

**AGREEMENT BETWEEN  
THE CITY OF SAN MARCOS AND  
PROFESSIONAL FIRM**

This Agreement is made as of May 7, 2019 (the “**Effective Date**”), by and between:

**The Owner:** The City of San Marcos, Texas

and

**The Professional Firm:** Payne Industries, LLC

for

**The Project:** On-Call Survey Services, #219-111.5

Owner Standard Terms and Conditions: Parties have read and agree to be bound by the Standard Terms and Conditions, when not in conflict with the terms of this Agreement, found at [www.sanmarcostx.gov/termsandconditions](http://www.sanmarcostx.gov/termsandconditions).

**Further;**

The Owner and the Professional Firm agree as follows:

**ARTICLE 1**  
**PROFESSIONAL FIRM’S SERVICES**

Professional Firm agrees to perform the services specifically described in **Exhibit 1** and all other professional services reasonably inferable from **Exhibit 1** and necessary for complete performance of Professional Firm’s obligations under this Agreement (collectively, “**Professional Firm’s Services**”). To the extent of any conflict between the terms in **Exhibit 1** and this Agreement, the terms of this Agreement shall prevail.

**ARTICLE 2**  
**PROFESSIONAL FIRM’S RESPONSIBILITIES**

Professional Firm agrees to perform services with the professional skill and care ordinarily provided by competent engineers or architects practicing in the same or similar locality and under the same or similar circumstances and professional license and as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer or architect. Professional Firm shall at all times provide sufficient personnel to accomplish Professional Firm's Services in a timely manner. Professional Firm shall manage its services, administer the Project and coordinate other professional services as necessary for the complete performance of Professional Firm’s obligations under this Agreement.

Professional Firm agrees to perform Professional Firm's Services in compliance with all applicable national, federal, state, municipal, and State of Texas laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction over the Project.

Professional Firm's Services shall be reasonably accurate and free from material errors or omissions. Professional Firm shall promptly correct any known or discovered error, omission, or other defect in the plans, drawings, specifications, or other services provided by Professional Firm without any additional cost or expense to Owner.

Professional Firm shall designate a representative primarily responsible for Professional Firm's Services under this Agreement. The designated representative shall act on behalf of Professional Firm with respect to all phases of Professional Firm's Services and shall be available as required for the benefit of the Project and Owner. The designated

representative shall not be changed without prior approval of the Owner, which approval shall not be unreasonably withheld.

The Professional Firm shall carry such professional liability and errors and omissions insurance, covering the services provided under this Agreement, with a minimum limit of \$1,000,000 each claim and \$1,000,000 aggregate. The fees for such insurance will be at the expense of the Professional Firm. The Professional Firm shall deliver a Certificate of Insurance indicating the expiration date, and existence, of the Professional Firm's professional liability insurance before commencement or continuation of performance of the services under this Agreement.

**ARTICLE 3**  
**THE OWNER'S RESPONSIBILITIES**

The Owner shall provide the Professional Firm with a full description of the requirements of the Project.

The Owner shall furnish surveys, geotechnical reports or other special investigations of the Project site as requested by the Professional Firm and as reasonably necessary for the completion of Professional Firm's Services. The Owner shall furnish structural, mechanical, chemical and other laboratory tests as reasonably required.

The Owner will review the Professional Firm's drawings, specifications and other documents of service produced by Professional Firm in the performance of its obligations under this Agreement (collectively the "**Design Documents**") as required. Owner will notify Professional Firm of any design fault or defect in Professional Firm's Services or Design Documents of which Owner becomes aware.

The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of Professional Firm's Services.

The Owner designates Mr. Phil Steed as its representatives authorized to act in the Owner's behalf with respect to the Project. The contact information for Owner's representative is listed below:

Phil Steed, Real Estate Manager  
630 East Hopkins Street  
San Marcos, Texas 78666  
Ph.: 512-393-8137  
E-mail: [psteed@sanmarcostx.gov](mailto:psteed@sanmarcostx.gov)

**ARTICLE 4**  
**OWNERSHIP AND USE OF DOCUMENTS**

The Design Documents prepared by Professional Firm as instruments of service are and shall remain the property of the Professional Firm whether the Project for which they are created is executed or not. However, the Owner shall be permitted to retain copies, including reproducible copies, of the Design Documents for information and reference in connection with the Owner's use and occupancy of the Project. In addition, Owner shall have an irrevocable, paid-up, perpetual license and right, which shall survive the termination of this Agreement, to use the Design Documents and the ideas and designs contained in them for any purpose, with or without participation of the Professional Firm.

