, Type II, 6" Dashed White	110	\$ 1.09	\$ 119.90
51	666	LF	Pavement Markings, Type II, 6" Solid Yellow	386	\$ 0.65	\$ 250.90
52	666	LF	Pavement Markings, Type II, 12" Solid White	32	\$ 2.34	\$ 74.88
53	668	EA	Pavement Markings, Type A, "ONLY" Word Message	4	\$ 359.00	\$ 1,436.00
54	668	EA	Pavement Markings, Type B, Turn Arrow	4	\$ 278.00	\$ 1,112.00
55	668	EA	Pavement Markings, Type B, Straight Arrow	2	\$ 234.00	\$ 468.00
56	672	EA	Raised Pavement Marker Type II-C-R White	23	\$ 8.15	\$ 187.45
57	672	EA	Raised Pavement Marker Type II-A-A Yellow	64	\$ 8.15	\$ 521.60
58	672	EA	Raised Pavement Marker Type I-C White	10	\$ 8.15	\$ 81.50
59		EA	One Year WARRANTY on all materials and work.	1	\$ 2,800.00	\$ 2,800.00
<b>TOTAL ROADWAY ITEMS</b>					\$	\$ 1,096,445.20
<b>CONTINGENCY (SET BY OWNER)</b>					\$	100,000.00
<b>TOTAL (ROADWAY + CONTINGENCY)</b>					\$	\$ 1,196,445.20
<b>PROJECT DURATION 180 CALENDAR DAYS</b>						

## Extension of Mesa Verde Bid # 17-301

**BRAZOS COUNTY PURCHASING OFFICE**

**Brazos County Administration Building**  
200 South Texas Ave., Ste. 352  
Bryan, Texas 77803  
Telephone (979) 361-4292

Bid No.17-301  
Page 1 of 19 pages

Bids will be received, publicly opened, and read aloud at **2:00 P.M., Wednesday, September 6, 2017** in the Brazos County Purchasing Department, Suite 352, Brazos County Administration Building, 200 South Texas Ave., Bryan, Texas.

Release of Bid.....	Friday, August 11, 2017
Advertisement Dates.....	Friday, August 11, 2017
	Friday, August 18,
2017	
Deadline for Questions.....	Tuesday, August 29, 2017 at 5:00 p.m. CST
Bid Submission Deadline.....	Wednesday, September 6, 2017 at 2:00 p.m.
CST	
Anticipated Award.....	September
Anticipated	Construction
Start.....	September

### A. SUMMARY OF WORK

This project consists of the construction of 2,559 linear feet of ditch section County road, 175 linear feet of concrete pavement boulevard section urban roadway, 575 linear feet of right turn lane on SH 6, all traffic control for the connection to an existing SH roadway and all associated earthwork, drainage, striping and signage, SWPPP.

## B. ALTERNATES

See the plans and specifications for additional information

No alternates exist for this project.

#### D. CONDITIONS OF BIDDING

The following instructions apply to all bids and become a part of terms and conditions of any bid submitted to the Brazos County Purchasing Department, unless otherwise specified elsewhere in this solicitation. All Contractors are required to be informed of these Terms and Conditions and will be held responsible for having done so:

1. Definitions: In order to simplify the language throughout this bid, the following definitions shall apply:
  - a. BRAZOS COUNTY - Same as County.
  - b. COMMISSIONERS' COURT - The elected officials of Brazos County, Texas given the authority to exercise such powers and jurisdiction of all county business as conferred by the State Constitution and Laws.
  - c. CONTRACT - An agreement between the County and a Vendor to furnish supplies and/or services over a designated period of time during which repeated purchases are made of the commodity specified.
  - d. CONTRACTOR - The successful Contractor(s) of this bid request.
  - e. COUNTY - The government of Brazos County, Texas and its authorized representatives.
  - f. SUB-CONTRACTOR - Any contractor hired by the Contractor or Supplier to furnish materials and services specified in this bid request.
  - g. SUPPLIER - Same as Contractor
2. Upon acceptance and approval by the Commissioners' Court, this bid will be made part of the contract between Brazos County and the successful Contractor for the period designated.
3. **Bids must be received by the Purchasing Department prior to the time and date specified.**
4. The County reserves the right to accept or reject in part or in whole, any bids submitted, and to waive any technicalities for the best interest of the County.
5. Brazos County shall not be responsible for any verbal communication between any employee of the County and any potential Contractor. Only written specifications and written price quotations will be considered.
6. Brazos County reserves the right to reject any bids that do not fully respond to each specified item.
7. Should there be a change in ownership or management; the contract shall be canceled unless a mutual agreement is reached with the new owner to continue the contract with its present provisions and prices. This contract is nontransferable and non-assignable by either party.
8. The County may cancel this contract at any time for any reason, provided a thirty-day written notice is given.
9. The bid award shall be based on, but not necessarily limited to, the following factors:
  - a. Unit costs
  - b. Total cost including the alternates and addenda

- c. Experience of subcontractors on similar projects
- d. Proposer's reputation with similar projects
- e. Ability to perform contract
- f. Vendor's past performance record with Brazos County

10. Although the cost is an essential part of the bid, Brazos County is not obligated to award a contract on the sole basis of cost.
11. Acceptance of work provided shall be made by the County at the sole discretion of the Commissioner's Court when all terms and conditions of the contract and specifications have been met to its satisfaction, including the submission to the County of any and all documentation as may be required.
12. Title and Risk of Loss of the goods shall not pass to Brazos County until the County actually accepts and takes possession of the goods at the point or points of delivery.
13. This agreement shall be governed by the Uniform Commercial Code as adopted in the State of Texas as effective and in force on the date of this agreement.
14. No bid may be withdrawn after opening time without acceptable reason and with the approval of Commissioner's Court.
15. Bids will not be considered if submitted by telephone, fax or any other means of rapid dispatch, nor will a bid be considered if submitted to any other person or department other than specifically instructed.
16. All bids shall be submitted in accordance with the instructions contained herein. Brazos County will not be liable for any information received through other websites or sources of information. It is the sole responsibility of the vendor to verify the accuracy of information received from sources other than Brazos County. It is recommended that the vendor check the Brazos Valley Bidding System for addenda prior to submitting their bid.
17. There is no expressed or implied obligation for Brazos County to reimburse responding service providers for any expenses incurred in preparing bids in response to this request.
18. **Bids must show full company name, mailing address and telephone number and be manually signed by an authorized sales or quotation representative of the Contractor. Company name and authorized signature shall appear in each space provided. The Contractor must include Employer Identification Number or Social Security Number and signature for the bid to be valid**
19. It is our policy not to disclose bid results over the phone. Bid results will be available only after a contract is awarded by Commissioners Court.

20. **The Contractor shall be responsible for following all provisions of Chapter 2258 of the Government Code relating to the payment of prevailing wages. The wage rates to be used are included in Exhibit A attached. A contractor or subcontractor who violates this section shall pay to Brazos County \$60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated on Exhibit A.**
21. Bidders must comply with the number of consecutive calendar days required to reach substantial and final completion of the project under normal conditions. Failure to comply with completion time will be considered reason enough to cancel the contract. Liquidated damages will be assessed as stipulated in the Special Conditions.
22. Bids must be submitted on units of quantity specified. In the event of errors in extended prices the unit price shall govern. In the event of a discrepancy between the numbers given for the price and the word form of the price, the word form shall govern. Any suggested change in quantity on the part of the bidder to secure better price or delivery is welcomed and may be given consideration provided that the bidder also bids on the quantity specified.
23. It is our policy not to furnish bid results over the phone. Bid results and tabulation sheets will be posted on Brazos County website after it is awarded by Commissioners Court.
24. This Bid will be made part of any resulting contract the County may enter into. The terms and conditions of the County, contained in this Bid or the plans for this Bid shall supersede those of the vendor in the event of a conflict.
25. If any provision of this contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
26. No oral statements of any person shall modify or otherwise change or affect the terms, conditions or specifications. All change orders to this agreement shall be made in writing and shall not be effective unless signed by an authorized representative of Brazos County.

**E. SPECIAL PROVISIONS**

1. The project shall be completed, final completion, within one hundred eighty (180) days from the issuance of the notice to proceed (NTP) from the County to the

contractor. The NTP will be issued after the County's receipt of bonds, certificate of insurance and schedule.

2. Contractors with questions regarding the bid should submit them in writing via the Brazos Valley Online Bidding System at <https://brazosbid.cstx.gov>.
3. Fill out the bid completely, identify the bid name and number on the outside and return it to the Brazos County Purchasing Department, Administration Building, 200 South Texas Ave., Suite 352, Bryan, Texas 77803 by 2:00 p.m., Wednesday, August 3, 2016. The bid is invalid if it is not deposited at the designated location prior to the time and date advertised, or prior extension issued by the County.
4. All bids shall be prepared on the bid forms located on the Brazos County web site <https://brazosbid.cstx.gov>. The proposer must put the bid number and name on the front of the envelope before mailing it to the Purchasing Department.
4. In addition to the County's bid form, all bids shall be accompanied by a Contractor's Qualification Statement (AIA Document A-305 or equal) listing no more than five (5) similar representative projects with the project's owner and engineer contact information.
5. During the evaluation process, Brazos County reserves the right, in the best interest of the County, to request additional information or clarification from Contractors.
6. The contract shall be awarded to the responsible Contractor whose bid is determined to be the best evaluated offer.
7. Your response to this bid should be clear and concise addressing all requirements listed above and any other factors not specifically mentioned which would be advantageous to Brazos County.
8. Performance Standards:
  - a. All services contracted herein shall be done in a courteous and orderly manner. All Contractor personnel shall be appropriately dressed at all times while on the property.
  - b. The personnel performing the services contracted herein shall be under the sole responsibility and the employ of the Contractor.
  - c. All materials and equipment brought to the site are the full responsibility and liability of the Contractor until removed from the site as required.
  - d. Unless otherwise specifically noted, the Contractor shall provide and pay for all labor, materials, equipment, tools, transportation, and other

facilities and services necessary for the proper execution and completion of the work herein contracted to be done.

- e. The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations, and order of any public authority in connection with the performance of the work herein to be done.
- f. The Contractor shall be responsible for initiating, maintaining and supervising appropriate safety precautions and programs in connection with the work herein contracted to be done. The Contractor shall take all reasonable precautions for safety of, and shall provide all reasonable protection to prevent damage, injury or loss to: (1) all employees on the project and other persons who may be affected thereby, (2) the project and all materials and equipment to be incorporated therein, and (3) other property at the site or adjacent thereto.
- g. Contractor will be responsible for immediate notification of all damage to the property by the Contractor or its representative(s).

**F. Trade Secrets, Confidential Information and the Texas Public Information Act**

1. Brazos County, Texas is subject to the Texas Publication Information Act, Chapter 552, Texas Government Code. Bids submitted to Brazos County, Texas in response to this solicitation are subject to release by the County as public information. If the Bidder believes that the Bid response, or part of it are confidential, as proprietary information, (s)he must specify that either all or part is excepted, and provide specific and detailed justification for its claim of confidentiality. Vague and general claims to confidentiality are not acceptable. All Bids or parts of the Bids which are not marked as confidential will be considered public information after a contract has been awarded. The successful Bid may be considered public information even though parts are marked confidential.
2. Brazos County, Texas assumes no responsibility for asserting legal arguments on behalf of Bidders. Bidders are advised to consult with their legal counsel concerning disclosure issues resulting from this bid process and to take precautions to safeguard trade secrets and other proprietary information.
3. Marking your entire Bid CONFIDENTIAL/PROPRIETARY is not in conformance with the Texas Public Information Act.

**G. Conflict of Interest**

1. The Bidder shall not offer or accept gifts or anything of value nor enter into any business arrangement with any employee, official or agent of Brazos County.
2. By signing and executing this Bid, the Bidder certifies and represents to the County the Bidder has not offered, conferred or agreed to confer any pecuniary benefit or other thing of value for the receipt of special treatment, advantage, information, recipient's decision, opinion, recommendation, vote or any other exercise of discretion concerning this Bid.
3. With the exception of interviews and other contacts initiated by Brazos County relevant to the selection process, Bidders, their employees or representatives, are prohibited from contacting any official or employee of Brazos County, except the Purchasing Agent, in regard to this Bid from the issuing date of the Bid until the date the Brazos County Commissioner's Court meets to consider award of the Bid. Any such contact will be grounds for rejection of the vendor's bid.

#### **H. Addenda and Modifications**

1. Any changes, additions or clarifications to the Bid will be made by numbered addenda and must be acknowledged in the Bid.
2. Any firm in doubt as to the meaning of any part of these requirements may request an interpretation thereof from the Purchasing Agent. At the request of the Bidder, or in the event the Purchasing Agent deems the interpretation to be substantive, the interpretation will be made by written addendum issued by the Purchasing Department. Such addendum will be posted on the Brazos Valley Online Bidding System and will become a part of the Bid package, having the same binding effect as provisions of the original Bid. No verbal explanation or interpretations will be binding. In order to have a request of interpretation considered, the request must be submitted in writing and must be received by the Purchasing Department no later than the question deadline.
3. All addenda, amendments and interpretations of this solicitation shall be in writing. Brazos County shall not be legally bound by any amendment or interpretation that is not in writing. Only information supplied by the County in writing or in this Bid should be used in preparing Bid responses.
4. The County does not assume responsibility for receipt of any addendum sent to Bidders.
5. All addenda must be acknowledged on this form.

#### **I. Examination of Documents and Requirements**



1. Each Bidder shall carefully examine all Bid documents and be thoroughly familiar with all requirements prior to submitting a Bid.
2. Before submitting a Bid, each Bidder shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and requirements affecting the requirements of the Bid. Failure to make such investigations and examinations shall not relieve the Bidder of the obligation to comply, in every detail, with all provisions and requirements of the Bid.

**J. Taxes**

1. Brazos County is tax exempt. Tax exemption certificates will be executed by the County upon request.

**K. Insurance**

The Contractor shall procure and maintain at its sole cost and expense for the duration of this Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, volunteers, employees or subcontractors. The Contractor's insurance coverage shall be primary insurance with respect to the County, its

officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officials, employees or volunteers shall be considered in excess of the Contractor's insurance and shall not contribute to it. Further, the Contractor shall include all subcontractors as additional insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein. **All Certificates of Insurance and endorsements shall be furnished to the County's Representative and approved by the County *before* work commences.**

Standard Insurance Policies Required:

- a. Commercial General Liability Policy
- b. Automobile Liability Policy
- c. Worker's Compensation Policy

General Requirements applicable to all policies:

- a. Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.
- b. Deductibles shall be listed on the Certificate of Insurance and are

- acceptable only on a per occurrence basis for property damage only.
- c. "Claims Made" policies will not be accepted.
  - d. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to Brazos County.
  - e. Brazos County shall be named as additional insured on all policies.
  - f. All insurance policies shall be furnished to Brazos County upon request.

**1. COMMERCIAL GENERAL LIABILITY**

- a. General Liability insurance shall be written by carrier with an A:VIII or better rating in accordance with the current Best Key Rating guide.
- b. Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
- c. No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.
- d. Excess Liability Umbrella Policy in the amount of not less than \$2,000,000.00 will be provided at the Contractors expense.
- e. Waiver of Subrogation is required.

**2. AUTOMOBILE LIABILITY**

- a. General Liability Insurance shall be written by a carrier with an A:VIII or better rating in accordance with the current Best Key Rating Guide.
- b. Minimum Combined Single Limit of \$600,000.00 per occurrence for bodily injury and property damage.

