
RFQ #2026-001 CRWA Operational Master Plan

Addendum No. 2

April 10, 2026

This Addendum forms a part of the Contract Documents and modifies the original Bidding Documents dated January 2026, as noted below. All Bidders shall acknowledge receipt of this Addendum on the outside of their sealed bid envelope. Failure to do so may subject Bidder to disqualification.

The solicitation is amended as follows:

- 1. The Master Services Agreement is attached to Addendum 2.**

End of Addendum No. 2

Acknowledgment of Receipt of Addendum No. 1:

Respondent/Entity Name: _____

Signature of Authorized Representative: _____

Printed Name, Title: _____

Date: _____

Issued by: _____

CANYON REGIONAL WATER AUTHORITY
MASTER SERVICES AGREEMENT
FOR PROFESSIONAL ENGINEERING SERVICES

THIS CANYON REGIONAL WATER AUTHORITY MASTER SERVICES AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES (“**Agreement**”) is made effective as of the _____ day of _____, 202__, (“**Effective Date**”) between the CANYON REGIONAL WATER AUTHORITY, (“**CRWA**”) and _____ (“**Engineer**”), each a “**Party**” and collectively the “**Parties.**”

RECITALS

WHEREAS, CRWA is a governmental agency of the State of Texas, a water conservation district and a body politic and corporate, created and operating pursuant to Article XVI, Section 59 of the Constitution of Texas, and Texas Revised Civil Statutes, as amended, and the applicable general laws of the State of Texas; and

WHEREAS, Engineer is engaged in the business of rendering professional engineering and related consulting services; and

WHEREAS, from time-to-time CRWA may require services from Engineer and request that the Engineer provide professional services for Specific Projects. Each engagement will be documented by a Service Order; and

WHEREAS, this Agreement shall set forth the general terms and conditions which shall apply to all Service Orders duly executed under this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CRWA and Engineer hereby agree as follows:

ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions

A. Wherever used in this Agreement (including the Exhibits hereto) and printed with initial or all capital letters, the terms listed below shall have the meanings set forth in “**Appendix 1,**” attached hereto, which are applicable to both the singular and plural thereof.

B. Capitalized terms in this Agreement which are not defined in Appendix 1 are defined in the text of this Agreement the first time they occur.

Section 1.02 Terminology and Interpretation

A. The terms defined in Appendix 1 or in the text of this Agreement shall apply throughout this Agreement. All references in this Agreement to “Section” or “Article” shall refer to a section or article of this Agreement, unless otherwise expressly stated. All references in this Agreement to “Paragraph” shall refer to a paragraph of a Service Order or a paragraph of an Exhibit to this Agreement, unless otherwise expressly stated. All references to “Exhibits” shall mean the exhibits attached to this Agreement. All such Exhibits and any other attachments to this Agreement are incorporated in this Agreement by this reference. All references to herein, hereof, hereto, hereunder or similar terms shall be deemed to refer to this Agreement in its entirety. As used in this Agreement, the term “including” shall mean “including but not limited to.” The headings of Articles and Sections in this Agreement and the headings of Paragraphs in the Service Order and the Exhibits to this Agreement shall be for convenience only and shall not affect the interpretation hereof.

B. Words used in the singular number shall include the plural, and vice-versa, and any gender shall be deemed to include each other gender. Reference to any agreement means such agreement as amended or modified and in effect from time to time in accordance with the terms thereof.

C. Unless otherwise indicated, for purposes of this Agreement, a period of days shall be deemed to begin on the first day after the event that began the period and to end at 5:00 p.m. on the last day of the period. If, however, the last day of the period does not fall on a Business Day, the period shall be deemed to end at 5:00 p.m. on the next Business Day. All references to time herein are to time in Guadalupe County, Texas.

ARTICLE 2 SERVICES OF ENGINEER AND REPORTS

Section 2.01 Scope of Services

A. Engineer’s Services will be detailed in a duly executed Service Order for each Specific Project. The general format of a Service Order is shown in **Attachment One** to this Agreement. This Agreement shall be referred to in any Service Order issued pursuant hereto. Each Service Order will indicate the specific services to be performed, deliverables to be provided, schedule and specific compensation terms, together with the name(s), address(es) and telephone number(s) of each Consultant and Subcontractor that will be engaged by Engineer to perform any part of the services described in the Service Order.