**ARTICLE 5**  
**DISPUTE RESOLUTION**

If a dispute arises out of or relates to the Agreement or these Terms and Conditions, or a breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the

dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the Owner and the Professional Firm agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The Owner and Professional Firm will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

**ARTICLE 6**  
**PROJECT TERMINATION OR SUSPENSION**

This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the terminating party and such failure is not fully cured in the seven (7) calendar days' notice period. This Agreement may be terminated by the Owner's City Manager or City Manager's Designee for any reason upon fifteen (15) calendar days' written notice to Professional Firm.

In the event of termination through no fault of the Professional Firm, Professional Firm shall be equitably compensated for all Professional Firm Services performed and Reimbursable Expenses incurred prior to termination in accordance with this Agreement.

**ARTICLE 7**  
**MISCELLANEOUS PROVISIONS**

Entire Agreement. This Agreement supersedes all prior agreements, written or oral, between Professional Firm and Owner and constitutes the entire and integrated Agreement and understanding between the parties with respect to the subject matter of the Agreement. This Agreement may only be amended by a written instrument signed by both parties.

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

Applicable Law. The Agreement will be governed by and construed under the laws of the State of Texas. Any controversy, claim or dispute arising out of or relating to this Agreement will be brought in a state court of competent jurisdiction in Hays County or, if in federal court, in the Federal Western District of Texas, Austin Division for trial.

Waiver. A delay or omission by either party in exercising any right or power under the Agreement shall not be construed as a waiver of that right or power. A waiver by either party of any term or condition of the Agreement shall not be construed as a waiver of any subsequent breach of that term or condition or of any other term or condition of the Agreement.

Severability. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, that determination shall not affect any other provision of this Agreement which shall be interpreted as if the invalid or unenforceable provision had not been included.

Independent Contractor. Professional Firm recognizes that Professional Firm is engaged as an independent contractor and acknowledges that Owner shall have no responsibility to provide Professional Firm or its employees with any benefits normally associated with employee status. Professional Firm will neither hold itself out as nor claim to be an officer, partner, employee or agent of Owner.

Family Code Child Support Certification. If State funds are being used in the procurement of the services described in Exhibit A, pursuant to Section 231.006, Texas Family Code, Professional Firm certifies that it is not

ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

Prohibition on Contracts with Companies Boycotting Israel. Pursuant to Chapter 2270 and 808, Texas Government Code, Professional Firm certifies that is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated and payment may be withheld if this certification is inaccurate. Failure to meet or maintain the requirements under this provision will be considered a material breach.

Section 2252 Compliance. Section 2252 of the Texas Government Code restricts the Owner from contracting with companies that do business with Iran, Sudan, or a foreign terrorist organization. Professional Firm hereby certifies that is not ineligible to receive the award of or payments under this Agreement. Failure to meet or maintain the requirements under this provision will be considered a material breach.

Proprietary Interests. All information owned, possessed or used by Owner which is communicated to, learned, developed or otherwise acquired by Professional Firm in the performance of services for Owner, which is not generally known to the public, shall be confidential and Professional Firm shall not disclose any such confidential information, unless required by law. Professional Firm shall not announce or advertise its engagement by Owner in connection with the Project or publicly release any information regarding the Project without the prior written approval of Owner.

Termination Due to Loss of Funding. If Owner funds are utilized to fund any part of this Agreement, the Professional Firm understands that those Owner funds for the payment for work performed by the Professional Firm under this Agreement have been provided through the Owner's budget approved by Owner Council for the current fiscal year only. State statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. The Owner cannot guarantee the availability of funds, and enters into this Agreement only to the extent such funds are made available. The Professional Firm acknowledges and agrees that it will have no recourse against the Owner for its failure to appropriate funds for the purposes of this Agreement in any fiscal year other than the year in which this Agreement was executed. The fiscal year for the Owner extends from October 1st of each calendar year to September 30th of the following calendar year.