**3. WORKER'S COMPENSATION INSURANCE**

Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas compensation insurance policy; either directly through their employer's policy (the Contractor's or subcontractor's policy) or through an executed coverage agreement on an approved TWCC form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, Contractors and subcontractors *must* use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.

The worker's compensation insurance shall include the following terms:

- a. Employer's Liability limits of \$500,000.00 for each accident is required.

- b. "Texas Waiver of Our Right to Recover From Others Endorsement" shall be included in this policy. (Waiver of Subrogation)

Pursuant to the explicit terms of Title 28, Section 110.110 ( c ) (7) of the Texas Administrative Code, the bid specifications, this Agreement, and all subcontracts on this Project must include the following terms and conditions in the following language, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

*A. Definitions:*

Certificate of coverage ("certificate") - *A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Texas Worker's Compensation Commission, or a coverage agreement )TWCC-81), TWCC-83, or TWCC-84), showing statutory worker's 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 ("subcontractors" in section 406.096 {of the Texas Labor Code}) - *includes 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, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.*

- B. The Contractor shall provide coverage, based on the proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011 (44) for all employees of the Contractor providing services on the project, for the duration of the project.*
- C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.*
- D. 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.*

- E. *The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:*
- (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file providing services on the project, and certificates of coverage showing coverage for all person; and*
  - (2) no later than seven calendar 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.*
- F. *The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.*
- G. *The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.*
- H. *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.*
- I. *The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:*
- (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreement, that meets the statutory requirements of Texas Labor Code, Section 401.011 (44) for all of its employees providing services on the project, for the duration of the project;*
  - (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;*
  - (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.*
  - (4) obtain from each other person with whom it contracts, and provide to the Contractor:*
    - (a) a certificate of coverage, prior to the other person beginning work on the project; and*

*(b) 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;*

*(5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*

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

*(7) contractually require each person with whom it contracts, to perform as required by paragraphs (a)-(g), with the certificates of coverage to be provided to the person for whom they are providing services.*

*J. By signing this contract, or providing, or causing to be provided a certificate of coverage, 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.*

**4. CERTIFICATES OF INSURANCE** certificates shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:

- a. The company is licensed and admitted to do business in the State of Texas.
- b. The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or ISO.
- c. All endorsements and insurance coverage according to requirements and instructions contained herein.
- d. The form of the notice of cancellation, termination, or change in coverage provisions to Brazos County.
- e. Original endorsements affecting coverage required by the section shall be furnished with the certificates of insurance.

**L. Compliance with Law**

The Contractor's work and materials shall comply with all state and federal laws, municipal ordinances, regulations, and directions of inspectors appointed by proper authorities having jurisdiction.

The Contractor shall perform and require all subcontractors to perform the work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws as they apply to its employees. In the event any of the conditions of the specifications violate the code for any industry, then such code conditions shall prevail.

The Contractor shall follow all applicable state and federal laws, municipal ordinances, and guidelines concerning soil erosion and sediment control throughout the Project and warranty term.

**M.     Safety Precautions**

Safety precautions at the site are a part of the construction techniques and processes for which the Contractor shall be solely responsible. The Contractor is solely responsible for handling and use of hazardous materials or waste, and informing employees of any such hazardous materials or waste. The Contractor shall provide copies of all hazardous materials and waste data sheets to the County project manager upon request.

The Contractor has the sole obligation to protect or warn any individual of potential hazards created by the performance of the work set forth herein. The Contractor shall, at its own expense, take such precautionary measures for the protection of persons, property, and the work as may be necessary. The Contractor shall be held responsible for all damages to property, personal injuries and/or death due to failure of safety devices of any type or nature that may be required to protect or warn any individual of potential hazards created by the performance of the work set forth herein; and when any property damage is incurred, the damaged portion shall immediately be replaced or compensated for by the Contractor at its own cost and expense.

**N.     Indemnity**

To the fullest extent permitted by law, the Contractor agrees to and shall indemnify, hold harmless, and defend the County, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees for injury to or death of any person, for damage to any property, or for any breach of contract, arising out of or in connection with the work done by the Contractor under this Contract, provided that any such claim, loss, damage, cause of action, suit or liability is caused in whole or in part by an act or omission of the Contractor, any subcontractor, or any person, organization directly or indirectly employed by any of them to perform or furnish work on the Project. This indemnity shall apply regardless of whether such injuries, death,

damages, or breach are caused in part by the negligence or omission of the County, any other party indemnified hereunder, the Contractor, or a third party.

The indemnification shall include but not be limited to the following specific instances:

- a. In the event the County is damaged due to the act, omission, mistake, fault or default of the Contractor, then the Contractor shall indemnify and hold harmless and defend the County for such damage.
- b. The Contractor shall indemnify and hold harmless and defend the County from any claims for payment for goods or services brought by any material suppliers, mechanics, laborers, or other subcontractors.
- c. The Contractor shall indemnify and hold harmless and defend the County from any and all injuries to or claims to adjacent property owners caused by the Contractor, its agents, employees and representatives.
- d. The Contractor shall be responsible for any damage to the floor, walls, etc., caused by the Contractor's personnel or equipment.
- e. The Contractor shall also be responsible for the removal of all related debris.
- f. The Contractor shall also be responsible for subcontractors hired.
- g. The Contractor shall indemnify, hold harmless, and defend the County from any liability caused by the Contractor's failure to comply with applicable federal, state, or local regulations, that touch upon or concern the maintenance of a safe and protected working environment and the safe use and operation of machinery and equipment in that working environment, no matter where fault or responsibility lies.

The indemnification obligations of the Contractor under this section shall not extend to include the liability of any architect, their consultants, and agents or employees of any of them arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the architect, their consultants, and agents and employees of any of them, provided such giving or failure to give is the primary cause of the injury or damage.

#### **O. Release**

The Contractor assumes full responsibility for the work to be performed hereunder, and hereby releases, relinquishes, and discharges the County, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether employees of either party or other third parties) and any loss of or damage to any

property (whether property of either of the parties hereto, their employees, or of third parties) that is caused by or alleged to be caused by, arising out of, or in connection with the Contractor's work to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance, and in the event of injury, death, property damage, or loss suffered by the Contractor, any subcontractor, or any person or organization directly or indirectly employed by any of them to perform or furnish work on the project, this release shall apply regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the County.

**P. Bonding Requirements**

1. All bidders must submit, with bid, a cashier's check or certified check for at least five percent (5%) of the total bid price, payable to the order of Brazos County or a Bid Bond in the same amount issued by a surety, acceptable to Brazos County, authorized to do business in the State of Texas, as a guarantee that the Bidder will do the work described herein at the rates stated herein. Unsuccessful bidder's Cashier's Check or Certified Check will be returned after a written request to do so has been received by the Purchasing Agent.
2. The successful bidder must provide to the Purchasing Department, a performance bond and a payment bond, each in the amount of 100% of the total contract sum within ten (10) calendar days after receipt of notification of bid award. Such bonds shall be executed by a corporate surety duly authorized and admitted to do business in the State of Texas and licensed in the State of Texas to issue surety bonds with a Best Rating "A" or better. BRAZOS COUNTY RESERVES THE RIGHT TO ACCEPT OR REJECT ANY SURETY COMPANY PROPOSED BY THE BIDDER. IN THE EVENT BRAZOS REJECTS THE PROPOSED SURETY COMPANY THE BIDDER WILL BE AFFORDED FIVE (5) ADDITIONAL DAYS TO SUBMIT THE REQUIRED BONDS ISSUED BY A SURETY COMPANY ACCEPTABLE TO BRAZOS COUNTY.

**Q. Bid Submittal**

1. The Contractor shall submit the bid on the forms enclosed on the Brazos County web site. All blank spaces in forms shall be correctly filled in by typewriter or manually in ink and the bidder shall state the prices.
2. If a bid is submitted by an individual, their name must be signed by them or their duly authorized agent. If the bid is submitted by a firm, association, or partnership, the name and address of each member must be given, and the bid must be signed by an official or duly authorized agent.



3. **The Contractor must submit one original of the bid to Brazos County.**
4. The complete bid should include the following:
  - a. Completed and signed Bid.
  - b. Contractor's Qualification Statement (AIA Document A-305 or equal)
  - c. Bid bond, certified check or cashier's check for 5% of the total bid amount
  - d. Completed Bid Proposal Form
5. By signing the certification below, the vendor verifies that all plans, special conditions and specifications have been reviewed and are considered in the pricing attached.

**S. Pricing**

The pricing should be completed on the attached Bid Proposal Form.

**T. Addenda**

The undersigned acknowledges receipt of the following addenda issued during the time of Bidding and includes the changes therein in this Bid.

No. 1 No. 2 No. \_\_\_\_\_  
Date 8/21/17 Date 9/5/2017 Date \_\_\_\_\_

**U. Certification of Bid**

The undersigned affirms that they are duly authorized to execute this contract, that this bid has not been prepared in collusion with any other Contractor, and that the contents of this bid have not been communicated to any other Contractor prior to the official opening.

Brazos County is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <http://www.epls.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list. Respondent certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Respondent is in compliance with the State of Texas statutes and rules relating to procurement and that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epls.gov>.

Signed By: \_\_\_\_\_

Title: \_\_\_\_\_

Typed Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Phone No. \_\_\_\_\_

Mailing Address: \_\_\_\_\_

P. O. Box or Street

City

State

Zip

Employer Identification Number: \_\_\_\_\_

CORPORATE SEAL IF SUBMITTED BY A CORPORATION  
END OF BID NO. 17-301

By signing below, Brazos County agrees that this BID 17-301 will be awarded to the vendor whose name appears above and both parties agree to the terms and conditions contained herein.

By: Brazos County Commissioner's Court \_\_\_\_\_

Date \_\_\_\_\_

Attest: Brazos County Clerk <sup>by: Karen McQueen</sup>  
Teresa Ramirez



# Brazos County Purchasing Department

200 SOUTH TEXAS AVE SUITE 352  
PHONE (979) 361-4290

BRYAN, TX 77803  
FAX (979) 361-4293

## Addendum #2 to 17-301 Extension of Mesa Verde

Issued: September 5, 2017  
Changes: Extension of Submission Deadline

The bid submission deadline is extended to Tuesday, September 19, 2017.

This addendum should be signed by an authorized representative of the respondent and returned with the bid documents as specified in the bid.

**Acknowledgement of Addendum:**

Signature: Lonnie E. Mitchell  
Printed Name: Lonnie E. Mitchell



6310 State Hwy 21 West  
Bryan, TX 77806  
Mailing Address:  
P.O. Box 674  
Bryan, TX 77806  
(979) 361-2900 (979) 361-2981 FAX

## STATEMENT OF BIDDER'S QUALIFICATIONS

**Date of Incorporation: 01/28/93**

### **Corporate Officers:**

**Robert M. Kober  
James F. Snyder  
William Faris**

**Region President  
Vice President-Controller  
VP/GM – Bryan and Waco Divisions**

### **Type of Work:**

**Utilities  
Highway Construction  
Street and Road Construction  
Bridges  
Concrete Work  
Excavation – Site Work  
Airports**

**This firm has never failed to complete any work awarded to us. We have never defaulted on a contract.**

**We have immediately available a complete line of construction equipment, owned by our company and will be able to supply any equipment required on this project.**

**We are on the current Texas Department of Transportation qualified bidders list. A list of recently completed contracts is attached for your consideration.**

## COMPLETED AIRPORT PROJECTS

1. Texas Department of Transportation Aviation Division, McGregor Municipal Airport, 0709MGREG, \$2,053,083, Texas Department of Transportation Aviation Division, Engineers; Earthwork, Drainage, Base & Asphalt Paving.
2. Texas Department of Transportation Aviation Division, McGregor Municipal Airport, \$828,143, Texas Department of Transportation Aviation Division, Engineers; Earthwork, Drainage, Base & Asphalt Paving.
3. Waco Regional Airport Runway Safety Improvements, City of Waco, \$1,738,543; Earthwork & Drainage
4. Texas A&M University, Easterwood Runway 16/34 Pavement Rehabilitation, \$2,862,573; Hot Mix Paving
5. Texas A&M University, Easterwood Runway 10/28 Pavement Rehabilitation, \$2,210,288; Hot Mix Paving
6. Texas A&M University, Easterwood East Side Aviation Apron, \$663,186; Site work & Concrete Paving
7. Texas A&M University, Easterwood General Aviation Apron, \$775,893; Site work & Concrete Paving
8. Subcontractor to Don Jackson Construction, Brenham Municipal Airport, \$775,893; Site work & Hot Mix Paving

## COMPLETED TXDOT, MUNICIPAL & COMMERCIAL PROJECTS

1. City of College Station, 2006-2011 Hot Mix Installation, Project Amount: \$500,000, City of College Station, Engineers.
2. Texas Department of Transportation, BUS 6R (Texas Avenue Widening), Brazos County, STP 2004(390), Project Amount: \$17,099,795.70, Texas Department of Transportation, Engineers.
3. Texas Department of Transportation, SH 6, Brazos County, NH 2005(606), Project Amount \$6,341,040.11, Texas Department of Transportation, Engineers.
4. City of College Station, West Park Rehabilitation, Project Amount: \$3,543,818.00, Goodwin-Lasiter, Inc. Engineer.
5. TAC Realty, First American Plaza & Boulevard, Project Amount: \$2,569,448.00, McClure Engineering, Inc. Engineer.
6. City of Bryan, Beck Street Extension, Project Amount: \$7,642,350, City of Bryan Engineer.
7. Texas A&M University, F&B Road Construction, Project Amount: \$3,287,240.00. Klotz Associates, Engineer.
8. City of College Station, Dartmouth Extension Phase 2, \$3,019,477. Mitchell and Morgan, Engineers.
9. City of Waco, Arrowhead Estates Sewer, \$957,052. City of Waco, Engineers.
10. City of Waco, University Parks Bridge, \$1,778,255. City of Waco, Engineers.
11. City of College Station, Arrington Road and Decatur Drive Extension, \$4,233,235. City of College Station, Engineers.
12. Texas Department of Transportation, SH 6 Ramps, Brazos County, NH 2008(092), \$8,150,789.76, Texas Department of Transportation, Engineers
13. Texas Department of Transportation, FM 67, Hill County, STP 2008(847), \$3,394,953.00, Texas Department of Transportation, Engineers
14. Texas Department of Transportation, FM 248, Cass County, STP 2008(805), \$3,535,272.00, Texas Department of Transportation, Engineers
15. Texas Department of Transportation, SH 6, McLennan County, RMC 6210-10-001, \$865,659, Texas Department of Transportation, Engineers.
16. Texas Department of Transportation, FM 2818, Brazos County, STP 2008(683)RGS, \$20,854,415.32, Texas Department of Transportation, Engineers
17. Texas Department of Transportation, RM 963, Burnet County, STP 2010(794) SB, \$3,691,226, Texas Department of Transportation, Engineers
18. City of Bryan, Park Hudson Streets & Drainage, \$644,622, City of Bryan Engineering Staff
19. City of Bryan, Old Oaks Drainage Improvements, \$356,048, City of Bryan Engineering Staff
20. Texas Department of Transportation, SH 21, Nacogdoches County, STP 2009 (821) HES, \$7,259,761, Texas Department of