B. Engineer shall not be obligated to perform work under a prospective Service Order unless and until CRWA and Engineer agree as to the particulars of the scope of Engineer's services, time for performance, Engineer's compensation, and all other appropriate matters and the specific Service Order is executed by both parties and approved by CRWA’s Board of Trustees.

C. CRWA shall not incur financial or other liability to Engineer for any work performed under a prospective Service Order unless and until CRWA and Engineer agree as to the particulars of the scope of Engineer's services, time for performance, Engineer's compensation, and all other appropriate matters and the specific Service Order is executed by both parties and approved by CRWA's Board of Trustees.

Section 2.02 Service Order Procedure

A. CRWA and Engineer shall agree on the scope, time for performance, and method of compensation for each Service Order. With respect to the scope of Engineer's services, each specific Service Order shall either (1) be accompanied by and incorporate a customized **Exhibit A**, "Engineer's Services for Service Order," prepared for the Specific Project, (2) state the scope of services in the Service Order document itself, or (3) incorporate by reference all or portions of **Exhibit A**, "Engineer's Services for Service Order," as attached to this Agreement. Each duly executed Service Order shall be subject to the terms and conditions of this Master Services Agreement, unless specifically modified within the Service Order.

B. Engineer shall provide, or cause to be provided, the services set forth in the fully executed Service Order pursuant to the terms hereof.

Section 2.03 Time for Rendering Services

A. Engineer is not authorized to begin work or to incur costs under a Service Order until the time set forth in the Service Order.

B. The Commencement Date of each Service Order and the times for completing services or providing deliverables will be stated in each Service Order. Engineer is authorized to begin rendering services under a Service Order as of the Commencement Date of the Service Order unless otherwise specified in the Service Order.

C. Unless specific periods of time or specific dates for providing Services are specified in a Service Order, Engineer's obligation to render Services hereunder will be for a period which may reasonably be required for the completion of the Services.

D. If CRWA has requested changes in the scope, extent, or character of the Specific Project, the time of performance and completion of Engineer's Services may be adjusted equitably as agreed by the Parties.

E. If, through no fault of Engineer, the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for performance and completion of Engineer's services shall be adjusted equitably.

Section 2.04 No Guaranteed Amount of Services

Services pursuant to this Agreement will be required on an irregular and as needed basis during the Term of this Agreement, and CRWA has not made nor does it make any

representation of any kind or guarantee regarding the amount of services CRWA will require from Engineer under this Agreement.

Section 2.05 Progress Reports

A. Unless otherwise provided in a Service Order, Engineer will provide CRWA with a monthly progress report (“**Monthly Progress Report**”) on the services being performed or furnished by Engineer under each Service Order. At a minimum, each Monthly Progress Report shall cover the following items:

1. The percentage of Work performed during the previous month.
2. The total percentage of the Specific Project completed.
3. Significant findings, problems, delays, inclusions, events, trends, etc. of the reporting period which result from or affect the performance of the Construction Contract.
4. Specific actions required of CRWA, to assist in the resolution of a problem or to affect the timely progression of the Work.
5. The percentage of the Service Order budget expended during the reporting period and total expended to date.
6. A statement that Services are on schedule, or an explanation of variances and proposed corrective actions.

B. The Monthly Progress Report for each Specific Project shall be delivered to the CRWA Project Manager within ten working days following the end of the month being reported.

ARTICLE 3 CHANGES TO SERVICE ORDERS AND PERSONNEL

Section 3.01 Changes to Service Orders Requested by CRWA

CRWA may change the Scope of Services set forth in a Service Order by sending written notice to Engineer. Should Engineer believe that such changes require an equitable adjustment in Engineer's agreed compensation and/or schedule for the Services or other terms of the Services, Engineer shall notify CRWA in writing of its request for such adjustments no later than ten (10) calendar days following its receipt of such requested changes from CRWA. Except as otherwise instructed in writing by CRWA, Engineer shall not commence the changed Services until CRWA and Engineer have mutually accepted Engineer's timely requested adjustments, if any, to its compensation or schedule for its Services or other terms of the Services and a written amendment to Service Order is executed by the Parties.