Ethics Matters; No Financial Interest. Professional Firm and its employees, agents, representatives, and subcontractors have read and understand Owner's Ethics Policy available at <http://www.sanmarcostx.gov/380/Ethics>, and applicable state ethics laws and rules. Neither Professional Firm nor its employees, agents, representatives or subcontractors will assist or cause Owner employees to violate Owner's Conflicts of Interest Policy, provisions described by Owner's Standards of Conduct Guide, or applicable state ethics laws or rules. Professional Firm represents and warrants that no member of the City Council of San Marcos has a direct or indirect financial interest in the transaction that is the subject of this Agreement.

Subcontracting. The Professional Firm will not subcontract any work under this Agreement without prior written approval from the Owner. In the event approval is given by the Owner, the Professional Firm will specify any work or services, the appropriate insurance requirements and miscellaneous provisions by separate written agreement with the subcontractor.

Mutual Waiver of Consequential Damages. In no event shall either party be liable, whether in contract or tort or otherwise, to the other party for loss of profits, delay damages, or for any special incidental or consequential loss or damage of any nature arising at any time or from any cause whatsoever.

Texas Tax Code 171.1011(g)(3). Notwithstanding anything in this agreement and for the purpose of complying with Texas Tax Code 171.1011(g)(3), the City agrees to the following:

- (1) Prior to commencing performance under this Agreement, Professional Firm will provide the City with a list of proposed subconsultants, subcontractors, or agents to be used in Professional Firm's services under this Agreement. The City shall have the right to accept or reject the use of any subconsultant, subcontractor, or agent on the Professional Firm's list. Such acceptance or rejection shall be given within a commercially reasonable time from the date the Professional Firm delivers it. and;



**ARTICLE 8**  
**REIMBURSABLE EXPENSES**

Reimbursable Expenses are in addition to Compensation for Professional Firm's Services and include actual and reasonable expenses incurred by the Professional Firm, that are (i) outside the services listed in **Exhibit 1**; and (ii) solely and directly in connection with the performance of Professional Firm's Services. Such Reimbursable Expenses must be approved in writing by the Owner and may include the following:

Expense of transportation (coach class air travel only) and living expenses in connection with out-of-state travel as directed and approved in advance by the Owner. Transportation and living expenses incurred within the State of Texas are not reimbursable unless expressly approved by the Owner in advance.

Fees paid for securing approval of authorities having jurisdiction over the Project.

Professional models and renderings if requested by the Owner.

Reproductions, printing, binding, collating and handling of reports, and drawings and specifications or other project-related work product, other than that used solely in-house for Professional Firm.

Shipping or mailing of all reports, drawings, specifications, and other items in connection with the Project.

Expense of any additional insurance coverage or limits, excluding professional liability and errors and omissions insurance, required under this Agreement or requested by the Owner that is in excess of that normally carried by the Professional Firm.

**ARTICLE 9**  
**ADDITIONAL SERVICES**

Additional Services are services not included in the Professional Firm's Services and not reasonably inferable from Professional Firm's Services. Additional Services shall be provided only if authorized or confirmed in writing by the Owner. Prior to commencing any Additional Service, Professional Firm shall prepare for acceptance by the Owner an Additional Services Proposal detailing the scope of the Additional Services and the proposed fee for those services. Professional Firm shall proceed to perform Additional Services only after written acceptance of the Additional Services Proposal by Owner.

Upon acceptance by Owner, each Additional Services Proposal and the services performed by Professional Firm pursuant to such Additional Services Proposal shall become part of this Agreement and shall be subject to all the terms and conditions of this Agreement.

**ARTICLE 10**  
**PAYMENTS TO PROFESSIONAL FIRM**

Professional Firm shall present monthly Payment Requisitions to the Owner detailing the Professional Firm's Services and approved Additional Services performed and the approved Reimbursable Expenses incurred for the Project in the previous month. With each application for payment, Professional Firm shall submit payroll information, receipts, invoices and any other evidence of payment which Owner or its designated representatives shall deem necessary to support the amount requested.