## Transportation, Engineers

21. City of Waco, Operations Center Complex, \$589,649, City of Waco Engineering Department
22. Texas Department of Transportation, SH 6, Brazos County, NH 2011 (316), \$5,113,465, Texas Department of Transportation, Engineers
23. Texas Department of Transportation, US 79, Robertson County, NH 2011 (313), \$1,056,112, Texas Department of Transportation, Engineers
24. City of Bryan, Bryan & Beck Street Rehab., \$3,588,899, Mitchell & Morgan Engineering
25. Texas Department of Transportation, SH 36, Austin County, HP 2010 (556) ES, \$31,436,567, Texas Department of Transportation, Engineers
26. City of Bryan, Highpoint Drive, \$1,075,461, City of Bryan Engineering Staff
27. Texas Department of Transportation, US 281, Lampasas County, STP 1102(379), Texas Department of Transportation, Engineers
28. Texas Department of Transportation, FM 1848, Freestone County, RMC-622808001, \$2,000,500, Texas Department of Transportation, Engineers
29. Grimes County Road Department, CR 302 & 419, \$874,000, Grimes County Engineering
30. Texas Department of Transportation, SH 30, Brazos County, RMC 624065001, \$191,000, Texas Department of Transportation, Engineers
31. Texas Department of Transportation, FM 975, Burleson County, RMC 623954001, \$217,444, Texas Department of Transportation, Engineers
32. Texas Department of Transportation, SH 21, Brazos County, HP 2011(957), \$8,129,856, Texas Department of Transportation, Engineers
33. Texas Department of Transportation, SH 21, Lee County, STP 2011(951)HES, \$3,082,111, Texas Department of Transportation, Engineers
34. Texas Department of Transportation, FM 933, Hill County, STP 2011 (094)HES, \$4,037,030, Texas Department of Transportation, Engineers
35. Texas Department of Transportation, FM 1480, San Saba County, BR 2012(287), \$569,932, Texas Department of Transportation, Engineers
36. Texas Department of Transportation, CR 454, Comanche County, BR 2009(503), Texas Department of Transportation, Engineers
37. Texas Department of Transportation, FM 1237, Bell County, STP 1102(412), \$2,094,931, Texas Department of Transportation, Engineers
38. Waco Industrial Foundation, Alliance Parkway, \$1,438,000, City of Waco and Hewitt Texas



39. Texas Department of Transportation, FM 1704, Bastrop County, STP 1102(153)HES, \$6,543,759, Texas Department of Transportation, Engineers
40. Texas Department of Transportation, FM 60, Brazos County, MH 1102(429), \$3,705,343, Texas Department of Transportation
41. Texas Department of Transportation, SH 6, Brazos County, STP 2012(330), \$1,074,251, Texas Department of Transportation, Engineers
42. Texas Department of Transportation, BS 6-R, Brazos County, NH 2012(558), \$1,592,000, Texas Department of Transportation, Engineers
43. Texas Department of Transportation, IH 35, Hill County, RMC 624023001, \$1,521,358, Texas Department of Transportation, Engineers
44. Texas Department of Transportation, CS 640, Hill County, BR 2009(143), \$603,456, Texas Department of Transportation, Engineers
45. Texas Department of Transportation, FM 141, Lee County, STP 2013(022)HES, \$2,211,098, Texas Department of Transportation, Engineers
46. Texas Department of Transportation, SH 47, Brazos County, STP 1102(590), \$9,775,626, Texas Department of Transportation, Engineers
47. Texas Department of Transportation, FM 1179, Brazos County, STP 2012(562), \$4,711,558, Texas Department of Transportation, Engineers
48. Texas Department of Transportation, US 77, Fayette County, STP 2013(699), \$3,046,231, Texas Department of Transportation, Engineers
49. Texas Department of Transportation, SH 30, Grimes County, STP 2013(890), \$475,761, Texas Department of Transportation, Engineers
50. Texas Department of Transportation, FM 696 and FM 448, Lee County, RMC 6245-13-001, \$1,029,888, Texas Department of Transportation, Engineers
51. Texas Department of Transportation, FM 148, Kaufman County, BR 2011(084), \$9,184,740, Texas Department of Transportation, Engineers
52. Texas Department of Transportation, FM 1641, Kaufman County, STP 2011 (470)ES, \$3,172,483, Texas Department of Transportation, Engineers
53. Texas Department of Transportation, FM 2818, Brazos County, STP 1102(237)SB, \$14,146,816, Texas Department of Transportation, Engineers
54. Texas Department of Transportation, FM 60, Brazos County, STP 2004(74), \$7,633,962, Texas Department of Transportation, Engineers
55. Texas Department of Transportation, SH 36, Austin County, C 187-2-64, \$10,802,786, Texas Department of Transportation, Engineers

56. Texas Department of Transportation, SH 105, Grimes County, STP 2013(058) SB, \$6,821,958, Texas Department of Transportation, Engineers
57. Texas Department of Transportation, US 183, Lampasas County, C 272-6-36, \$2,626,790, Texas Department of Transportation, Engineers
58. Texas Department of Transportation, FM 1365, Freestone County, RMC 6245-15-001, \$1,950,359, Texas Department of Transportation, Engineers
59. Texas Department of Transportation, FM 55, Navarro County, STP 2012(753)HES, \$3,070,555, Texas Department of Transportation, Engineers
60. Texas Department of Transportation, FM 1451, Freestone County, BR 2012(674), \$502,899, Texas Department of Transportation, Engineers
61. Texas Department of Transportation, SH 6, McLennan County, BR 2012(686), \$3,659,039, Texas Department of Transportation, Engineers
62. Texas Department of Transportation, FM 929, Coryell County, BR 2013(551), \$1,085,672, Texas Department of Transportation, Engineers
63. Texas Department of Transportation, SH 22, Hill County, STP 2013(467), \$6,401,417, Texas Department of Transportation, Engineers
64. Texas Department of Transportation, FM 930, Coryell County, BR 2013(551), \$1,026,148, Texas Department of Transportation, Engineers
65. Texas Department of Transportation, CR, Falls County, BR 1102(566)ETC, \$704,077, Texas Department of Transportation, Engineers
66. Texas Department of Transportation, PW, Coryell County, C 909-39-123, \$1,385,145, Texas Department of Transportation, Engineers
67. Texas Department of Transportation, FM 949, Austin County, STP 2013(595)HES, \$3,120,993, Texas Department of Transportation, Engineers
68. Texas Department of Transportation, SH 36, Washington County, NH 2013(947), \$3,601,986, Texas Department of Transportation, Engineers
69. Texas Department of Transportation, US 190, Madison County, RMC – 625917001, \$1,149,046, Texas Department of Transportation, Engineers
70. Texas Department of Transportation, SH 105, Grimes County, RMC – 625849001, \$857,038, Texas Department of Transportation, Engineers
71. Texas Department of Transportation, US 290, Washington County, NH 2013(339), \$1,024,093, Texas Department of Transportation, Engineers
72. Texas Department of Transportation, SH 6, Brazos County, NH 2014(455), \$1,420,898, Texas Department of Transportation, Engineers

73. Texas Department of Transportation, US 290, Lee County, NH 2014(516), \$3,515,264, Texas Department of Transportation, Engineers
74. Texas Department of Transportation, SH 6, Brazos County, RMC - 626226001, \$331,864, Texas Department of Transportation, Engineers
75. City of Bryan, 2015 Sealcoat Maintenance, \$625,715, City of Bryan, Engineers.
76. Texas Department of Transportation, SH 6, Brazos County, RMC - 0114-08-034, \$331,864, Texas Department of Transportation, Engineers
77. Texas Department of Transportation, US 290, Fayette County, 0114-08-034, \$3,140,617, Texas Department of Transportation, Engineers
78. Texas A&M Transportation Institute, Test Track Overlay, Brazos County, \$51,500, Texas A&M Transportation Institute, Engineers
79. Texas Department of Transportation, CR 190, Fayette County, BR 2008(550), \$404,025, Texas Department of Transportation, Engineers
80. Texas Department of Transportation, SH 105, Washington County, RMC - 626226001, \$487,931, Texas Department of Transportation, Engineers
81. Texas Department of Transportation, FM 2155, Burleson County, RMC 627604001, \$599,324, Texas Department of Transportation, Engineers
82. Texas Department of Transportation, FM 486, Milam County, RMC 627338001, \$640,342, Texas Department of Transportation, Engineers
83. Texas Department of Transportation, SH 21, Lee County, NH 1502(036), \$440,309, Texas Department of Transportation, Engineers

## CURRENT TXDOT, MUNICIPAL & COMMERCIAL PROJECTS

1. Texas Department of Transportation, SH 159, Austin County, STP 2015(428), \$10,938,936, Texas Department of Transportation, Engineers
2. Texas Department of Transportation, SH 30, Grimes County, STP 1402(194), \$5,718,784, Texas Department of Transportation, Engineers
3. Texas Department of Transportation, FM 1179, Brazos County, STP 2015(635), \$2,436,656, Texas Department of Transportation, Engineers
4. Texas Department of Transportation, FM 60, Brazos County, NH 2015(705), \$1,565,192, Texas Department of Transportation, Engineers
5. Texas Department of Transportation, SH 21, Brazos County, NH 2015 (530), \$2,625,544, Texas Department of Transportation, Engineers
6. Brazos County, Various FGSMAC HMA, Brazos County, \$723,758, Brazos County, Engineers
7. Texas Department of Transportation, FM 1373, Robertson County, BR 1502(142), \$1,204,159, Texas Department of Transportation, Engineers
8. Texas Department of Transportation, CR, Austin County, BR 2012(166), \$ \$442,957, Texas Department of Transportation, Engineers
9. Texas Department of Transportation, FM 60, Brazos County, NH 1502(140), \$ \$1,327,052, Texas Department of Transportation, Engineers
10. Texas Department of Transportation, SH 6 Ramps, Brazos County, NH 1502(234), \$7,542,870, Texas Department of Transportation, Engineers
11. City of College Station, Various FGSMAC HMA, Brazos County, \$359,126, City of College Station, Engineers
12. Texas Department of Transportation, SH 21, Madison County, NH 1502(525), \$3,009,580, Texas Department of Transportation, Engineers
13. Texas Department of Transportation, SH 21 Crossovers, Brazos County, NH 1502 (524), \$1,604,740, Texas Department of Transportation, Engineers
14. Texas Department of Transportation, FM 60, Brazos County, NH 1502(527), \$989,616, Texas Department of Transportation, Engineers
15. Texas Department of Transportation, FM 448, Lee County, STP 1502 (595), \$3,138,496, Texas Department of Transportation, Engineers

## KEY PERSONNEL

Bob Kober	Region President	Texas Operations	37
Bill Faris	VP/GM Bryan and Waco Divisions	Bryan & Waco Operations	32
Joe Sustaita	Hot Mix Paving Superintendent	Bryan & Waco Operations	36
Lynn Fitzgerald	Bridge Superintendent	Bryan & Waco Operations	38
Jay Martin	Construction Manager – Bryan	Heavy Highway, Bridges, Utilities & Airports	27
Lonnie Mitchell	Head Estimator - Bryan	Heavy Highway, Bridges, Utilities & Airports	40
Jon White	Estimator/Project Manager - Bryan	Heavy Highway, Bridges, Utilities & Airport	6
Josh Rook	Project Manager	Heavy Highway, Bridges, Utilities & Airport	6
Michael Lackey	Project Manager	Heavy Highway, Bridges, Utilities & Airports	14

## PERFORMANCE REFERENCES

Mr. Karl Nelson, P. E.  
Area Engineer  
Texas Department of Transportation  
2102 Tabor Road  
Bryan, Texas 77803  
Phone: 979-778-6233

Mr. Lance Simmons, P.E.  
District Engineer  
Texas Department of Transportation  
2591 N. Earl Rudder Freeway  
Bryan, Texas 77803  
Phone: 979-778-2165

Mr. Mark Shafer, P. E.  
Area Engineer  
Texas Department of Transportation  
1821 SH 105  
Brenham, TX 77833  
Phone: 254-883-3302

Mr. Andrew Holick, P.E.  
Area Engineer  
Texas Department of Transportation  
580 IH-45 N.  
Huntsville, TX 77320  
Phone: 936-295-3462

Mr. W. Paul Kaspar, P.E.  
City Engineer  
City of Bryan  
P. O. Box 1000  
Bryan, Texas 77805  
Phone: 979-209-5030

Mr. Terry Paholek, P.E.  
Director of Operations  
Texas Department of Transportation  
2591 N. Earl Rudder Freeway  
Bryan, Texas 77803  
Phone: 979-778-2165

Robert Willis  
Operations Supervisor  
City of Bryan Streets & Drainage  
1111 Waco Street  
Bryan, Texas 77803  
Phone: 979-209-5924

## House Bill 89 & Debarment Verification

Brazos County is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <https://www.sam.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list. Respondent certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Respondent is in compliance with the State of Texas statutes and rules relating to procurement and that Respondent is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov>.

The undersigned affirms the non-debarment statement above, that they are duly authorized execute this contract.

The company representative below further affirms, that the company submitting this proposal, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:

1. Does not boycott Israel currently; and
2. Will not boycott Israel during the term of the contract.

Pursuant to Section 2270.001, Texas Government Code:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made or ordinary business purposes; and
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.

Company Name: Knife River Corporation - South

Authorized Company Representative: Bill Faris

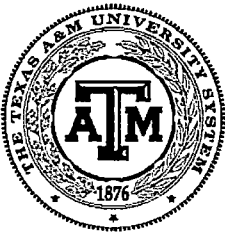
Address: 6310 State Hwy 21 West

Bryan, Tx. 77807

Signature: Bill Faris

Date: 10/6/17

Contract #: 17-301



**THE TEXAS A&M UNIVERSITY SYSTEM**  
**301 Tarrow Street, 2<sup>nd</sup> Floor**  
**College Station, Texas 77840**

**Minimum Prevailing Wage Rate**  
**County: Brazos**

CLASSIFICATION	RATE	NOTES
Acoustic Ceiling Installer	14.66	
Asbestos Abatement Worker	13.07	
Carpenter	14.30	
Concrete – Pour and Finish	14.75	
Crane Operator	25.22	
Driver	12.27	
Drywall Installer	14.33	
Electrician – Journeyman	20.27	
Electrician – Apprentice	13.50	
Elevator Mechanic – Journeyman	56.39	
Elevator Mechanic – Apprentice	47.12	
Fire Protection – Controls	18.86	
Fire Protection – Pipefitter	18.84	
Formwork Builder	14.03	
Glazier	15.84	
HVAC – Journeyman	20.06	
HVAC – Apprentice	13.87	
HVAC – Controls	15.14	
Insulator	12.41	
Ironworker	16.57	
Laborer/Helper	11.31	
Mason	16.92	
Equipment Operator – Light	13.20	
Equipment Operator – Heavy	16.18	
Painter	12.50	
Pipefitter – Journeyman	28.44	
Pipefitter - Apprentice	15.90	
Plasterer	14.81	
Plumber – Journeyman	26.94	
Plumber – Apprentice	16.35	
Reinforcing Steel Worker	13.80	
Roofer	13.80	
Stone Mason	15.51	
Terrazzo Installer	11.64	
Tile Setter	14.76	
Waterproofer	14.26	

Note: Listed minimum prevailing wage rate is the base hourly wage rate including fringes.