Section 3.02 Changes to Service Orders Requested by Engineer

Should an event or condition occur after the initiation of a Service Order, that in the opinion of the Engineer, will result in a change in scope, schedule and/or budget, the Engineer will provide timely written notice to CRWA stating: the nature of the event or condition; detailing the impact on scope, schedule, and/or budget; and providing the Engineer's recommendation or request for modification of the affected Service Order. Such notice will be provided upon recognition of the event or condition and prior to the completion of the services stated in the Service Order. CRWA will not consider a request for an increase in the Ceiling Price of a Service Order that is submitted after completion of the services stated in the Service Order, if CRWA determines, in the sole discretion of its Board of Trustees, that the event or condition cited as the cause for the increase in the Ceiling Price was, or could reasonably have been, known in time to submit a change request prior to completion of the services stated in the Service Order. CRWA will review the Engineer's recommendation or request and provide a written response agreeing with the requested recommendation or request or not accepting said recommendation or request. Any changes or modification to the scope, schedule and/or budget will be detailed in a written modification to the Service Order. No changes to the Services shall be made by Engineer except with CRWA's prior written agreement and approval by its Board of Trustees. Anything to the contrary contained herein, in exigent circumstances making Board consideration of a proposed modification to a Service Order impracticable, the General Manager of CRWA may execute documents approving such modification on CRWA's behalf.

Section 3.03 Replacement of Personnel

CRWA, in its sole discretion, shall have the right to demand that Engineer replace any personnel, Consultant or Subcontractor providing Services to CRWA under the terms of a Service Order. Upon receipt of CRWA's demand, Engineer will immediately replace the specified personnel, Consultant or Subcontractor (as the case may be) with acceptable personnel or an acceptable Subcontractor substantially equal in ability and qualifications. The criteria for demanding replacement of an individual, Consultant or Subcontractor will be based on, but not limited to, the following: technical incompetence, inability to meet the position qualifications, failure to perform an assignment, poor attendance, ethics violation, unsafe work habits, damage to CRWA property, or reasonable CRWA dissatisfaction.

ARTICLE 4 PAYMENTS TO ENGINEER FOR SERVICES AND REIMBURSABLE EXPENSES

Section 4.01 Methods of Compensation

A. The method of compensation for Services (including, if applicable, the method of compensation for individual phases of Services) shall be identified in each specific Service

Order. CRWA shall pay Engineer for Services in accordance with the applicable method of compensation.

B. The method of compensation for services under a Service Order will be specified in that Service Order. The possible methods of compensation are as follows:

1. Lump Sum plus Named Reimbursable Expenses, if any.
2. Standard Hourly Rates, plus Reimbursable Expenses with a Ceiling Price.

Section 4.02 Explanation of Compensation Methods

A. Lump Sum plus Named Reimbursable Expenses

1. CRWA shall pay Engineer a Lump Sum amount for the specified services or category of services stated in a Service Order regardless of the amount of time it takes to complete the services.
2. The Lump Sum will include compensation for Engineer's services and services of Consultants if any. The Lump Sum constitutes full and complete compensation for Engineer's services in the specified category, including labor costs, overhead, profit, expenses (other than those expenses expressly eligible for reimbursement, if any), and Consultant charges. That is, Engineer will only be reimbursed for the Named Reimbursable Expenses (see Section 4.02(A)(3)).
3. In addition to the Lump Sum, Engineer shall also be entitled to reimbursement from CRWA for the Named Reimbursable Expenses explicitly listed in the Service Order, if any, that are reasonably and necessarily incurred by Engineer in connection with the performing or furnishing of the services (see **Exhibit C** for rates or charges for these specific expenses).
4. Progress payments may be allowed in a Lump Sum Service Order. If so, the portion of the Lump Sum amount billed for Engineer's services will be based upon Engineer's estimate of the proportion of the total services actually completed during the billing period, subject to acceptance and approval of CRWA.