Owner shall promptly review the Payment Requisition and notify Professional Firm whether the Payment Request is approved or disapproved, in whole or in part. Owner shall promptly pay Professional Firm for all approved services and expenses. For purposes of Texas Government Code § 2251.021(a)(2), the date performance of services is completed is the date when the Owner's representative approves the Payment Requisition.

Owner shall have the right to withhold from payments due Professional Firm such sums as are necessary to protect Owner against any loss or damage which may result from negligence by Professional Firm or failure of Professional Firm to perform its obligations under this Agreement.

**ARTICLE 11**  
**PROFESSIONAL FIRM'S ACCOUNTING RECORDS**

Records of Professional Firm costs, reimbursable expenses pertaining to the Project and payments shall be available to Owner or its authorized representative during business hours and shall be retained for three (3) years after final Payment or abandonment of the Project, unless Owner otherwise instructs Professional Firm in writing. Professional Firm's records shall be kept on the basis of generally accepted accounting principles.

**ARTICLE 12**  
**INSURANCE**

For services performed on Owner's premises, Professional Firm shall furnish to Owner Certificates of Insurance as set forth below prior to the commencement of any work hereunder and shall maintain such coverage during the full term of the Agreement.

Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 each occurrence
	\$1,000,000 aggregate
Comprehensive General Liability	\$1,000,000 each occurrence
	\$1,000,000 aggregate
Comprehensive Auto Liability	\$1,000,000 each person
Bodily Injury	\$1,000,000 each occurrence
Property Damage	\$1,000,000 each occurrence
Professional Liability	\$1,000,000

Professional Firm shall include the Owner as an additional insured on the General Liability policy, and the Worker's Compensation policy shall include a waiver of subrogation in favor of the Owner.

Required insurance shall not be cancelable without thirty (30) days' prior written notice to Owner.

Upon request Professional Firm shall furnish complete sets of its insurance policies to Owner for review. If additional insurance or changes to this article are required, they shall be explicitly laid out in **Exhibit 1**.

**ARTICLE 13**  
**INDEMNITY**

Professional Firm shall hold Owner, The City of San Marcos, and its City Council, officers, agents and employees harmless and free from any loss, damage or expense to the extent that the loss, damage or expense is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the indemnitor or the indemnitor's agent, consultant under contract, or another entity over which the indemnitor exercises control.

**ARTICLE 14**  
**COMPENSATION**

The Professional Firm's compensation for Professional Firm's Services shall be as follows:

**Service Fees:** The maximum fee for Professional Firm's Services shall not exceed Fifty Thousand Dollars and Zero Cents (\$50,000.00) as approved by the Owner set forth in **Exhibit 2**.

**Reimbursable Expenses:** For Reimbursable Expenses approved by the Owner (ref. Article 8 and **Exhibit 2**), Professional Firm shall be compensated for the actual expense incurred by Professional Firm. Notwithstanding the foregoing, Owner's payment to Professional Firm for Reimbursable Expenses will not exceed a maximum of amount agreed upon in this Agreement and Exhibits without the prior written approval of the Owner.

Additional Services: The Professional Firm’s Compensation for any approved Additional Services shall be as described in the Additional Services Proposal accepted by the Owner.

The Owner and Professional Firm have entered into this Agreement as of the Effective Date.

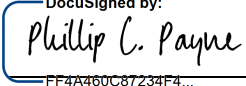
**OWNER:**

**PROFESSIONAL FIRM:**

**THE CITY OF SAN MARCOS**

**PAYNE INDUSTRIES, LLC**

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

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

Name: Bert Lumbreras \_\_\_\_\_

Name: Phillip C. Payne \_\_\_\_\_

Title: City Manager \_\_\_\_\_

Title: CEO \_\_\_\_\_

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

Date: 7/11/2019 \_\_\_\_\_

**Exhibits:**

**EXHIBIT 1 – Scope of Services and Deliverables**

**EXHIBIT 2 – Detailed Fee Schedule**

**EXHIBIT 3 – Project Schedule**

**EXHIBIT 4 – Authorization of Change in Service Form**

**EXHIBIT 5 – Any Federal Grant Terms and Conditions as required**



**EXHIBIT 1**  
**SCOPE OF SERVICES AND DELIVERABLES**

**Individual Scope of Services will be determined on a “per Project” basis. Below is the general scope of services.**

Survey quality and data repeatability are one of our three main companywide focal points. All of our survey data will be prepared horizontally in grid using State Plane Coordinate System 4204, South Central Zone, NAD 83 and vertically using the NAVD 88 datum with the most recent Geoid (which currently is 12B). We also tie into a verified benchmark/control point on every project. Starting out with solid control on the right datum both horizontally and vertically makes certain our projects are correct, compatible and reproducible. These steps ensure that our survey data is able to seamlessly incorporate into the City’s Geographic Information System.