**MESA VERDE DRIVE  
BID PROPOSAL FORM**

Knife River

BPI

Angel Brothers

Larry Young Paving

TexCon

ITEM #	SPEC. #	UNITS	ITEM DESCRIPTION	QUANT.	Knife River		BPI		Angel Brothers		Larry Young Paving		TexCon	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
			ROADWAY ITEMS											
1	500	L.S	Mobilization	1	57,575.00	57,575.00	60,297.50	60,297.50	125,000.00	125,000.00	50,000.00	50,000.00	60,000.00	60,000.00
2	502	MONTH	Traffic Control	12	1,340.00	16,080.00	1,360.00	16,320.00	715.00	8,580.00	800.00	9,600.00	2,000.00	24,000.00
3	100	ACRE	Prepare ROW	7	11,000.00	77,000.00	3,425.00	23,975.00	12,500.00	87,500.00	3,500.00	24,500.00	8,000.00	56,000.00
4	105	S.Y	Removed Asphalt Pavement	183	8.70	1,592.10	36.00	6,588.00	34.00	6,222.00	6.50	1,189.50	6.00	1,098.00
5	105	Ea.	Remove Storm Pipe	1	300.00	300.00	1,515.00	1,515.00	3,200.00	3,200.00	1,500.00	1,500.00	100.00	100.00
6	506	L.F	SWPPP-Silt Fence	500	2.50	1,250.00	3.00	1,500.00	1.75	875.00	2.25	1,125.00	2.00	1,000.00
7	506	Ea.	SWPPP-Rock Filter Dam (Permanent)	79	450.00	35,550.00	615.00	48,585.00	550.00	43,450.00	750.00	59,250.00	400.00	31,600.00
8	506	Ea.	SWPPP-Rock Filter Dam (Temporary)	2	689.00	1,378.00	615.00	1,230.00	550.00	1,100.00	750.00	1,500.00	750.00	1,500.00
9	506	Ea.	SWPPP-Construction Entrance	1	1,700.00	1,700.00	4,400.00	4,400.00	2,000.00	2,000.00	1,650.00	1,650.00	1,250.00	1,250.00
10	110	C.Y	Excavation	11653	6.40	74,579.20	9.55	111,286.15	14.50	168,968.50	10.00	116,530.00	6.50	75,744.50
11	216	Hr	Proof Rolling	12	90.00	1,080.00	93.50	1,122.00	64.00	768.00	80.00	960.00	100.00	1,200.00
12	164	S.Y,	Cellulose Fiber Mulch Seeding	16506	1.36	22,448.16	1.35	22,283.10	1.25	20,632.50	0.41	6,767.46	1.35	22,283.10
13	168	1K Gal	Vegetative Watering	50	43.00	2,150.00	354.20	17,710.00	27.00	1,350.00	50.00	2,500.00	120.00	6,000.00
14	260275	S.Y	Stabilized Subgrade (8")-Lime,	12257	5.33	65,329.81	6.45	79,057.65	4.90	60,059.30	5.50	67,413.50	5.75	70,477.75
			Cement, and/or Fly Ash(260,265, or 275)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	3031	S.Y	TENSAR TX5 TRIAX GEOGRID	2485	3.31	8,225.35	3.85	9,567.25	4.00	9,940.00	4.25	10,561.25	5.00	12,425.00
16	247	S.Y	Type A Grade 1 Crushed Limestone Base (10")	10483	15.65	164,058.95	14.70	154,100.10	16.75	175,590.25	20.63	216,264.29	16.50	172,969.50
17	276	S.Y	Cement Treated Base- Plant Mixed (6" Thick)	1141	15.60	17,799.60	18.60	21,222.60	16.80	19,168.80	14.75	16,829.75	15.00	17,115.00
18	340	S.Y	D-GR HMA (SQ) TYPE D SAC-B PG70-22 (2")	10198	7.00	71,386.00	9.55	97,390.90	8.50	86,683.00	9.15	93,311.70	11.00	112,178.00
19	340	S.Y	D-GR HMA (SQ) TYPE B PG 64-22 (2.5")	10340	8.20	84,788.00	11.90	123,046.00	10.00	103,400.00	12.00	124,080.00	13.00	134,420.00
20	340	Ton	D-GR HMA (SQ) TYPE B PG 64-22 (LEVEL UP)	5	300.00	1,500.00	156.00	780.00	610.00	3,050.00	100.00	500.00	150.00	750.00
21	347	S.Y	1" THIN OVERLAY (TOM-C)	2718	7.00	19,026.00	6.65	18,074.70	9.50	25,821.00	7.70	20,928.60	17.00	46,206.00
22	292	S.Y	Asphalt Treatment 1" (bond breaker)	1141	7.40	8,443.40	6.30	7,188.30	11.60	13,235.60	7.80	8,899.80	12.00	13,692.00
23	529	L.F	Type2 Curb and Gutter, 6 "Ht.	354	26.00	9,204.00	3.25	1,150.50	20.00	7,080.00	5.00	1,770.00	11.00	3,894.00
24	529	L.F	Type 2 Curb and Gutter, 6" Ht. (SLOTTED)	354	26.00	9,204.00	3.80	1,345.20	20.00	7,080.00	8.00	2,832.00	15.00	5,310.00
25	528	S.Y	Landscape Pavers	58	135.33	7,849.14	78.00	4,524.00	110.00	6,380.00	97.20	5,637.60	105.00	6,090.00
26	432	S.Y	Common Rip Rap (Item 432)	552	51.00	28,152.00	60.50	33,396.00	50.00	27,600.00	36.00	19,872.00	45.00	24,840.00
27	432	S.Y	Concrete Cap on Gas lines	34	235.00	7,990.00	110.00	3,740.00	108.00	3,672.00	45.00	1,530.00	60.00	2,040.00
28	360	S.Y	8" JRCP	993	74.00	73,482.00	41.60	41,308.80	57.00	56,601.00	43.70	43,394.10	43.00	42,699.00
29	464	L.F	18" RCP	30	63.75	1,912.50	55.70	1,671.00	73.00	2,190.00	70.00	2,100.00	80.00	2,400.00
30	467	Ea.	18" SET	2	715.00	1,430.00	825.00	1,650.00	1,665.00	3,330.00	950.00	1,900.00	800.00	1,600.00
31	464	L.F	36" RCP	226	112.00	25,312.00	109.20	24,679.20	115.00	25,990.00	155.00	35,030.00	140.00	31,640.00
32	467	Ea.	36" SET	6	4,000.00	24,000.00	3,445.00	20,670.00	4,060.00	24,360.00	3,250.00	19,500.00	4,000.00	24,000.00
33	467	Ea.	60" RCP	128	264.00	33,792.00	245.70	31,449.60	292.00	37,376.00	360.00	46,080.00	300.00	38,400.00
34	464	L.F	60" SET	2	6,050.00	12,100.00	6,845.00	13,690.00	5,900.00	11,800.00	6,500.00	13,000.00	4,500.00	9,000.00
35	465	Ea.	84" RCP	96	500.00	48,000.00	535.90	51,446.40	488.00	46,848.00	632.50	60,720.00	510.00	48,960.00
36	464	L.F	84" SET	2	17,500.00	35,000.00	6,610.00	13,220.00	7,800.00	15,600.00	13,000.00	26,000.00	12,900.00	25,800.00
37	402	L.F	Trench Safety	224	8.70	1,948.80	1.00	224.00	7.50	1,680.00	6.00	1,344.00	1.00	224.00
38	644	Ea.	Aluminum Sign Type A (Small)	30	720.00	21,600.00	405.00	12,150.00	375.00	11,250.00	500.00	15,000.00	460.00	13,800.00
39	666	LF	Pavement Markings, Type I. 8" Solid White	371	4.67	1,732.57	4.65	1,725.15	4.30	1,595.30	1.42	526.82	4.80	1,780.80
40	666	LF	Pavement Markings, Type I. 24" Solid White	123	13.86	1,704.78	13.80	1,697.40	12.75	1,568.25	6.75	830.25	14.20	1,746.60
41	666	LF	Pavement Markings, Type I, 6" Solid White	478	3.53	1,687.34	3.50	1,673.00	3.25	1,553.50	1.20	573.60	3.62	1,730.36
42	666	LF	Pavement Markings, Type I, 6" Dashed White	110	4.62	508.20	4.60	506.00	4.25	467.50	1.20	132.00	4.72	519.20

43	666	LF	Pavement Markings Type I, 6" Solid Yellow	386	3.53	1,362.58	3.50	1,351.00	3.25	1,254.50	1.20	463.20	3.62	1,397.32
44	666	LF	Pavement Markings Type II, 4" Solid White	5294	0.54	2,858.76	0.55	2,911.70	0.50	2,647.00	0.65	3,441.10	0.60	3,176.40
45	666	LF	Pavement Markings, Type II, 4" Solid Yellow	5228	0.54	2,823.12	0.55	2,875.40	0.50	2,614.00	0.65	3,398.20	0.60	3,136.80
46	666	LF	Pavement Markings, Type II 8" Solid white	573	1.09	624.57	1.10	630.30	1.00	573.00	1.42	813.66	1.12	641.76
47	666	LF	Pavement Markings, Type II, 24" Solid White	287	4.62	1,325.94	4.60	1,320.20	4.25	1,219.75	6.75	1,937.25	4.72	1,354.64
48	666	LF	Pavement Markings, Type II, 12 Solid Yellow	12	2.34	28.08	2.30	27.60	2.15	25.80	3.25	39.00	2.40	28.80
49	666	LF	Pavement Markings, Type II, 6" Solid White	478	1.09	521.02	1.10	525.80	1.00	478.00	1.00	478.00	1.11	530.58
50	666	LF	Pavement Markings, Type II, 6" Dashed White	110	1.09	119.90	1.10	121.00	1.00	110.00	1.00	110.00	1.11	122.10
51	666	LF	Pavement Markings, Type II, 6" Solid Yellow	386	0.65	250.90	0.65	250.90	0.60	231.60	1.00	386.00	0.67	258.62
52	666	LF	Pavement Markings, Type II, 12 Solid White	32	2.34	74.88	2.30	73.60	2.15	68.80	1.00	32.00	2.40	76.80
53	668	Ea.	Pavement Markings, Type A, "Only" Word Message	4	359.00	1,436.00	355.00	1,420.00	330.00	1,320.00	150.00	600.00	370.00	1,480.00
54	668	Ea.	Pavement Markings, Type B, Turn Arrow	4	278.00	1,112.00	275.00	1,100.00	255.00	1,020.00	125.00	500.00	284.00	1,136.00
55	668	Ea.	Pavement Markings, Type B, Straight Arrow	2	234.00	468.00	230.00	460.00	215.00	430.00	125.00	250.00	240.00	480.00
56	672	Ea.	Raised Pavement Marker Type II-C-R White	23	8.15	187.45	8.00	184.00	7.50	172.50	4.75	109.25	8.40	193.20
57	672	Ea.	Raised Pavement Marker Type II-A-A Yellow	64	8.15	521.60	8.00	512.00	7.50	480.00	4.75	304.00	8.40	537.60
58	672	Ea.	Raised Pavement Marker Type I-C White	10	8.15	81.50	8.00	80.00	7.50	75.00	4.75	47.50	8.40	84.00
59		Ea.	One Year WARRANTY on all materials and work	1	2,800.00	2,800.00	1.00	1.00	5,000.00	5,000.00	1.00	1.00	1.00	1.00
<b>TOTAL ROADWAY ITEM</b>						1,096,445.20		\$1,103,000.00		1,278,335.45		1,146,543.38		1,163,118.43
<b>CONTINGENCY (SET BY OWNER)</b>						100,000.00		100,000.00		100,000.00		100,000.00		100,000.00

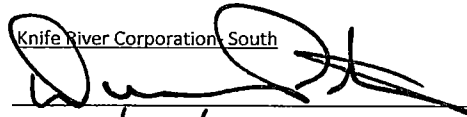
**TOTAL (ROADWAY + CONTINGENCY)**  
**PROJECT DURATION 180 CALENDAR DAYS**

<b>1,196,445.20</b>	<b>\$1,203,000.00</b>	<b>1,378,335.45</b>	<b>1,246,543.38</b>	<b>1,263,118.43</b>
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Recommended Award: Knife River Corporation South

Approved by:

Approved on:

  
10/17/17

**From:** Marie Wolfe  
**To:** Duane Peters; Steve HW. Aldrich; Samuel J. Catalena; Nancy F. Berry; Irma Cauley; Karen McQueen; Candy Gallego  
**Cc:** Susan Hardin; Mary Lou Price; Karen Weir; Kim Thompson; Ward Wells; Kevin Griffin; Cecivon Garcia; Howard Williams; Bernie Bernard; Karen Pitts; Teresa Beckham; Jim Maness; Patricia Chalupsky; Terri Pourahmadi; Nadia Nikolov; Felice Long; Gary Arnold  
**Subject:** October 17, 2017 Commissioners Court Agenda Items  
**Date:** Monday, October 16, 2017 10:41:20 AM

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Dear Judge and Commissioners,

Since I will be unable to attend tomorrows Commissioners Court, I wanted to give input on a few items on the agenda and request they be added to the minutes.

**#24. Interlocal agreement between City of College Station and Brazos County for the Arrington Road Reconstruction.**

While I believe Arrington Road is in desperate need of reconstruction, I'm concerned that the improvements will not alleviate the safety concerns for the Nantucket residents that have driveways entering onto Arrington Road. At the March 2017 BCSMPO presentation the County Engineer said that the improvements were to be 3 lanes from the City line to just past Harpers Ferry Road where the majority of the homes reside. The middle lane was to be a turn lane and this was thought to be an excellent way of eliminating some of our safety concerns. Now it seems that the plan has been changed back to 2 lanes improved. Will you reconsider and go back to the original plan?

The other issue is that I have not been able to find documentation about how or if the Nantucket Residents property will be affected? There is also a fence that the Nantucket HOA has installed a few years back. Will that fence be impacted and how? We have drainage concerns, will the same amount of water flow into Nantucket or will it be affected with the reconstruction?

While I understand the need for this interlocal agreement in order to facilitate the County's ability to use eminent domain on City lands to gain the necessary ROW, I would appreciate if the above questions were answered at the meeting.

**#26. Change order to purchase order # 17003659 to Mitchell and Morgan in the amount of \$9,250.00, for platting services on project 17-304.**

While I realize that this is not the Mitchell and Morgan order for the work done by them on the realignment of a future minor collector to Harpers Ferry Road on Arrington Road, I'm still wondering where that purchase order is since I cannot seem to find it when going through the Court's agendas/minutes. Please have someone send me the purchase order for the work I'm interested in.

**#27. Award of Bid # 17-301, Extension of Mesa Verde and approval of unit price contract in the amount of \$1,196,445.20.**

I wanted to add my voice to the need for this Extension of Mesa Verde as quickly as possible. As you know I've been to the Court requesting this back in 2016.

This is a very large amount of money and there is no documentation attached so a citizen can intelligently review and understand that this is the best bid and the timeframe that it will be worked. First we were told that this work will be completed end of 2017 and now mid-2018. Does the bid guarantee mid-2018?

I would appreciate it if my concerns were brought up and discussed at the Commissioners Court 10/17/2017 meeting so I can listen to the answers. I am very sorry that I cannot attend the meeting, but am sure others would want to hear those answers as well.

Sincerely,

Marie E. Wolfe  
4576 Sandpiper Cove  
College Station, TX 77845



**BRAZOS COUNTY  
BRYAN, TEXAS**

DEPARTMENT:

Road and Bridge

NUMBER:

CC 2017 - Utility Adjustment -  
Wellborn SUD - Cherokee Drive -  
Relocate 2" water line and 2  
meters.

DATE OF COURT MEETING:

10/17/2017

ITEM:

Consider and take action on the Wellborn Special Utility District cost estimate of \$4,550.00 for the relocation of a 2 inch waterline and 2 meters to accommodate the expansion and improvements to Cherokee Drive. Site is located in Precinct 1.

TO:

Commissioners Court

FROM:

Darrell Kolwes

DATE:

10/12/2017

FISCAL IMPACT:

False

BUDGETED:

False

DOLLAR AMOUNT:

\$0.00

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

[Utility Adjustment - Wellborn SUD - Cherokee Drive - Relocate 2 inch water line and 2 meters.pdf](#)

Utility Adjustment - Wellborn  
SUD - Cherokee Drive -  
Relocate 2 inch water line  
and 2 meters.