B. Standard Hourly Rates plus Reimbursable Expenses with a Ceiling Price

1. For the specified services or category of services, the CRWA shall pay Engineer an amount equal to the cumulative hours charged to the Specific Project by each class of Engineer's employees times the Standard Hourly Rates for each applicable billing class. Under this method, Engineer shall also be entitled to reimbursement from CRWA for the Reimbursable Expenses identified in **Exhibit C**, as the same may be modified in the individual Service Order. But the total amount payable to Engineer for the services rendered under the Service Order plus the Reimbursable Expenses shall not exceed the Ceiling

Price stated in the Service Order.

2. The Ceiling Price will be stated in the Service Order. It may be called the Ceiling Price or the “Not-to-Exceed Amount.”
3. Standard Hourly Rates include all compensation (including without limitation salaries and wages) paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
4. Each Standard Hourly Rates Schedule attached hereto as **Exhibit B** shall remain in effect until changed in accordance with Section 4.03.
5. The Reimbursable Expenses Schedule attached hereto as **Exhibit C** shall remain in effect for the Term of this Agreement.
6. The total estimated compensation for the specified category of services shall be stated in the Service Order. This total estimated compensation will incorporate all labor at Standard Hourly Rates, and Reimbursable Expenses (including Consultants' charges, if any).
7. The amounts billed by Engineer will be based on the cumulative hours charged to the specified category of services on the Specific Project during the billing period by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class, plus Reimbursable Expenses (including Consultant's charges, if any), but under no circumstance shall CRWA be required to pay more than the Ceiling Price stated in the applicable Service Order without a duly executed amendment to the Service Order.
8. For Service Orders that included definable deliverables to be provided to the CRWA, Engineer will continue to prosecute work necessary to provide those deliverables even when the Ceiling Price has been reached, at no additional cost to CRWA unless the parties agree in writing to modify the Ceiling Price.
9. Where no definable deliverable exists, the Engineer's services will terminate when the Ceiling Price is reached.

Section 4.03 Standard Hourly Rates for Service Orders

A. Engineer's Standard Hourly Rates Schedule are in **Exhibit B**. Engineer hereby certifies by its execution of this Agreement that the hourly rates in **Exhibit B** for each class of Engineer's employees are less than or equal to the lowest hourly rates Engineer is currently charging any of its other governmental clients. Engineer agrees that if during the Term of this Agreement it charges any of its governmental clients lower hourly rates than the rates in **Exhibit B**, then Engineer shall charge CRWA such lower hourly rate or rates for the services under any Service Order, current or future, for the remainder of the Term of this Agreement and such lower hourly rate or rates will be standard for the

remaining Term of this Agreement.

B. The Engineer may adjust its Standard Hourly Rates as of the first day of each calendar year during the Term of this Agreement by submitting to CRWA a new **Exhibit B** with Engineer's new Standard Hourly Rates on or before January 15th of such calendar year; provided, however, that the new Standard Hourly Rate for each class of Engineer's employees may not be more than five percent (5%) higher than previous Standard Hourly Rates for that class. The new Standard Hourly Rates will apply to all services performed by each class of Engineer's employees on and after the effective date of such new rates, but these adjustments will not affect the Ceiling Prices stated in the Service Orders executed under this Agreement.

C. Generally, the compensation method specified in a Service Order executed under this Agreement will be Standard Hourly Rates plus Reimbursable Expenses with a Ceiling Price. CRWA reserves the right, however, to issue Lump Sum Services Orders when they are deemed to be in the best interest of CRWA.