Phillip C. Payne got his first surveying job on a field crew the summer before his freshman year of college at what was then Southwest Texas State University. He worked in San Marcos and the surrounding communities from 1998 until he moved to the Bryan/College Station area to start his own company in 2012. During his years in San Marcos Phillip became intimately familiar with the history, nuances and intricacies of the cadastral lands in and around San Marcos. Phillip worked from 2005-2012 for Byrn and Associates, a longtime local survey firm that has provided quality surveying services for the City of San Marcos for over 30 years He learned from the best in San Marcos and is now ready to provide the best for San Marcos.

The majority of our team members who will be assigned to the San Marcos contract have lived and worked in and around San Marcos for over 19 years. They know which areas have good survey data, which areas have questionable survey data, which surveyors do quality work and which surveyors should have their boundary decisions and work double checked. Our staff has surveyed everything from the Original Town of San Marcos to the new Texas State University expansion areas to the booming commercial and residential developments on the outskirts of town. We are a local firm with extensive experience and a strong dedication to doing things the right way.

Our projects require us to know local, State and Federal requirements. For example, due to Federal Regulations we are not allowed to fly our drones in the flight path of a municipal airport without prior scheduling and permitting. State requirements about driveway spacing for projects along TXDOT right-of-ways are old hat and we are intimately familiar with the State regulations regarding parcel division. We review local, State and Federal statues that may apply to our projects during the kickoff phase to avoid unnecessary difficulties and setbacks throughout the project.

We take a hands-on approach to project planning and execution at both a managerial and production level. To ensure that scope is followed precisely we have a 2-deep verification system. The assigned Project Manager and an independent Project Manager not assigned to the project review the scope of services. If there is a difference of opinion between the two Project Managers regarding scope, the assigned Project Manager reaches out to the client to clarify and confirm the scope of services. Even if there is no discrepancy between the two Project Managers, the assigned Project Manager will still reach out to the client to confirm the scope. This double check ensures the project will be executed according to the client’s specifications and causes our projects to be on scope, on time and on budget.

**EXHIBIT 2**  
**DETAILED FEE SCHEDULE**

**RATE SCHEDULE**

**PRINCIPAL:**

Phillip C. Payne.....\$170.00/hour

**OFFICE PERSONNEL:**

Registered Surveyor.....\$125.00/hour

Project Manager.....\$110.00/hour

Technician.....\$ 95.00/hour

Clerical.....\$ 55.00/hour

**FIELD SURVEY PARTY:**

Field Crew (2 Member).....\$150.00/hour

Additional Field Crew Member.....\$ 25.00 each

**REIMBURSABLE (when applicable):**

Mileage.....per IRS Standard Rate

Field Supplies.....Direct Cost + 15%

Miscellaneous Supplies.....Direct Cost + 15%

GPS Unit.....\$100.00 per day

ATV.....\$ 60.00 per day

Truck.....\$ 40.00 per day

Field Crew Computer.....\$ 10.00 per day

Mobile Service for Phone & Tablet.....\$ 5.00 per day

**EXHIBIT 3**  
**PROJECT SCHEDULE**

**Individual Project Schedules will be determined on a “per Project” basis.**

**EXHIBIT 4**  
**AUTHORIZATION OF CHANGE IN SERVICE**

<b>CONTRACT NO./ CONTRACT NAME:</b>		
<b>CITY REPRESENTATIVE:</b>		
<b>CONTRACTOR:</b>		
<b>CONTRACT EFFECTIVE DATE:</b>		
<b>THIS AUTHORIZATION DATE:</b>		<b>AUTHORIZATION NO.:</b>