Backup  
Material

**BRAZOS COUNTY  
COMMISSIONERS' COURT  
ACTION FORM**

---

DEPARTMENT: Road & Bridge

MEETING DATE: October 17, 2017

SUBJECT: Utility Adjustment – Cherokee Drive

Consider and take action on the Wellborn Special Utility District cost estimate of \$4,550.00 for the relocation of a 2 inch waterline and 2 meters to accommodate the expansion and improvements to Cherokee Drive. Site is located in Precinct 1.

SUBMITTED BY:




Darrell W. Kolwes  
Right of Way Agent

ACKNOWLEDGED BY:

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Steve Aldrich  
Commissioner Precinct 1

This request is ☒ **APPROVED** / ☐ **DENIED** by Commissioners' Court

  
Duane Peters, County Judge

DATE: 10/17/17

# K& W Utilities

ESTIMATE 10/03/2017

P.O. Box 371  
Wellborn, TX 77881

Wellborn SUD  
4118 Greens Prairie Rd  
College Station, Texas 77845

ESTIMATED COST

**\$4550.00**

~~INDIAN LAKES~~ Cherokee Drive

Item Description	PRICE	QTY	TOTAL
Relocate 2" Water Line	\$5.50/ft	500FT	\$2750.00
Relocate Water Meter	\$400.00	2	\$800.00
Tie End	\$500.00	2	\$1000.00
		SUBTOTAL	\$4550.00
TOTAL			\$4550.00



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Road and Bridge      NUMBER: CC 2017 - Private Property Access  
- Ann Duke - Merka Road - Cut  
down earthen berm.

DATE OF COURT MEETING: 10/17/2017

ITEM: Request permission to enter private property owned by Ann Duke on Merka Road 0.46 mile southeast of Old Reliance Road. County will cut down berm on new right of way and going into private property for a more manageable ditch back slope. Work is being done for future improvements to Merka Road. Site is located in Precinct 2.

TO: Commissioners Court

FROM: Darrell Kolwes

DATE: 10/11/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

**Description**

**Type**

[Private Property Access - Ann Duke - Merka Road - Cut down earthen berm.pdf](#)

Private Property Access - Ann Duke -  
Merka Road - Cut down earthen berm. Backup Material



**BRAZOS COUNTY  
COMMISSIONERS' COURT  
ACTION FORM**

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DEPARTMENT: Road & Bridge

MEETING DATE: October 17, 2017

SUBJECT: Private Property Access

Request permission to enter private property owned by Ann Duke on Merka Road 0.46 mile southeast of Old Reliance Road. County will cut down berm on new right of way and going into private property for a more manageable ditch back slope. Work is being done for future improvements to Merka Road. Site is located in Precinct 2.

SUBMITTED BY:



Darrell W. Kolwes  
Right of Way Agent

ACKNOWLEDGED BY:



Sammy Catalena  
Commissioner Precinct 2

This request is ☒ **APPROVED** / ☐ **DENIED** by Commissioners' Court



Duane Peters, County Judge

Date: 10/17/17



## BRAZOS COUNTY PRIVATE PROPERTY ACCESS FORM

E. Duane Peters  
Brazos County Judge

Steve Aldrich  
Commissioner Pct. 1

Texas 77803

Office: 979-822-2127

Sammy Catalena  
Commissioner Pct. 2

979-775-0453

Nancy Berry  
Commissioner Pct. 3

Irma Cauley  
Commissioner Pct. 4

Brazos County Road & Bridge Dept.  
2617 Hwy 21 West

Bryan,

Fax:

I. OWNER(S): Ann Duke (832) 309-7493

II. ADDRESS: 4230 Canary Isle Ct.  
Katy, Texas 77450-8024

III. LOCATION OF WORK: 0.46 mile southeast of Old Reliance Road on Merka Road  
R13784 – T. M. Splane Survey, A-53, Tracts 35.1, 240.29  
acres

IV. DESCRIPTION OF WORK: Request permission to enter property to cut down  
hump for a manageable area for ditch back slope and fencing on Merka Road.  
Additional Comments: \_\_\_\_\_

V. MAINTENANCE: Yes \_\_\_\_\_ No X

IF YES, ESTIMATE FREQUENCY OF MAINTENANCE: NA

I (we) the undersigned owner(s) grant permission to Brazos County the ability to access the  
above mentioned private property for roadway maintenance purposes.

Owner's Signature: Ann Duke  
Ann Duke

Date: 10/11/17

Gary Arnold  
Gary Arnold  
Road & Bridge Administrator

Darrell W. Kolwes  
Darrell W. Kolwes  
Right of Way Agent



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Expenditure Journal Entries:

- a. Expenditure Journal Entries FY 16/17 130096 - 130100
- b. Expenditure Journal Entries FY 17/18 100035 - 100041

TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">batchjnIBCamb3_14692.pdf</a>	FY 16/17 JEs	Backup Material
<a href="#">batchjnIBCamb3_12260.pdf</a>	FY 17/18 JEs	Backup Material

30


10/12/17  
ACCOUNTING PERIOD: 13/17

BRAZOS COUNTY, TX  
BATCH JOURNAL ENTRY EDIT LIST

PAGE 1

CONTROL NUMBER RECORD	J E NUMBER FUND	DESCRIPTION DIV/FUND	ACCOUNT	PERIOD/YR PROJECT	HOLD ACCOUNT	ITEM DESCRIPTION	DEBIT AMOUNT	CREDIT AMOUNT
10*12*17		130096	Trvl Reimb - G Aguil	13/17	Y			
326059	0100	19000100	61801000			SA 9.20-22.17	80.00	
326060	0100	0100	20395100			SA 9.20-22.17		80.00
TOTAL JOURNAL ENTRY							80.00	80.00
10*12*17		130097	Trvl Reimb - S Zimme	13/17	Y			
326061	0100	19000100	61801000			SA 9.20-22.17	322.00	
326062	0100	0100	20121460			SA 9.20-22.17		322.00
TOTAL JOURNAL ENTRY							322.00	322.00
10*12*17		130098	Trvl Reimb - W Swear	13/17	Y			
326063	0100	19000100	61801000			SA 9.20-22.17	556.38	
326064	0100	0100	20322100			SA 9.20-22.17		556.38
TOTAL JOURNAL ENTRY							556.38	556.38
10*12*17		130099	Trvl Reimb - J Heber	13/17	Y			
326065	0100	19000100	61801000			SA 9.20-22.17	322.00	
326066	0100	0100	20118650			SA 9.20-22.17		322.00
TOTAL JOURNAL ENTRY							322.00	322.00
10*12*17		130100	Trvl Reimb - M Chava	13/17	Y			
326067	0100	19000100	61801000			SA 9.20-22.17	570.32	
326068	0100	0100	20119370			SA 9.20-22.17		570.32
TOTAL JOURNAL ENTRY							570.32	570.32
TOTAL CONTROL NUMBER							1,850.70	1,850.70
TOTAL REPORT							1,850.70	1,850.70

APPROVED

 10/17/17  
Duane Peters date  
County Judge

10/12/17  
ACCOUNTING PERIOD: 1/18

BRAZOS COUNTY, TX  
BATCH JOURNAL ENTRY EDIT LIST

PAGE 1

CONTROL NUMBER RECORD	J E NUMBER FUND	DESCRIPTION DIV/FUND	ACCOUNT	PERIOD/YR PROJECT	HOLD ACCOUNT	ITEM DESCRIPTION	DEBIT AMOUNT	CREDIT AMOUNT
10-12-17		100035	TSF 0100>2200	BUDGET 1/18	Y			
326031	0100	0100	91200000			TSF 0100>2200 BUDGET	310,909.00	
326032	0100	0100	11005200			TSF 0100>2200 BUDGET		310,909.00
326033	2200	2200	11005200			TSF 0100>2200 BUDGET	310,909.00	
326034	2200	2200	49028000			TSF 0100>2200 BUDGET		310,909.00
TOTAL JOURNAL ENTRY							621,818.00	621,818.00
10-12-17		100036	TSF 0100>4500	BUDGET 1/18	Y			
326035	0100	0100	91110000			TSF 0100>4500 BUDGET	13,078,561.00	
326036	0100	0100	11005200			TSF 0100>4500 BUDGET		13,078,561.00
326037	4500	4500	11005200			TSF 0100>4500 BUDGET	13,078,561.00	
326038	4500	4500	49028000			TSF 0100>4500 BUDGET		13,078,561.00
TOTAL JOURNAL ENTRY							26,157,122.00	26,157,122.00
10-12-17		100037	TSF 0100>1900	BUDGET 1/18	Y			
326039	0100	0100	91590000			TSF 0100>1900 BUDGET	82,889.00	
326040	0100	0100	11005200			TSF 0100>1900 BUDGET		82,889.00
326041	1900	1900	11005200			TSF 0100>1900 BUDGET	82,889.00	
326042	1900	1900	49028000			TSF 0100>1900 BUDGET		82,889.00
TOTAL JOURNAL ENTRY							165,778.00	165,778.00
10-12-17		100038	TSF 0100>1700	BUDGET 1/18	Y			
326043	0100	0100	91020000			TSF 0100>1700 BUDGET	25,000.00	
326044	0100	0100	11005200			TSF 0100>1700 BUDGET		25,000.00
326045	1700	1700	11005200			TSF 0100>1700 BUDGET	25,000.00	
326046	1700	1700	49028000			TSF 0100>1700 BUDGET		25,000.00
TOTAL JOURNAL ENTRY							50,000.00	50,000.00
10-12-17		100039	TSF 0100>5000	BA#1.2 1/18	Y			
326047	0100	0100	91330000			TSF 0100>5000 BA#1.2	1,600.00	
326048	0100	0100	11005200			TSF 0100>5000 BA#1.2		1,600.00
326049	5000	5000	11005200			TSF 0100>5000 BA#1.2	1,600.00	
326050	5000	5000	49028000			TSF 0100>5000 BA#1.2		1,600.00
TOTAL JOURNAL ENTRY							3,200.00	3,200.00
10-12-17		100040	TSF 4500>5000	BA#1.4 1/18	Y			
326051	4500	4500	91330000			TSF 4500>5000 BA#1.4	14,351.00	
326052	4500	4500	11005200			TSF 4500>5000 BA#1.4		14,351.00
326053	5000	5000	11005200			TSF 4500>5000 BA#1.4	14,351.00	
326054	5000	5000	49015000			TSF 4500>5000 BA#1.4		14,351.00
TOTAL JOURNAL ENTRY							28,702.00	28,702.00
10-12-17		100041	TSF 4500>0100	BA#1.5 1/18	Y			
326055	4500	4500	91300000			TSF 4500>0100 BA#1.5	24,995.10	
326056	4500	4500	11005200			TSF 4500>0100 BA#1.5		24,995.10
326057	0100	0100	11005200			TSF 4500>0100 BA#1.5	24,995.10	
326058	0100	0100	49015000			TSF 4500>0100 BA#1.5		24,995.10
TOTAL JOURNAL ENTRY							49,990.20	49,990.20
TOTAL CONTROL NUMBER							27,076,610.20	27,076,610.20
TOTAL REPORT							27,076,610.20	27,076,610.20



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Budget Office NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: a. Budget Amendments FY 16/17 55.1  
TO: Commissioners Court  
FROM: Irene Jett  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00  
SOURCE OF FUNDS: Individual budget amendments specifies sources.  
ACTION REQUESTED OR ALTERNATIVES: Request approval.

**ATTACHMENTS:**

**File Name**

[55\\_Coversheet.pdf](#)

[55.1.pdf](#)

**Description**

55 Coversheet

55.1 Jail

**Type**

Cover Memo

Backup Material

**BRAZOS COUNTY, TEXAS****BUDGET AMENDMENT(S) FOR THE 2016-2017 BUDGET YEAR****NO. 16/17 55.1**

On this the 17th day of October 2017 at a regular meeting of the Commissioners' Court, the following members were present:

- A. Duane Peters, County Judge, Presiding
- B. Steve Aldrich, Commissioner, Precinct 1
- C. Sammy Catalena, Commissioner, Precinct 2
- D. Nancy Berry, Commissioner, Precinct 3
- E. Irma Cauley, Commissioner, Precinct 4
- F. Karen McQueen, County Clerk

The following proceedings were held:

**THAT WHEREAS**, on 17th day of October 2017 the Court heard and approved a budget amendment for the 2016-2017 budget year for Brazos County, Texas; and

**WHEREAS**, expenditure is necessary due to the necessity to meet unusual and unforeseen conditions which could not be reasonably included in the original budget adopted 6 September 2016, the following amendment(s) to the original budget are hereby authorized, as described on the attached page(s).

**ADOPTED AND APPROVED** this the 17th day of October 2017.

**THE COMMISSIONERS COURT OF BRAZOS COUNTY, TEXAS.**

By:   
Duane Peters, County Judge

Original: County Clerk's Office and  
Attached to the original budget

10/17/2017

**Sheriff - Jail Administration**

Date:

nm

10/11/2017

Date \_\_\_\_\_

Date \_\_\_\_\_

10/17/17

[illegible]



**BRAZOS COUNTY, TEXAS**

**BUDGET AMENDMENT(S) FOR THE 2017-2018 BUDGET YEAR**

**NO. 17/18 3.1 – 3.16**

On this the 17th day of October 2017 at a regular meeting of the Commissioners' Court, the following members were present:

- A. Duane Peters, County Judge, Presiding
- B. Steve Aldrich, Commissioner, Precinct 1
- C. Sammy Catalena, Commissioner, Precinct 2
- D. Nancy Berry, Commissioner, Precinct 3
- E. Irma Cauley, Commissioner, Precinct 4
- F. Karen McQueen, County Clerk

The following proceedings were held:

**THAT WHEREAS**, on 17th day of October 2017 the Court heard and approved a budget amendment for the 2016-2017 budget year for Brazos County, Texas; and

**WHEREAS**, expenditure is necessary due to the necessity to meet unusual and unforeseen conditions which could not be reasonably included in the original budget adopted 5 September 2017, the following amendment(s) to the original budget are hereby authorized, as described on the attached page(s).

**ADOPTED AND APPROVED** this the 17th day of October 2017.

**THE COMMISSIONERS COURT OF BRAZOS COUNTY, TEXAS.**

By: \_\_\_\_\_

Duane Peters, County Judge

Original: County Clerk's Office and  
Attached to the original budget


**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.1  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION	Increase	Decrease
General Fund	Road & Bridge	Fleet Shop - Heavy Equip.	Departmental Support		4,650.00
General Fund	Road & Bridge	Fleet Shop - Heavy Equip.	Contractual Services	4,650.00	
Road & Bridge - Fleet Shop-Heavy Equipment					
Reallocation of funds to the appropriate accounts to cover the cost of pumping of grit traps and the rental of uniforms.					

Department Approval	Date
---------------------	------

County Judge Approval	Date
-----------------------	------

Date: 10/11/2017

 10/17/17  
County Judge Approval Date

For Accounting Purposes Only						
FUND	DIV	ACCT	DR/CR	ACCOUNT NAME	Increase	Decrease
0100	56002000	65050000	CR	Building Maint.		4,650.00
0100	56002000	71025000	DR	Contract Services	4,000.00	
0100	56002000	71512000	DR	Rental Uniforms	650.00	

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.2  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
Grant Fund	JAG - 2016	Sheriff Administration	Intergovernmental		87.00	
Grant Fund	JAG - 2016	Sheriff Administration	Minor Acquisitions		87.00	
<b>DOL - JAG Grant</b>						

DOJ - JAG Grant

To recognize revenue for 2016 JAG Program.