Section 4.04 Reimbursable Expenses

A. Under the Lump Sum method of compensation to Engineer, unless expressly indicated otherwise, the following categories of expenses are included in the Lump Sum amount: transportation (including mileage), lodging, and subsistence incidental thereto; providing and maintaining field office facilities including furnishings and utilities; providing field and office equipment necessary for the prosecution of the work; toll telephone calls, mobile phone services, and courier charges; reproduction of reports, Drawings, Specifications, bidding-related or other procurement documents, Construction Contract Documents, and similar Specific Project-related items; and Consultant charges. **These expenses are not reimbursable under the Lump Sum method, unless expressly indicated otherwise in the specific Service Order.**

B. Expenses eligible for reimbursement under the Standard Hourly Rates method of compensation include the following expenses reasonably and necessarily incurred by Engineer in connection with the performing or furnishing of the services under a specific Service Order: transportation (including mileage), lodging, and subsistence incidental thereto; providing and maintaining field office facilities including furnishings and utilities; providing field and office equipment necessary for the prosecution of the work; toll telephone calls, mobile phone services, and courier services; reproduction of reports, Drawings, Specifications, bidding-related or other procurement documents, Construction Contract Documents, and similar Specific Project-related items; Consultant charges; and any other expenses identified in **Exhibit C**. Whenever Engineer is entitled to compensation for the charges of its Consultants, those charges shall be the actual amount billed by such Consultants to Engineer without markup.

C. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Internal Revenue Service for business travel. Engineer shall submit proper documentation of any such approved travel expenses to CRWA from time to time, and such costs and expenses shall be billed to

CRWA at Engineer's actual cost.

Section 4.05 Invoice Procedure and Payment

A. Engineer shall submit invoices monthly to CRWA for work performed during the preceding calendar month. Such invoices shall be due and payable by CRWA within thirty (30) days after receipt and acceptance of the invoice by CRWA. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the prices in the Fee Schedules. On a Lump Sum Service Order, monthly billing will be based on the percentage of work completed. Invoices shall also describe any work performed by subcontractors retained by Engineer and Reimbursable Expenses. Engineer will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At CRWA's request, Engineer will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by CRWA.

B. Engineer will provide written notice to CRWA when the sum of previous payments and a current invoice meet or exceed 70% of the approved Ceiling Price of a Service Order. Engineer will include a statement that the remaining budget will be sufficient to complete the services, or provide an estimate of cost to complete, an explanation of the need for additional funding, and a request for a modification to the Service Order.

ARTICLE 5 RESPONSIBILITIES AND STANDARDS OF PERFORMANCE

Section 5.01 CRWA's Responsibilities

A. CRWA shall pay Engineer as set forth in each Service Order, subject to the terms and conditions set-forth in Article 4.

B. CRWA shall be responsible for the requirements and instructions that it furnishes to the Engineer pursuant to this Agreement, and for the accuracy and completeness of the programs, reports, data, and other information furnished by CRWA to Engineer pursuant to this Agreement or any Service Order for use of Engineer in performing or furnishing services under any Service Order, subject to any express limitations or reservations applicable to the furnished items

C. CRWA shall give prompt written notice to Engineer whenever CRWA observes or otherwise becomes aware of: (1) any development that affects the scope or time of performance of Engineer's services; (2) the presence at the Site of a Specific Project of any Constituent of Concern; or (3) any relevant, material defect or nonconformance in Engineer's services, the Work or the performance of any Constructor or consultant managed by the Engineer.

D. CRWA shall:

1. Provide Engineer with criteria and information as to CRWA's requirements for each Specific Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations.
2. Furnish Engineer with copies of design and construction standards that CRWA will require to be included in the Drawings and Specifications; and furnish copies of CRWA's standard forms, conditions, and related documents to be included in the Bid Documents and Construction Documents, as applicable.
3. Following the Engineer's assessment of initially available Specific Project information and data and upon Engineer's request, furnish or otherwise make available such additional Project-related information and data as is reasonably required to enable Engineer to complete its Services, unless the Service Order requires Engineer to obtain this information from other sources.
4. Arrange for access to and make provisions for Engineer to enter upon CRWA property as required for Engineer to perform Services under the Service Order.
5. Examine alternate solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents required by the terms of the Service Order which are presented by the Engineer and render, in writing, timely decisions pertaining thereto.
6. Provide reviews, approvals, and permits from governmental authorities having jurisdiction to approve phases of the Specific Project designed or specified by Engineer, and such reviews, approvals, and consents from others as may be necessary for completion of each phase of the Project, unless the Service Order requires Engineer to obtain these reviews, approvals, or consents from other sources.
7. Place and pay for advertisement of Bids in appropriate publications, as required, for a Specific Project, unless the Service Order requires Engineer to perform these actions.
8. Advise Engineer of the identity and scope of services of any independent consultants employed by CRWA to perform or furnish Services in regard to the Project, including cost estimating, project peer review, value engineering, and constructability review unless such Services are related to an issue under legal review or are included in the Engineer's Scope of Services.
9. Furnish to Engineer data as to CRWA's anticipated costs for Services to be provided by others for CRWA so that Engineer may make the necessary calculations to develop and periodically adjust Engineer's opinion of Total Project Costs as required by a specific Service Order.