**DESCRIPTION OF WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES:**

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<b>Original Contract Amount:</b>	NTE	\$
<b>Previous Increases/Decreases in Contact Amount:</b>	NTE	\$
<b>This Increase/Decrease in Contract Amount:</b>	NTE	\$
<b>Revised Contract Amount:</b>	NTE	\$

**CONTRACTOR:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Full Name / Title (if not in individual capacity)

**CITY:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

*City Department Use Only Below This Line (PM, etc.).*

<b>Account Number(s):</b>		
#	{Date}	{Amount}
#	{Date}	{Amount}
#	{Date}	{Amount}

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**EXHIBIT 5A**  
**FEDERAL, STATE, AND LOCAL REQUIRED PROVISIONS**

**A. NATIONAL OBJECTIVES**

All activities funded with CDGB-DR funds must meet one of the CDBG-DR program's National Objectives: (a) benefit low- and moderate- income persons; (b) aid in the prevention or elimination of slums or blight; or (c) meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The Professional Firm certifies that the activities carried out under this Agreement will meet a National Objective.

**B. COPELAND ANTI-KICKBACK ACT COMPLIANCE**

The Professional Firm will comply with the requirements of 29 CFR Part 3 (the Copeland Act). The "Anti-Kickback" section of the Act precludes a contractor or subcontractor from inducing an employee -- in any manner -- to give up any part of his/her compensation to which he/she is entitled under his/her contract of employment.

**C. CONFLICTS OF INTEREST (24 CFR 570.611; 2 CFR 200.112 AND 200.318(c); 24 CFR 85.35; AND 24 CFR 84.42**

There are two sets of conflict of interest provisions applicable to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (*funded applicants*), is the procurement regulations located at 24 CFR 84.42 and 85.36. The second set of provisions is located at 24 CFR 570.61 l(a)(2). These provisions cover situations not covered by parts 84 and 85.

With respect to procurement activities, the Professional Firm must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

- 1) Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
  - a) An employee, officer, or agent' of the Professional Firm;
  - b) Any member of an employee's, officer's, or agent's immediate family;
  - c) An employee's, agent's, or officer's partner; or
  - d) An organization which employs or is about to employ any of the persons listed in the preceding sections.
- 2) Require that employees, agents, and officers of the Professional Firm neither solicit nor accept gratuities, favors, or anything of value from contractors, or parties to sub-agreements. However, Professional Firms may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.

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- 3) Provide for disciplinary actions to be applied for any violations of such standards by employees, agents or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent or officer of the subrecipient, who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- a) This requirement applies to any person who is an employee, agent, Professional Firm, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partner(s).
- b) The requirement applies for such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- c) Upon written request, exceptions may be granted by HUD on a case-by-case basis.

#### **D. CERTIFICATION OF ELIGIBILITY**

By submitting a proposal in response to the Invitation for Bids, the Professional Firm certifies that at the time of submission, he/she/it is not listed on the government- wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p 189) and 12689 (3 CFR part 1989 Comp., p 235), "Debarment and Suspension".

- 1) In the event of placement on the list between the time of bid/proposal submission and time of contract award, the bidder/proposer will immediately notify the City.
- 2) Professional Firm certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.
- 3) Placement of Professional Firm on the federal government's list of suspended, ineligible, or debarred contractors, false certification, or failure to notify City as required may result in City's termination of this Contract for default.
- 4) Contractor will furnish a copy of the certification in accordance with 24 C.F.R. Part 24 (Debarment and Suspension). The Contractor and all subcontractors will be active and not debarred on the website, [www.sam.gov](http://www.sam.gov). and provide a copy of the certification to the City before the entity performs work under this contract.

The Contractor must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension" and the UAR. Contractor will have each contractor and subcontractor complete a contractor eligibility form in a format that is provided or approved by the City. This form will provide the information necessary to verify contractor eligibility.

#### **E. NON-COLLUSION CERTIFICATION**

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The Professional Firm certifies that, if a proposal was provided that resulted in a contract, that proposal was made without collusion with any other person, firm or corporation.

**F. BYRD ANTI-LOBBYING AMENDMENT**

(31 U.S.C. 1352) Contractors that bid for an award exceeding \$100,000 must file the required certification that it will not and has not used Federal appropriated funds to pay any persons or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352.