Date: 10/11/2017

Department Approval	Date
---------------------	------

County Judge Approval \_\_\_\_\_ Date \_\_\_\_\_

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.3  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION	Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions		192,975.00
General Fund	Information Technology	I.T. Services	Minor Acquisitions	192,975.00	
<b>Commissioners' Court and Information Technology</b>					

Reallocation of funds to the appropriate accounts to purchase roll out computers and printers county wide.

Date: 10/11/2017

Department Approval	Date
---------------------	------

County Judge Approval	Date
-----------------------	------

For Accounting Purposes Only						
FUND	DIV	ACCT	DR/CR	ACCOUNT NAME	Increase	Decrease
0100	11000500	67203000	CR	Minor Computer Hardware		169,750.00
0100	11000500	67670000	CR	Printers		23,225.00
0100	14000200	67203000	DR	Minor Computer Hardware	169,750.00	
0100	14000200	67670000	DR	Printers	23,225.00	

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.4  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION	Increase	Decrease
Hotel Occupancy Tax	Hotel Occupancy Tax		Departmental Support		750.00
Hotel Occupancy Tax	Hotel Occupancy Tax		Minor Acquisitions	750.00	
<b>Hotel Occupancy Tax</b>					
Reallocation of funds to the appropriate accounts to purchase a mobile unit to move portable bleachers for events.					

Date:

nnm  
10/11/2017

Department Approval

Date \_\_\_\_\_

County Judge Approval

Date \_\_\_\_\_

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.5  
10/17/2017**

[illegible]

Reallocation of funds to the appropriate accounts to purchase 31 Windows 10 Upgrade licenses for the I.T. Training Room.

Date:

nnm  
10/11/2017

Department Approval \_\_\_\_\_

Date \_\_\_\_\_

County Judge Approval

Date \_\_\_\_\_

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.6  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
JP Security Fund	JP Security Fund		Repairs and Maint.			4,080.00
JP Security Fund	JP Security Fund		Minor Acquisitions		4,080.00	
<b>JP Security Fund</b>						

Reallocation of funds to the appropriate accounts to purchase a handheld radio for Constable Pct. #3. This radio will be used for the additional Deputy position that was added in FY 18.

Department Approval	Date
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County Judge Approval

Date \_\_\_\_\_

Date:

nm  
10/11/2017

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.7  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION	Increase	Decrease
General Fund	Commissioners' Court	Contingency	Departmental Support		1,700.00
General Fund	Constable Pct. #3		Contractual Services	1,700.00	
<b>Commissioners' Court and Constable Pct. #3</b>					

Reallocation of funds to the appropriate accounts to cover the cost of janitorial services for FY 18. Services are needed, however, department failed to request funding during the budget process for FY 18.

Date: nnm  
10/11/2017

Department Approval	Date
---------------------	------

County Judge Approval \_\_\_\_\_

Date \_\_\_\_\_

[illegible]



**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.8  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions			8,979.00
General Fund	Sheriff Administration	Jail-Medical	Minor Acquisitions		4,645.75	
General Fund	Constable Pct. #1		Minor Acquisitions		4,333.25	
<b>Commissioners' Court, Sheriff Administration-Jail Medical and Constable Pct. #1</b>						

Commissioners' Court, Sheriff Administration-Jail Medical and Constable Pct. #1

Reallocation of funds to the appropriate accounts to purchase copiers for the Jail-Medical Division and Constable Pct. #1.

Date: 10/11/2017

Department Approval	Date
---------------------	------

County Judge Approval

Date \_\_\_\_\_

For Accounting Purposes Only						
FUND	DIV	ACCT	DR/CR	ACCOUNT NAME	Increase	Decrease
0100	11000500	6723000	CR	Copier		8,979.00
0100	28003000	67230000	DR	Copier	4,645.75	
0100	30101100	67230000	DR	Copier	4,333.25	

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.9  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION	Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions		3,814.00
General Fund	Constable Pct. #2		Repair & Maint.	3,814.00	
Commissioners' Court, and Constable Pct. #2					

Reallocation of funds to the appropriate accounts to paint Constable Pct. #2's Patrol Unit #701.

Date: 10/11/2017

Department Approval	Date
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County Judge Approval

Date \_\_\_\_\_

[illegible]


**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.10  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions			126.00
General Fund	Constable Pct. #2		Minor Acquisitions		126.00	
<b>Commissioner's Court and Constable Pct. #2</b>						

Reallocation of funds to the appropriate accounts to purchase two (2) body armor vest.

Date: 10/11/2017

Department Approval	Date
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 10/17/17  
County Judge Approval Date

[illegible]


**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.11  
10/17/2017**

[illegible]

Reallocation of funds to the appropriate accounts to purchase 108 batteries for the Eaton UPS Battery Refresh Project.

Date: 10/11/2017

Department Approval \_\_\_\_\_ Date \_\_\_\_\_

 10/17/17

County Judge Approval \_\_\_\_\_ Date \_\_\_\_\_

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.12  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions			6,680.00
General Fund	Sheriff Administration	Jail	Repairs and Maint.		6,680.00	
<b>Commissioner's Court and Sheriff Administration - Jail</b>						

Reallocation of funds to the appropriate accounts to build a fence at the Jail as required by City Code.

Date: 10/11/2017

Department Approval \_\_\_\_\_ Date \_\_\_\_\_

County Judge Approval	Date
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[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.13  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions			4,322.36
General Fund	County Attorney		Minor Acquisitions		4,322.36	
<b>Commissioner's Court and County Attorney</b>						

Reallocation of funds to the appropriate accounts to purchase tasers and accessories for staff.

Date: 10/11/2017

Department Approval \_\_\_\_\_ Date \_\_\_\_\_

County Judge Approval

Date \_\_\_\_\_

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.15  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION		Increase	Decrease
General Fund	Risk Management		Professional Services			4,000.00
General Fund	Risk Management		Departmental Support		4,000.00	
<b>Commissioner's Court and General Fund Capital Improvement</b>						

Reallocation of funds to the appropriate accounts for drug testing and physicals for pre-employment.

Date: 10/11/2017

Department Approval	Date
---------------------	------

County Judge Approval \_\_\_\_\_ Date \_\_\_\_\_

[illegible]

**BRAZOS COUNTY, TEXAS  
BUDGET AMENDMENTS  
No. 17/18 - 3.16  
10/17/2017**

FUND	DEPARTMENT	DIVISION	CATEGORY DESCRIPTION	Increase	Decrease
General Fund	Commissioners' Court	Non-Departmental	Minor Acquisitions		782.10
General Fund	Risk Management		Minor Acquisitions	782.10	
Commissioner's Court and Risk Management					

Reallocation of funds to the appropriate accounts to purchase a wheelchair to be housed in the Brazos County Administration Building for emergencies and public use.

Date: 10/11/2017

Department Approval	Date
---------------------	------

County Judge Approval

Date \_\_\_\_\_

[illegible]





**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Human Resources NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Personnel Action Forms  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

[PAF\\_10-17-17.doc](#)

**Description**

Cover Sheet

**Type**

Cover Memo

**PERSONNEL  
CHANGE OF STATUS REQUESTS**

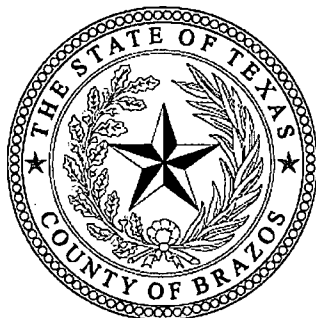
Commissioner Court Date: October 17, 2017  
 Department Submitting Information: Human Resources  
 Purpose of Submissions: Consider and Take Action on Change Requests

<b>Department Submitting Request(s)</b>	<b>Employee Request Applies To</b>	<b>Action Requested</b>
County Clerk	Dittmar, Travis	Employment
District Clerk	Alexander, Jeri	Change of Status
	Coston, Katie	Change of Status
	Higgins, Makayla	Separation
	Johnson, Jessica	Change of Status
Fleet Services – Heavy	Boyd, John	Employment
Juvenile Services – Detention	Curtis, Claudarius M.	Separation
	Desir, Raymond	Change of Status
	Guerrero, Porscha L.	Separation
	Lee, Debra	Change of Status
Juvenile Services – State Aid	Brown, Dexter	Separation
	Haveron, Leslie A.	Separation

Approved in Commissioners' Court: October 17, 2017 :

County Judge's or Commissioner's Signature:  
 (This Copy to be attached to minutes)





**BRAZOS COUNTY**  
**BRYAN, TEXAS**

**CLAIMS**

COMMISSIONERS COURT MEETING: **October 17, 2017**

CLAIM TO BE PAID BY BRAZOS COUNTY:

CLAIM # **7160322**

*Thru*

CLAIM # **7160552**

The Court voted unanimously to approve these Claims as submitted.

A handwritten signature in black ink, appearing to read "Duane Peters", written over a horizontal line.

Duane Peters  
County Judge

A handwritten signature in black ink, appearing to read "Karen McQueen", written over a horizontal line.

Karen McQueen  
County Clerk



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: Road and Bridge NUMBER: CC2017-Ack RB Maint  
Expenditure Report FY2017 July-  
Sept

DATE OF COURT MEETING: 10/17/2017

ITEM: Acknowledgement of Road and Bridge Maintenance Expenditures Report (FY17) from July  
through September 2017.

TO: Commissioners Court

FROM: Karen Tyler

DATE: 10/12/2017

FISCAL IMPACT: False

BUDGETED: False

DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

**File Name**

[RB\\_FY2017\\_Maint\\_Expend\\_Report\\_July-  
Sept.pdf](#)

**Description**

Report

**Type**

Backup Material

36

**BRAZOS COUNTY  
COMMISSIONERS' COURT  
ACTION FORM**

DEPARTMENT Road and Bridge

DEPT. NUMBER 56001000

DATE OF COURT MEETING: October 17, 2017

ITEM: Acknowledgement of Road and Bridge Maintenance Expenditures Report (FY17) from July through September 2017.

SOURCE OF FUNDS: N/A


NOTES/REQUIREMENTS:

SUBMITTED BY:

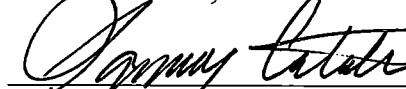


Gary Arnold  
County Road Administrator

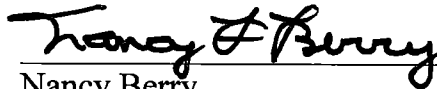
ACKNOWLEDGED BY:



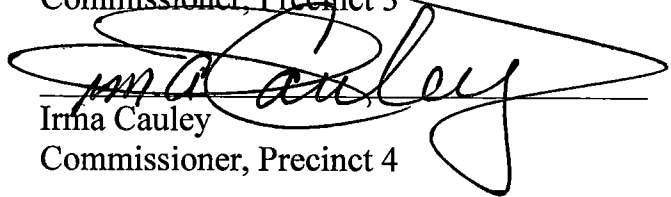
Steve Aldrich  
Commissioner, Precinct 1



Sammy Catalena  
Commissioner, Precinct 2



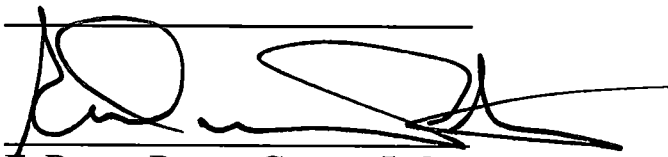
Nancy Berry  
Commissioner, Precinct 3



Irma Cauley  
Commissioner, Precinct 4

This Request is ☒ APPROVED / DENIED ☐ by Commissioners' Court

Date:



E. Duane Peters, County Judge

Miles	Precinct 2 = 250.14 Centerline Miles			Precinct 4 = 96.853 Centerline Miles			
Equipment	Labor	Material	Equipment	Labor	Material	Equipment	
\$ 8,232.15	\$ 7,270.73	\$ 1,657.60	\$ 8,443.02	\$ 10,582.11	\$ 16,837.08	\$ 9,026.50	\$ 83,107.90
\$ 20,039.51	\$ 17,362.83	\$ 12,028.16	\$ 11,649.33	\$ 5,248.85	\$ 328.00	\$ 2,623.67	\$ 138,864.34
\$ 5,967.62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,268.06
\$ -	\$ 12,601.20	\$ -	\$ -	\$ 6,629.36	\$ -	\$ -	\$ 27,336.26
\$ 2,871.48	\$ 13,364.55	\$ 9,597.00	\$ 6,219.57	\$ -	\$ -	\$ -	\$ 43,447.24
\$ 362.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,409.05
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 29,240.85	\$ 43,328.58	\$ 21,625.16	\$ 17,868.90	\$ 11,878.21	\$ 328.00	\$ 2,623.67	\$ 223,324.95
Equipment	Labor	Material	Equipment	Labor	Material	Equipment	
\$ 4,053.74	\$ 642.33	\$ -	\$ 334.52	\$ 5,824.80	\$ 4,145.41	\$ 5,615.29	\$ 42,140.13
\$ 3,681.99	\$ 4,745.01	\$ 947.20	\$ 5,418.60	\$ 3,268.93	\$ -	\$ 338.75	\$ 26,034.10
\$ -	\$ 434.45	\$ -	\$ 370.54	\$ -	\$ -	\$ -	\$ 804.99
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,735.73	\$ 5,821.79	\$ 947.20	\$ 6,123.66	\$ 9,093.73	\$ 4,145.41	\$ 5,954.04	\$ 68,979.22
Equipment	Labor	Material	Equipment	Labor	Material	Equipment	
\$ 1,195.61	\$ 35,291.00	\$ -	\$ 2,943.70	\$ 11,846.02	\$ -	\$ 1,722.31	\$ 76,589.96
\$ 410.55	\$ 1,598.14	\$ -	\$ 653.05	\$ 4,273.91	\$ -	\$ 2,257.38	\$ 10,292.92
\$ 5,186.68	\$ 5,854.60	\$ -	\$ 2,797.39	\$ 872.65	\$ -	\$ 290.30	\$ 22,929.00
\$ 1,508.55	\$ 5,281.91	\$ 171.76	\$ 2,571.13	\$ 1,740.64	\$ 69.35	\$ 869.13	\$ 15,382.46
\$ 1,128.82	\$ 4,489.88	\$ -	\$ 2,956.17	\$ 1,861.48	\$ -	\$ 1,123.42	\$ 13,531.54
\$ 428.14	\$ 1,580.12	\$ -	\$ 718.79	\$ 381.71	\$ -	\$ 212.16	\$ 4,186.68
\$ 274.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 840.41
\$ 10,133.26	\$ 54,095.65	\$ 171.76	\$ 12,640.23	\$ 20,976.41	\$ 69.35	\$ 6,474.70	\$ 143,752.97
Equipment	Labor	Material	Equipment	Labor	Material	Equipment	
\$ 2,228.70	\$ 1,439.66	\$ -	\$ 1,340.09	\$ 343.64	\$ -	\$ 810.68	\$ 7,504.98
\$ 572.04	\$ 2,612.48	\$ -	\$ 2,724.80	\$ -	\$ -	\$ -	\$ 6,393.92
\$ -	\$ 1,295.02	\$ -	\$ 128.94	\$ 1,791.60	\$ -	\$ 381.97	\$ 3,597.53
\$ -	\$ 64.09	\$ -	\$ 24.53	\$ 73.78	\$ -	\$ 27.98	\$ 190.38
\$ 385.58	\$ 68.98	\$ -	\$ 49.34	\$ -	\$ -	\$ -	\$ 818.82
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 377.29	\$ 293.24	\$ 235.25	\$ 309.40	\$ 393.24	\$ 215.50	\$ 1,823.92
\$ 932.18	\$ 5,343.13	\$ -	\$ 2,244.10	\$ 598.22	\$ -	\$ 222.98	\$ 12,047.37
\$ 4,118.50	\$ 11,200.65	\$ 293.24	\$ 6,747.05	\$ 3,116.64	\$ 393.24	\$ 1,659.11	\$ 32,376.92
\$ 51,228.34	\$ 114,446.67	\$ 23,037.36	\$ 43,379.84	\$ 45,064.99	\$ 4,936.00	\$ 16,711.52	\$ 468,434.06
PCT 2 GRAND TOTAL		\$ 180,863.87	PCT 4 GRAND TOTAL		\$ 66,712.51		
PCT 2 COST PER MILE		\$ 723.05	PCT 4 COST PER MILE		\$ 688.80		



**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Acknowledgement of the Brazos Central Appraisal District Independent Auditor's Report and Financial Statements for year ended December 31, 2016.  
TO: Commissioners Court  
DATE: 10/13/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">2016-12-31 Independent Auditor s Report and Financial Statements.pdf</a>	Report	Cover Memo



**PATTILLO, BROWN & HILL, L.L.P.**  
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

June 6, 2017

To the Board of Directors  
 Of Brazos Central Appraisal District  
 Bryan, Texas

We have audited the financial statements of Brazos Central Appraisal District ("the District") as of and for the year ended December 31, 2016, and have issued our report thereon dated June 6, 2017. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated April 27, 2017, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.