Section 5.02 Standards of Performance

A. *Standard of Care:* Engineer shall perform the professional engineering and related services required by each Service Order issued under this Agreement with the professional skill and care ordinarily provided by competent engineers practicing in Texas 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.

B. *Technical Accuracy:* CRWA shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct deficiencies in technical accuracy without additional compensation, unless such corrective action is directly attributable to deficiencies in CRWA-furnished information or an identifiable and documented change in conditions or circumstances impacting the Engineer's work.

C. *Consultants:* Engineer may retain such Consultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by CRWA.

D. *Reliance on Others:* Subject to the standard of care set forth in Section 5.02(A), Engineer and its Consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.

E. Compliance with Laws and Regulations, and Policies and Procedures

1. Engineer and CRWA shall comply with applicable Laws and Regulations.
2. Engineer shall comply with the policies, procedures, and instructions of CRWA that are applicable to Engineer's performance of services under this Agreement and that CRWA provides to Engineer in writing, subject to the standard of care set forth in Section 5.02(A), and to the extent compliance is not inconsistent with professional practice requirements.
3. Each Service Order is based on Laws and Regulations and CRWA-provided written policies and procedures as of the Commencement Date of the Service Order. The following may be the basis for modifications to CRWA's responsibilities or to Engineer's scope of services, times of performance, or compensation:
 - a. Changes after the Commencement Date of the Service Order to Laws and Regulations; or
 - b. The receipt by Engineer after the Commencement Date of the Service Order of CRWA-provided written policies and procedures or changes to CRWA-provided policies or procedures.

F. Engineer shall not be required to sign any document, no matter by whom

requested, that would result in Engineer having to certify, guarantee, or warrant the existence of conditions whose existence Engineer cannot ascertain within its services for that Specific Project.

G. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto.

H. While at a Site, Engineer, its Consultant, and their employees and representatives shall comply with the applicable requirements of Contractor's and CRWA's safety programs of which Engineer has been informed in writing.

I. Anything to the contrary contained in this Agreement notwithstanding, Engineer shall at all times and in connection with each capital improvement and construction project forming the basis for a Service Order, utilize the guidelines and methodology set forth in **AACE International Recommended Practice No. 18-R-97** (concerning cost estimate classification and budgeting). Engineer shall, upon CRWA's written request, deliver to CRWA all documentation containing data, calculations, estimates and inputs utilized by Engineer in preparing, evaluating and estimating project costs for any Specific Project.

Section 5.03 Design without Construction Phase Services

It is understood and agreed that if Engineer's Services under a Service Order do not include Project observation, review of Contractor's performance, or any other construction phase services, and that such services will be provided by CRWA, then CRWA assumes responsibility for interpretation of the Construction Contract Documents and for construction observation or review except where such interpretation is attributable to the design are an obvious design error or omission and requires correction by the Engineer of record.

Section 5.04 Inspection and Acceptance

Deliverables and/or services furnished under this Agreement shall be subject to review and inspection and, as applicable, testing by CRWA at times and places covered under the period of performance for Services and the applicable Service Order. CRWA reserves the right to reject deliverables which do not conform to the Specifications, Drawings, and/or other data or which do not comply with the terms and conditions of this Agreement and individual Service Orders. If rejected after delivery, rejected deliverables will be returned to Engineer at Engineer's risk and expense. Payment for any Services or deliverables shall not be deemed acceptance thereof, and if such Services or deliverables are rejected after payment, CRWA shall be entitled to an equitable refund. Additional or varying acceptance terms may be mutually agreed under individual Service Orders.