**G. SECTION 3 COMPLIANCE**

Compliance with Section 3 [These provisions are applicable to projects for which the amount of HUD assistance exceeds \$200,000 and the contract or subcontract exceeds \$100,000.]

- 1) The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- 2) The parties to this Contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- 3) The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- 4) The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.
- 5) The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment

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opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C.F.R. Part 135.

- 6) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- 7) When required, Contractor shall furnish the City or HUD with satisfactory proof of its compliance herewith.

## **H. COMPLIANCE WITH RULES AND REGULATIONS**

Funding for the Project has been made available by HUD through the CDBG-DR Program. The Professional Firm will comply with all of the applicable uniform administrative regulations related to the application, acceptance and use of federal funds as contained in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Professional Firm is encouraged to obtain the necessary information but failure to do so will not relieve it from compliance with the applicable regulations. The Professional Firm will be responsible for compliance and conformance with applicable federal and state laws, rules, regulations and codes, City permitting requirements, and City ordinances currently in effect. Federal and state laws, rules, regulations and codes include but are not limited to:

### **a. WORKERS COMPENSATION LAWS;**

- 1) Minimum and maximum salary and wage statutes and regulations, including but not limited to:
  - a) Fair Labor Standards Act of 1938, as amended;
  - b) Equal Pay Act of 1963, PL 88-38; and
  - c) All applicable regulations implementing the above laws;
- 2) Non-discrimination statutes and regulations, including but not limited to:
  - a) Title VII of the Civil Rights Act of 1964, as amended;
  - b) Section 504 of the Rehabilitation Act of 1973, as amended;
  - c) The Age Discrimination Act of 1975, as amended; and
  - d) all applicable regulations implementing the above laws;
- 3) Licensing laws and regulations;
  - a) Compliance with Texas Accessibility Standards ("TAS") and ADA requirements, issued by the Texas Department of Licensing and Regulation, under the Architectural Barriers Act, or other applicable Texas law;
- 4) Requirements under the Architectural Barriers Act and the Americans with Disabilities Act set forth in 24 C.F.R. Section 570.614;
- 5) All applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401-7671q), and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387, as amended).
- 6) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PUB L 94-163, 89 Stat. 871) codified at 42 U.S.C.A. Section 6321 et seq.;



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- 7) National Environmental Policy Act ("NEPA") including Environmental Protection Agency regulations (40 C.F.R. Part 15), applicable HUD regulations set forth in 24 C.F.R. Parts 50 and 58 including authorities cited therein, and National Historic Preservation Act of 1966, including Federal Historic Preservation Regulations (36 C.F.R. Part 800), which require environmental clearance of federal aid projects; and in connection with NEPA requirements, Professional Firm is responsible for the preparation of NEPA documents required for environmental clearance of the Project covered hereunder; G) 24 C.F.R. Section 5.105, including applicable authorities cited therein, as well as applicable provisions of 24 C.F.R. Part 58, including Section 58.5 and applicable authorities cited therein and Section 58.6 and applicable authorities cited therein.

**b. AFFIRMATIVE ACTION - WOMEN-AND MINORITY-OWNED BUSINESSES (W/MBE)**

The Contractor will take all necessary affirmative steps to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro- Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Contractor may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

Affirmative steps must include:

- i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- ii. Assuring that small and minority businesses, and women's business enterprises, are solicited whenever they are potential sources.
- iii. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
- iv. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
- v. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.

**c. LABOR STANDARDS**

The Contractor agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work

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Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement.

The Contractor agrees to comply with the Copeland Anti-Kick Back Act (18U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Contractor shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

The Contractor agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Contractor of its obligation, if any, to require payment of the higher wage. The Contractor shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

**d. USE OF ASSETS AND ASSET REVERSION**

City assets used by the Contractor during the contract shall be given back to the City at the conclusion of the contract.

**e. PROGRAM INCOME**

The City will accept and report program income to the federal government.

**f. FEDERAL FUNDING AND ACCOUNTABILITY TRANSPARENCY ACT (FFATA)**

Contracts equal to or greater than \$25,000 must be entered into the Federal Service Reporting System. Contractor information is needed to complete the compliance reporting for the Federal Funding and Accountability Transparency Act. The Contractor will complete the Federal Funding and Accountability Transparency Act form attached to this Contract.