## **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

As part of the engagement we assisted in preparing the financial statements and related notes to the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Services.

In order to ensure we maintain our independence for performing these nonaudit services certain safeguards were applied to this engagement. Management assumed responsibility for the financial statements and related notes to the financial statements and any other nonaudit services we provided. Management acknowledged, in the management representation letter, our assistance with the preparation of the financial statements and related notes to the financial statements and that these items were reviewed and approved prior to their issuance and accepted responsibility for them. Further, the nonaudit services were oversaw by an individual within management that has the suitable skill, knowledge, or experience; evaluated the adequacy and results of the services; and accepted responsibility for them.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were changed during the year ended December 31, 2016. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the accumulated depreciation is based on the related estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability obligation is based on actuarial assumptions which are determined by the demographics of the plan and future projections that the actuarial makes based on historical information of the plan and the investment market. We evaluated the key factors and assumptions used to develop the net pension liability obligation and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

#### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to the TCERS pension liability.

The disclosures in the financial statements are neutral, consistent, and clear.

#### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

#### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

#### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated June 6, 2017.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

## **Restriction on Use**

This report is intended solely for the information and use of the Board of Directors for the District and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

*Patillo, Brown & Hill, LLP*

Waco, Texas  
June 6, 2017

**BRAZOS CENTRAL APPRAISAL DISTRICT**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2016**

**ACKNOWLEDGED**

A handwritten signature in black ink, appearing to read 'Duane Peters', is written over a horizontal line.

Duane Peters  
County Judge

10/17/17  
Date

# BRAZOS CENTRAL APPRAISAL DISTRICT

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DECEMBER 31, 2016

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PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
of Brazos Central Appraisal District  
Bryan, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Brazos Central Appraisal District, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Brazos Central Appraisal District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Brazos Central Appraisal District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Brazos Central Appraisal District, as of December 31, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2017 on our consideration of Brazos Central Appraisal District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Brazos Central Appraisal District's internal control over financial reporting and compliance.

*Parrillo, Brown & Hill, LLP*

Waco, Texas

June 6, 2017

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## **Management's Discussion and Analysis**

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of Brazos Central Appraisal District for the fiscal year ended December 31, 2016. Readers should use the additional required notes included in the financial statements of the District along with this information.

### **FINANCIAL HIGHLIGHTS**

The annual budget serves as the foundation of the District's planning and control. Budget meetings begin in June with a public hearing in September prior to the adoption of the final budget as approved by the Board of Directors.

- The District's 2016 adopted budget for revenues and expenditures was \$2,860,599 and \$2,878,357, respectively, and actual revenues and expenditures were \$2,679,336 and \$2,645,189, respectively.
- The primary contributor to each year's budget is payroll expenditures, with salaries and associated expenditures represent approximately 69.85% of the annual budget. The desire to retain qualified employees requires the District to pay competitive salaries and provide an acceptable standard of employee benefits such as the TCDRS retirement program and health insurance benefits.
- Approximately 12.07% of the 2016 budgeted expenditures provides for contractual services for valuation litigation defense, office lease space, appraisal software maintenance and support, and the appraisal of mineral and industrial properties.
- The assets and deferred outflows of resources of Brazos Central Appraisal District exceeded its liabilities and deferred inflows of resources by \$1,047,512. Of this amount, \$947,444 was unrestricted net position which could be used to meet the District's obligations.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise two components: (1) government-wide financial statements, which include the fund financial statements, and (2) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The Statement of Net Position presents information showing how the District's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g. uncollected charges for services).

The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are Governmental type. Governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. Additional information such as accounting policies, the retirement system, sources of revenue, activity in furniture and equipment, and risk management are included in the notes to the financial statements.

On page 23 of this report a Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual to demonstrate compliance with the annual appropriated budget.

## FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. As of December 31, 2016, the District's assets exceeded liabilities by \$1,047,512.

### DISTRICT'S NET POSITION

	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 2,072,925	\$ 2,003,817
Capital assets	<u>100,068</u>	<u>86,702</u>
Total assets	<u>2,172,993</u>	<u>2,090,519</u>
Deferred outflows related to pensions	<u>636,743</u>	<u>256,685</u>
Other liabilities	1,045,592	1,010,631
Long-term liabilities	<u>563,841</u>	<u>316,415</u>
Total liabilities	<u>1,609,433</u>	<u>1,327,046</u>
Deferred inflows related to pensions	<u>152,791</u>	<u>-</u>
Net position:		
Net investment in capital assets	100,068	86,702
Unrestricted	<u>947,444</u>	<u>933,456</u>
Total net position	<u>\$ 1,047,512</u>	<u>\$ 1,020,158</u>

**Analysis of the District's Operations** – Overall, the District had an increase in net position of \$27,354 from the prior year. The District receives a majority of its revenue from all taxing jurisdictions in Brazos County. This includes all cities, school districts, the County, all County wide special districts, and all non-county-wide special districts. During the fiscal year ending December 31, 2016, the District earned \$2,679,336 in revenue. Of this amount, \$2,645,189 or 99% was the amount received from these jurisdictions. The remaining amount was from interest earned on the District's bank account balance and for the sale of copies of District data to the public through the Public Information Act.

### **DISTRICT'S CHANGE IN NET POSITION**

	<u>2016</u>	<u>2015</u>
Revenues:		
Program:		
Charges for services	\$ 2,645,189	\$ 2,583,270
Total program	<u>2,645,189</u>	<u>2,583,270</u>
General:		
Interest and other	<u>34,147</u>	<u>20,510</u>
Total general	<u>34,147</u>	<u>20,510</u>
Total revenues	<u>2,679,336</u>	<u>2,603,780</u>
Expenses:		
Tax appraisal - operations	<u>2,651,982</u>	<u>2,535,988</u>
Total expenses	<u>2,651,982</u>	<u>2,535,988</u>
Change in net position	27,354	67,792
Net position, beginning	1,020,158	1,004,187
Prior period adjustment	<u>-</u>	<u>( 51,821)</u>
Net position, ending	<u>\$ 1,047,512</u>	<u>\$ 1,020,158</u>

Excess entity assessments over funds expended or committed for any one year are to be returned proportionately to the funding entities. This method insures the District's cash flow and also protects the Jurisdictions from over funding. A good rule of thumb is the unrestricted fund balance at the end of a year is one-fourth to one-half of the expected expenditures in the next year. Other non-financial factors such as new legislation, technology requirements and cost of valuation challenges must be considered. The amount that will be returned to the taxing entities in 2016 is \$214,711.

### **Budgetary Highlights**

The District adopts an annual budget in September prior to the budget year which begins in January the following year. The budget includes the proposed expenditures and the means to finance the budget.

*Original budget compared to final budget.* During the year there was no need for amendments to increase the original estimated revenues or original budgeted appropriations.

*Final budget compared to actual revenues and expenditures.* The most significant differences between estimated revenues and actual revenues are charges for services to taxing authorities. The actual revenues were less than estimated revenues by \$181,263. This variance is due to the over allotment of funds for fiscal year 2016 which will be returned to the taxing authorities in fiscal year 2017. A review of actual expenditures compared to the appropriations in the final budget yielded only two areas of small budget overages related to professional services and equipment and furniture purchases.

### **Capital Assets**

The District's investment in capital assets for its operations as of December 31, 2016, amounts to \$100,068 (net of accumulated depreciation), an increase of \$13,366. Of this amount, \$27,629 is for depreciation expense and the remainder of the increase is due to capital asset additions of \$41,301 and capital asset deletions of \$306 (net of accumulated depreciation).

Additional information on the District's capital assets can be found in the notes to the financial statements of this report.

### **Long-term Debt**

As of December 31, 2016, the District had total long-term liabilities of \$563,841. This amount includes \$49,283 in compensated absences and \$514,558 for the District's net pension liability.

Additional information on the District's long-term debt can be found in the notes to the financial statements of this report.

### **LOOKING AHEAD**

The District's budget for 2017 increased to \$3,014,208, which is an increase of \$135,851 from the Approved Budget for 2016 in the amount of \$2,878,357. This increase is due mainly to salary adjustments and increases in health insurance costs.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGER**

This financial report is designed to provide the residents of Brazos County, as well as the entities it serves, and the District's creditors with a general overview of the District's finances and to demonstrate the district's accountability for the money it receives from the taxing entities. If you have questions about this report or need additional financial information, please contact Brazos Central Appraisal District, 1673 Briarcrest Dr. #A-101, Bryan, TX 77802-2749, and make attention to the Chief Appraiser.

# BRAZOS CENTRAL APPRAISAL DISTRICT

## STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

DECEMBER 31, 2016

	General	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash	\$ 2,055,252	\$ -	\$ 2,055,252
Prepaid items	17,673	-	17,673
Capital assets, net of depreciation	-	100,068	100,068
Total assets	<u>2,072,925</u>	<u>100,068</u>	<u>2,172,993</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	-	636,743	636,743
<b>LIABILITIES</b>			
Accounts payable	16,965	-	16,965
Accrued liabilities	50,858	-	50,858
Due to other governments	214,711	-	214,711
Unearned revenue	763,058	-	763,058
Non-current liabilities:			
Due with in one year	-	12,321	12,321
Due in more than one year	-	551,520	551,520
Total liabilities	<u>1,045,592</u>	<u>563,841</u>	<u>1,609,433</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	-	152,791	152,791
<b>FUND BALANCE/NET POSITION</b>			
Fund balance:			
Non-spendable - prepaid items	17,673	( 17,673)	-
Committed for:			
Building construction	600,000	( 600,000)	-
Furniture and equipment in future office space	170,000	( 170,000)	-
Unassigned	239,660	( 239,660)	-
Total fund balance	<u>1,027,333</u>	<u>( 1,027,333)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 2,072,925</u>		
Net position:			
Net investment in capital assets		100,068	100,068
Unrestricted		947,444	947,444
Total net position		<u>\$ 1,047,512</u>	<u>\$ 1,047,512</u>

The accompanying notes are an integral  
part of these financial statements.

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**BRAZOS CENTRAL APPRAISAL DISTRICT****STATEMENT OF ACTIVITIES  
AND GOVERNMENTAL FUND REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE****FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>General</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Expenditures/expenses:</b>			
Tax appraisal - operations	\$ 2,645,189	\$ 6,793	\$ 2,651,982
Total expenditures/expenses	<u>2,645,189</u>	<u>6,793</u>	<u>2,651,982</u>
<b>Program revenues:</b>			
Charges for services	<u>2,645,189</u>	<u>-</u>	<u>2,645,189</u>
Total program revenues	<u>2,645,189</u>	<u>-</u>	<u>2,645,189</u>
<b>General revenues:</b>			
Interest	24,242	-	24,242
Miscellaneous	<u>9,905</u>	<u>-</u>	<u>9,905</u>
Total general revenues	<u>34,147</u>	<u>-</u>	<u>34,147</u>
Change in fund balance	34,147	( 34,147)	-
Change in net position	-	27,354	27,354
<b>Fund balance/net position:</b>			
Beginning	<u>993,186</u>	<u>26,972</u>	<u>1,020,158</u>
Ending	<u>\$ 1,027,333</u>	<u>\$ 20,179</u>	<u>\$ 1,047,512</u>

The accompanying notes are an integral  
part of these financial statements.

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# BRAZOS CENTRAL APPRAISAL DISTRICT

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Reporting Entity

The Brazos Central Appraisal District (the "District") was created by the 66th Legislature of the State of Texas under the provisions of Senate Bill 621 known as the Property Tax Code. The District was formed under this act in 1982, and is responsible for appraising property taxes within Brazos County for use by governmental units which impose ad valorem taxes. Each participating governmental unit supports the District based upon their proportionate share of the taxes assessed.

In evaluating how to define the entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB. The basic, but not the only, criterion for including a potential component unit with the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, no component units are included in defining the District's reporting entity.

#### Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. *Governmental activities* are supported by a charge for services and investment revenue.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenue* includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenue are reported instead as *general revenue*.

The government-wide and fund financial statements are provided for the governmental fund of the District with a column for adjustments between the two statements.

## **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Charges for services are recognized as revenue in the year for which services are rendered.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when payment is due.

The District reports the following major governmental fund:

The ***General Fund*** is the District's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

## **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance**

### **Cash and Investments**

Cash consists of demand deposit accounts. The investment policies of the District are governed by state statute. Management has followed a practice of investing in money markets and TexPool.

### **Capital Assets**

Capital assets, which include furniture and equipment, are reported in the governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Furniture and equipment are depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and small equipment	5 - 7
Computers and software	5 - 7

## **Compensated Absences**

The District permits employees to accumulate earned but unused vacation and sick leave benefits based on length of service. Employees exempt from overtime pay requirements earn compensatory time off for overtime worked. Accrued sick leave and compensatory time is not paid out to the employee in the event termination of employment, so only vacation leave is accrued when incurred in the governmental activities statement of net position. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

## **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement elements, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District is reporting the following pension related items as deferred outflows of resources:

- Pension contributions made subsequent to the measurement date.
- The difference between projected and actual earnings on pension assets which is deferred and amortized over a closed five year period.
- The difference in expected and actual pension experience which is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- The changes in actuarial assumptions are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District is reporting the following pension related item as a deferred inflow of resource:

- The difference in expected and actual pension experience which is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

## Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by Board resolution of the Board of Directors, the District's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Chief Appraiser of the District and was delegated by Board resolution.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## **Net Position**

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors or laws or regulations of other governments.

## **Charges for Services**

Each taxing unit participating in the District is allocated a portion of the amount of the budget equal to the proportion that its total dollar amount of property taxes assessed bears to the total property taxes assessed by the participating units. Each taxing unit pays its allocation in four equal quarterly installments, and the first payment is to be made before January 1 of the budget year. Amounts collected in the current fiscal year which are related to the subsequent fiscal year are recorded as unearned revenue.

If the annual amounts due from the taxing jurisdictions exceed the amount actually spent or obligated to be spent during the fiscal year, the excess will be proportionately credited against each taxing jurisdiction's charge for services for the following year.