ARTICLE 6
TERM, RENEWAL, SUSPENSION OR TERMINATION

Section 6.01 Term

This Agreement shall be effective as of the date it is executed by CRWA's authorized representative and applicable to Service Orders issued hereunder for () years from the Effective Date of this Agreement.

Section 6.02 Renewal

The Parties may extend or renew this Agreement, with or without changes, by written instrument establishing a new term, provided the terms and conditions, including insurance coverages, hourly and reimbursable rates and other particulars remain unchanged.

Section 6.03 Termination

A. CRWA may terminate a Service Order or this Agreement with or without cause upon seven (7) days prior written notice to Engineer of such action. Upon termination of this Agreement in accordance with this paragraph, CRWA will have no further obligation to the Engineer hereunder except to pay the Engineer unpaid fees and expenses which the Engineer can reasonably show to have been earned under this Agreement prior to receipt of CRWA's notice of termination. **Under no circumstances may Engineer claim or recover consequential damages from CRWA.**

B. Either Party may terminate this Agreement by giving written notice to the other Party if the other Party ("**Defaulting Party**"): (a) materially breaches any term, condition or provision of this Agreement and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

Section 6.04 Suspension

A. CRWA may suspend a Service Order for convenience with seven (7) days prior written notice to Engineer of such action.

B. If CRWA fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if Engineer's Services are delayed through no fault of Engineer, Engineer may, after giving seven (7) days written notice to CRWA, suspend Services under this Agreement.

C. CRWA may, upon written notice to the Engineer, suspend work on a Service Order until such time that CRWA determines that it is in the best interest of CRWA to resume the work or to terminate the Service Order.

D. In the event of suspension of Services, the Engineer shall resume the full performance of the Services when directed in writing to do so by CRWA. Suspension of the Services for reasons other than the Engineer's negligence or failure to perform shall not affect the Engineer's compensation as provided for in this Agreement. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to the Service Order in progress to reflect the suspension.

E. If Engineer's Services are delayed or suspended in whole or in part by CRWA for more than ninety (90) days after the date of the beginning of the delay or suspension through no fault of Engineer, Engineer may be entitled to an equitable adjustment of compensation provided for elsewhere in this Agreement to reflect reasonable costs incurred by Engineer in connection with, among other things, such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised, to the extent that the Engineer can demonstrate that an actual increase in cost has been incurred and is equitable and compensable.

ARTICLE 7 OPINIONS OF COST

Section 7.01 Opinions of Probable Construction Cost

A. Engineer's opinions (if any) of probable Construction Cost are to be made on the basis of Engineer's experience and qualifications and represent Engineer's best judgment as an experienced and qualified professional generally familiar with the industry. 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 cannot and does not guarantee that proposals, Bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer.

B. CRWA reserves the right to request that the Engineer provide a written explanation of significant variations between the Engineer's opinion of probable Construction Cost and the actual Construction Cost.

Section 7.02 Opinions of Total Project Costs

Engineer's opinions (if any) of probable Total Project Costs are to be made on the basis of Engineer's experience and qualifications and represent Engineer's best judgment as an experienced and qualified professional generally familiar with the industry. However, since Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that Total Project Costs will not vary from opinions of probable Total Project Costs prepared by Engineer.

ARTICLE 8

REPRESENTATIVES AND MANAGERS

Section 8.01 Contract Representatives

A. CRWA shall designate a Contract Representative who will, on behalf of CRWA, coordinate with the Engineer and administer this Contract. It shall be the responsibility of the Engineer to coordinate all assignment-related activities under this Agreement with CRWA's Contract Representative. CRWA may change its Contract Representative at any time by giving the Engineer written notice of such change. The Contract Representative will be listed at the end of this Agreement on the signature page.