**g. LOBBYING**

The Contractor hereby certifies that:

(i.) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the

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making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

(ii.) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

(iii.) It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Contractors shall certify and disclose accordingly:

(iv.) Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**h. LEAD-BASED PAINT**

The Contractor agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-DR-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

**i. FLOOD DISASTER PROTECTION**

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Contractor shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

**j. HISTORIC PRESERVATION**

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The Contractor agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**k. RELIGIOUS ACTIVITIES**

The Contractor agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200G), such as worship, religious instruction, or proselytization. The acquisition, construction, or rehabilitation of structures used for inherently religious activities is not allowable under this program.

**l. COPYRIGHT**

If this contract results in any copyrightable material or inventions, the City and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

**m. EQUAL EMPLOYMENT OPPORTUNITY**

The Professional Firm will comply with Executive Order 11246 of 9/24/65, entitled "Equal Employment Opportunity," (30 FR 12319, 12935, 3 CFR Part, 1964-65 Comp., p. 339) as amended by Executive Order #11375 of 10/13/67, and as supplemented in Department of Labor Regulations (41 CFR Chapter 60).

**EXHIBIT 5B**  
**FEDERAL FUNDING AND ACCOUNTABILITY TRANSPARENCY ACT**  
**CONTRACTOR FORM**

Contracts equal to or greater than \$25,000 must be entered into the Federal Service Reporting System. The following Contractor information is needed to complete the compliance reporting for the Federal Funding and Accountability Transparency Act:

Contractor EIN \_\_\_\_\_

Contractor DUNS Number \_\_\_\_\_

Contractor Legal Name \_\_\_\_\_

Subawardee Address \_\_\_\_\_

Subawardee Principal Place of Performance (including congressional district)  
\_\_\_\_\_

Has the Contractor met all of the following conditions? \_\_\_\_\_

- **80% or more** of prior year annual gross revenues are from Federal awards;
- **\$25 million or more** in annual gross revenues are from Federal awards; **and**
- The public does **not** have access to compensation information filed under *Securities and Exchange Commission* (SEC) and IRS requirements.

If the Contractor has met **ALL** of the above conditions, please provide the total compensation and names of top five executives of the Contractor.

Number	Total Compensation	Name of Executive (Top 5)
1		
2		
3		
4		
5		

**EXHIBIT 5C**  
**MBE/WBE/Section 3**

Instructions: If the Respondent is a Minority Owned Business (MOB) or Women Owned Business (WOB) or qualifies as a Section 3 business, the Respondent completes Form F.1., and if the Respondent intends to utilize a MOB/WOB or Section 3 business in the performance of the proposed contract, the respondent completes Form F.2

**F.1: CERTIFICATION AS A MINORITY OWNED, WOMEN OWNED OR SECTION 3 BUSINESS**

I, \_\_\_\_\_ certify that \_\_\_\_\_ is a Minority Owned, Women Owned or Section 3 Business.

Business Registered Name

\_\_\_\_\_

Business Registered Address 1

\_\_\_\_\_

State of Registration: \_\_\_\_\_

Certificate or Registration Number: \_\_\_\_\_

Certifying Agency: \_\_\_\_\_

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. The City reserves the right to withdraw or terminate the proposed contract should the representation of fact be false.

Signature and Date

\_\_\_\_\_

Printed Name

\_\_\_\_\_

Position

\_\_\_\_\_

## F.2: STATEMENT OF INTENT OF MOB/WOB/SECTION 3 UTILIZATION

I, \_\_\_\_\_ certify that \_\_\_\_\_ will utilize **Minority Owned Business (MOB)** or **Women Owned Business (WOB)** as subcontractor(s), vendor(s), supplier(s), or professional service(s). The estimated **dollar value** of the amount that we plan to pay the MOB or WOB subcontractor(s), vendor(s), supplier(s), or professional service(s) is \$ \_\_\_\_\_.

Description of Work	MOB Amount \$	Race/Ethnicity	WOB Amount \$	Section 3 Amount \$	Name of MOB/WOB/Section 3 Organization/Address

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. The City reserves the right to withdraw or terminate the proposed contract should the representation of fact be false.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Position Title \_\_\_\_\_