## **Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

## **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## 2. DETAILED NOTES ON ALL FUNDS

### Deposits and Investments

The District is authorized by statute to maintain deposit accounts which are federally insured and to invest funds as allowed under the "Public funds Investments Act of 1987". Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one-half of one percent of the value of its shares.

The District's investments in Pools are reported at an amount determined by the fair value per share of the Pool's underlying portfolio, unless the Pool is 2a7-like, in which case, they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

As of December 31, 2016, the District had the following investments:

<u>Investment Type</u>	<u>Reported Value</u>	<u>Weighted Average Maturity (Days)</u>
Tex Pool	\$ 21,765	43

***Custodial Credit Risk.*** In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of year-end, the District's deposit balance was collateralized with securities held by the pledging financial institution in the District's name or FDIC.

***Credit Risk.*** It is the District's policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The District's investment pools are rated as follows by Standard and Poor's Investors Service as AAAM as of year-end.



## **Capital Assets**

Capital asset activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Furniture and small equipment	\$ 59,818	\$ 20,040	\$ -	\$ 79,858
Computer and software	1,008,398	21,261	( 3,663)	1,025,996
Total capital assets being depreciated	1,068,216	41,301	( 3,663)	1,105,854
Less accumulated depreciation:				
Furniture and small equipment	( 54,140)	( 1,774)	-	( 55,914)
Computer and software	( 927,374)	( 25,855)	3,357	( 949,872)
Total accumulated depreciation	( 981,514)	( 27,629)	3,357	( 1,005,786)
Governmental activities capital assets, net	\$ 86,702	\$ 13,672	\$ ( 306)	\$ 100,068

## **Long-term Liabilities**

Long-term liability activity of the District for the year ended December 31, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 46,378	\$ 88,570	\$ ( 85,665)	\$ 49,283	\$ 12,321
Net pension liability	270,037	417,215	( 172,694)	514,558	-
Total long-term liabilities	\$ 316,415	\$ 505,785	\$ ( 258,359)	\$ 563,841	\$ 12,321

The compensated absence and net pension liability attributable to the governmental activities will be liquidated by the General Fund.

## **Defined Benefit Pension Plan**

### **Plan Description**

The District participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

## Benefits Provided

TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. Updated annuity purchase rates will go into effect for post-2017 benefit accruals earned after 2017. Benefits accrued before 2018 will not be impacted by this update. This change was reflected in the 2015 actuarial valuation.

### *Employees covered by benefit terms*

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	9
Active employees	25
	<hr/>
	41

## Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the District were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the District were 12.83% and 13.14% in calendar years 2015 and 2016, respectively. The District's contributions to TCDRS for the year ended December 31, 2016, were \$190,140, and were equal to the required contributions.

### **Net Pension Liability**

The County's Net Pension Liability (NPL) was measured as of December 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

### **Actuarial Assumptions**

The Total Pension Liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	2.5% per year
Investment rate of return	8.0%, net of pension plan investment expense, including inflation

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with no age adjustment for males and a two-year set-forward for females.

The actuarial assumptions that determined the total pension liability as of December 31, 2015, were based on the results of an actuarial experience study for the period January 1, 2009 through December 31, 2012, except for mortality assumptions. Mortality assumptions were updated for the 2015 valuation to reflect projected improvements.

The long-term expected rate of return on pension plan investments is 8.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The application of the investment return assumption was changed for purposes of determining plan liabilities in the 2015 actuarial valuation. All plan liabilities are now valued using an 8% discount rate. Previously, some liabilities were valued using a 7% discount rate and others were valued using a 9% discount rate.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2016 information for a 7 to 10 year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013. The target allocation and best estimates of geometric real rates return for each major assets class are summarized in the following table:

Asset Class	Benchmark	Target Allocation <sup>(1)</sup>	Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup>
US Equities	Dow Jones U.S. Total Stock Market Index	14.50%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	14.00%	8.45%
Global Equities	MSCI World (net) Index	1.50%	5.75%
International Equities - Developed	50% MSCI World ex USA (net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	10.00%	5.45%
International Equities - Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	8.00%	6.45%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	1.00%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5.00%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	8.10%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	3.00%	4.00%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index <sup>(4)</sup>	5.00%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.25%

<sup>(1)</sup> Target asset allocation adopted at the April 2016 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return in addition to assumed inflation of 1.6% per Cliffwater's 2016 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

## Discount Rate

The discount rate used to measure the Total Pension Liability was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

## Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at 12/31/2014	\$ 4,380,944	\$ 4,110,907	\$ 270,037
Changes for the year:			
Service cost	217,167	-	217,167
Interest on total pension liability <sup>(1)</sup>	361,080	-	361,080
Effect on plan changes <sup>(2)</sup>	( 31,910)	-	( 31,910)
Effect of economic/demographic gains or losses	( 183,349)	-	( 183,349)
Effect of assumptions changes or inputs	55,389	-	55,389
Benefit payments	( 83,932)	( 83,932)	-
Administrative expenses	-	( 3,006)	3,006
Member contributions	-	91,905	( 91,905)
Net investment income	-	( 81,842)	81,842
Employer contributions	-	172,518	( 172,518)
Other <sup>(3)</sup>	-	( 5,719)	5,719
Balance at 12/31/2015	<u>\$ 4,715,389</u>	<u>\$ 4,200,831</u>	<u>\$ 514,558</u>

<sup>(1)</sup> Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

<sup>(2)</sup> Reflects new annuity purchase rates applicable to all TCDRS employers effective January 1, 2018.

<sup>(3)</sup> Relates to allocation of system-wide items.

### ***Sensitivity Analysis***

The following presents the net pension liability of the District, calculated using the discount rate of 8.1%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.1%) or 1-percentage-higher (9.1%) than the current rate:

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$ 5,372,933	\$ 4,715,389	\$ 4,170,951
Fiduciary net position	<u>4,200,831</u>	<u>4,200,831</u>	<u>4,200,831</u>
Net pension liability/(asset)	\$ <u>1,172,102</u>	\$ <u>514,558</u>	\$ <u>(29,880)</u>

### ***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at [www.tcdrs.org](http://www.tcdrs.org).

### **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2016, the District recognized pension expense of \$202,331.

At December 31, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 152,791	\$ 22,324
Changes in actuarial assumptions	-	46,158
Difference between projected and actual investment earnings	-	378,121
Contributions subsequent to the measurement date	<u>-</u>	<u>190,140</u>
Total	\$ <u>152,791</u>	\$ <u>636,743</u>

\$190,140 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended December 31,	
2017	\$ 81,985
2018	81,985
2019	81,985
2020	69,185
2021	( 21,328)

### **Deferred Compensation Plan**

The District offers its employees a deferred compensation plan created in accordance with IRC 457. The plan, available to all District employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants. Participants' rights under the plan are in an amount equal to the fair value of the deferred account for each participant. Investments that are held by an outside trustee in the deferred compensation plan are not reported in the District's financial statements as the District maintains no fiduciary responsibility for such assets.

### **Operating Lease**

The District leases its office space and the lease expense in the current year was \$125,790.

### **Risk Management**

The District has insurable risks in various areas, including property, casualty, automobile, comprehensive liability, public officials and employee liability, and workmen's compensation. During the year, the District obtained insurance against risks through commercial carriers and the Texas Association of Counties for workmen's compensation. Management believes the amount and types of coverage are adequate to protect the District from losses which could reasonably be expected to occur.

### **Commitments and Contingencies**

In the normal course of business, the District is involved in litigation regarding assessed property values. The outcome of this type of litigation has no financial impact on the District, but rather impacts the pass-through of funds to the taxing units.

**REQUIRED  
SUPPLEMENTARY INFORMATION**



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**BRAZOS CENTRAL APPRAISAL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**

**GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
<b>REVENUES</b>				
Allocations from taxing authorities	\$ 2,860,599	\$ 2,860,599	\$ 2,645,189	\$( 215,410)
Interest and other income	-	-	34,147	34,147
Total revenues	<u>2,860,599</u>	<u>2,860,599</u>	<u>2,679,336</u>	<u>( 181,263)</u>
<b>EXPENDITURES</b>				
Current:				
Tax appraisal - operations:				
Salaries	1,521,646	1,521,646	1,388,043	133,603
Employee benefits	525,300	525,300	459,523	65,777
Contractual	343,791	343,791	319,380	24,411
Office space	165,990	165,990	168,707	( 2,717)
Professional services	93,130	93,130	85,139	7,991
Supplies	176,400	176,400	168,616	7,784
Equipment and furniture purchases	52,100	52,100	55,781	( 3,681)
Total expenditures	<u>2,878,357</u>	<u>2,878,357</u>	<u>2,645,189</u>	<u>233,168</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$( 17,758)</u>	<u>\$( 17,758)</u>	34,147	<u>\$ 51,905</u>
<b>FUND BALANCE, BEGINNING</b>			<u>993,186</u>	
<b>FUND BALANCE, ENDING</b>			<u>\$ 1,027,333</u>	

**BRAZOS CENTRAL APPRAISAL DISTRICT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND RELATED RATIOS**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

Plan Year Ended December 31	2014	2015
<b>Total Pension Liability</b>		
Service Cost	\$ 208,543	\$ 217,167
Interest total pension liability	321,137	361,080
Effect of plan changes	-	( 31,910)
Effect of assumption changes or inputs	-	55,389
Effect of economic/demographic (gains) or losses	33,487	( 183,349)
Benefit payments/refunds of contributions	( 87,559)	( 83,932)
Net change in total pension liability	475,608	334,445
Total pension liability - beginning	3,905,336	4,380,944
Total pension liability - ending (a)	\$ 4,380,944	\$ 4,715,389
<b>Plan Fiduciary Net Position</b>		
Employer contributions	\$ 176,733	\$ 172,518
Member contributions	91,639	91,905
Investment income net of investment expenses	244,368	( 81,842)
Benefit payments refunds of contributions	( 87,558)	( 83,932)
Administrative expenses	( 3,010)	( 3,006)
Other	11,954	( 5,719)
Net change in plan fiduciary net position	434,126	89,924
Plan fiduciary net position - beginning	3,676,781	4,110,907
Plan fiduciary net position - ending (b)	\$ 4,110,907	\$ 4,200,831
Net pension liability - ending (a) - (b)	\$ 270,037	\$ 514,558
Fiduciary net position as a percentage of total pension liability	93.84%	89.09%
Pensionable covered payroll	\$ 1,309,133	\$ 1,312,923
Net pension liability as a percentage of covered payroll	20.63%	39.19%

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

**BRAZOS CENTRAL APPRAISAL DISTRICT****SCHEDULE OF EMPLOYER CONTRIBUTIONS****FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Fiscal Year Ended December 31,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Pensionable Covered Payroll</b>	<b>Actual Contributions as a % of Covered Payroll</b>
2006	\$ 108,118	\$ 108,118	\$ -	\$ 1,017,102	10.6%
2007	119,892	119,892	-	1,076,226	11.1%
2008	131,272	131,272	-	1,180,505	11.1%
2009	141,334	141,334	-	1,248,536	11.3%
2010	150,473	150,473	-	1,283,897	11.7%
2011	156,598	156,598	-	1,272,118	12.3%
2012	155,133	155,133	-	1,233,173	12.6%
2013	171,607	171,607	-	1,298,086	13.2%
2014	176,733	176,733	-	1,309,133	13.5%
2015	172,518	172,518	-	1,312,923	13.1%

**BRAZOS CENTRAL APPRAISAL DISTRICT**  
**NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>Valuation Timing</b>	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported.
<b><u>Methods and assumptions used to determine contributions rates:</u></b>	
<b>Actuarial Cost Method</b>	Entry age
<b>Amortization Method</b>	Level percentage of payroll, closed
<b>Remaining Amortization Period</b>	15 years (based on contribution rate calculated in 12/31/2015 valuation)
<b>Asset Valuation Method</b>	5-year smoothed market
<b>Inflation</b>	3.0%
<b>Salary Increases</b>	Varies by age and service. 4.9% average over career including inflation.
<b>Investment Rate of Return</b>	8.0%, net of investment expenses, including inflation.
<b>Retirement Age</b>	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
<b>Mortality</b>	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
<b>Changes in Plan Provisions Reflected in the Schedule</b>	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

# **BRAZOS CENTRAL APPRAISAL DISTRICT**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2016**

### **BUDGETING**

An operating budget is adopted each year for the General Fund on the modified accrual basis of accounting. Appropriations for expenditures may not exceed total resources as forecast by the Board. Expenditures may not exceed budgeted appropriations in the following categories: salaries/personnel, supplies and administrative, contractual, and capital outlay expenditures. Budget amounts represent the original budget and final budget as subsequently amended by the Board.

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## **COMPLIANCE SECTION**



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PATILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of  
Brazos Central Appraisal District  
Bryan, Texas

Members of the Board:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Brazos Central Appraisal District as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Brazos Central Appraisal District's basic financial statements, and have issued our report thereon dated June 6, 2017.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Brazos Central Appraisal District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Brazos Central Appraisal District's internal control. Accordingly, we do not express an opinion on the effectiveness of Brazos Central Appraisal District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Brazos Central Appraisal District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Brazos Central Appraisal District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Farillo, Brown & Will, LLP*

Waco, Texas  
June 6, 2017

## **BRAZOS CENTRAL APPRAISAL DISTRICT**

### **SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

**Item 2015-001: Financial Close Process**

**Condition:** During our audit we obtained an understanding of the District's financial close process. This included gaining an understanding of the District's new accounting software. We discovered that numerous errors occurred during the software conversion process, causing material misstatements. These misstatements were not corrected because the financial close process did not include procedures to properly reconcile balance sheet accounts at yearend.

**Cause:** The District converted accounting software at the end of the last fiscal year. In this conversion process, errors and software problems occurred which were not addressed in a timely basis.

**Effect:** A number of the District's accounts were materially misstated at yearend.

**Recommendation:** We recommend the District evaluate its financial close process to ensure balance sheet accounts are properly reconciled.

**Current Status:** The District resolved this issue during the current year by working with the software provider. Additionally, the District has been able to implement a financial close process.

**Item 2015-002: Bank Reconciliations**

**Condition:** During our audit we noted that the District's bank reconciliation did not agree to the book balance on the general ledger.

**Cause:** In the beginning of the fiscal year, the District implemented new accounting software. During this implementation, several procedures changed in the accounting department, leading to a breakdown in the bank reconciliation process.

**Effect:** It was noted that the District's cash was materially misstated on the general ledger.

**Recommendation:** Bank reconciliations should be compared to the book balance on the general ledger in order to detect errors in a timely manner.

**Current Status:** This District resolved this matter by performing timely reconciliations to all cash accounts.

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**BRAZOS COUNTY  
BRYAN, TEXAS**

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DEPARTMENT: NUMBER:  
DATE OF COURT MEETING: 10/17/2017  
ITEM: Acknowledgement of Monthly Reports Submitted in September 2017.  
TO: Commissioners Court  
DATE: 10/12/2017  
FISCAL IMPACT: False  
BUDGETED: False  
DOLLAR AMOUNT: \$0.00

**ATTACHMENTS:**

<b><u>File Name</u></b>	<b><u>Description</u></b>	<b><u>Type</u></b>
<a href="#">Monthly Reports Submitted in September 2017.pdf</a>	Monthly Reports	Cover Memo



**BRAZOS COUNTY**  
**BRYAN, TEXAS**

**ACKNOWLEDGEMENT**

The Brazos County Commissioners Court hereby acknowledges receipt of all monthly reports that were submitted during the month of

**September 2017**

A handwritten signature in black ink, appearing to read "Duane Peters", is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke.

Duane Peters  
County Judge

Date