B. Engineer shall designate a Contract Representative who will, on behalf of Engineer, coordinate with CRWA and administer this Contract. The Engineer's Contract Representative and CRWA's Contract Representative will coordinate all assignment-related activities under this Agreement. Engineer may change its Contract Representative at any time by giving CRWA written notice of such change, provided the recommended replacement has similar qualifications and experience as the original Contract Representative. The Contract Representative will be listed at the end of this Agreement on the signature page.

Section 8.02 Designated Project Managers

Contemporaneously with the execution of each Service Order, Engineer and CRWA will each designate a specific individual to act on its behalf as Project Manager with respect to the Services to be performed or furnished by Engineer and the responsibilities of CRWA under such Service Order. The designated Project Managers for each Project will be listed on each Service Order and will be the primary point of contact. In the absence of the Project Manager, a secondary point of contact may be designated, and such designation must be provided in writing by the designating party to the other Party's Project Manager. The Project Managers for each Project will have authority to transmit instructions, receive information, and render decisions relative to the Project on behalf of the Party appointing the Project Manager. If the Engineer deems it necessary to replace the Project Manager, the Engineer may replace its designated Project Manager upon providing written notice to CRWA in accordance with Article 9, subject to CRWA's prior approval of such replacement. CRWA may replace its designated Project Manager upon providing written notice to the Engineer.

Section 8.03 Resident Project Representative

The Service Order for a Specific Project shall state whether Engineer must furnish a Resident Project Representative ("**RPR**") to assist Engineer in observing progress and quality of the Work on the Specific Project. The duties and responsibilities of the RPR, if any, will be as set forth in each Service Order.

ARTICLE 9 NOTICES

A. All notices, demands or requests from Engineer to CRWA shall be given to such party's Contract Representative as named on the signature page of this Agreement at CRWA's address for notice provided on the signature page.

B. All payments, notices, demands or requests from CRWA to Engineer shall be given to Engineer's Contract Representative named on the signature page of this Agreement at Engineer's address for notice provided on the signature page.

C. Notices required to be given to either Party may be given by certified first-class mail or by overnight delivery to the appropriate Party at its address stated on the signature page of this Agreement. Notice may also be given by personal service. Any notice given by mail shall be deemed to have been given one day after such notice was deposited in the United States mail, certified and postage prepaid, properly addressed to the Contract Representative of the Party to be served. In all other cases, notice to a Party will be considered delivered when received by the Party's Contract Representative.

ARTICLE 10 DOCUMENTS

Section 10.01 Use of Documents

A. Upon payment of all fees owed for a Service Order, all Documents relative to that Service Order are the property of CRWA, including native files for each software package used.

B. Copies of CRWA-furnished data that may be used by Engineer are limited to the printed copies (also known as hard copies) that are delivered to Engineer by CRWA. Files in electronic media format of text, data, graphics, or of other types that are furnished by CRWA to the Engineer are only for convenience of Engineer. Any conclusion or information obtained or derived from such files, written or electronic, will be at the user's sole risk. Engineer will review documents provided by CRWA and determine applicability and usability of information. Engineer will request additional information as necessary.

C. Copies of Documents that may be relied upon by CRWA are limited to the printed copies (also known as hard copies) that are signed or sealed by Engineer. Files in electronic media format of text, data, graphics, or of other types that are furnished by Engineer to CRWA are only for convenience of CRWA. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk.

D. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the Party receiving electronic files agrees that it will perform acceptance tests or procedures within 90 days, after which the receiving Party will be deemed to have accepted the data thus transferred. Any errors detected within the 90-day acceptance period will be corrected by the Party delivering the electronic files. Engineer is not responsible to maintain documents stored in electronic media format after acceptance by CRWA.

E. When transferring documents in electronic media format, neither CRWA nor Engineer make any representation to the other as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by CRWA or Engineer on the Effective Date.

F. Documents provided by Engineer are not intended or represented to be suitable for reuse by CRWA or others on extensions of the Project or on any other project. CRWA may, however, reuse such documents without any payment to Engineer. Any such reuse or modification without written verification or adaptation by Engineer, as appropriate for the specific purpose intended, will be at CRWA's sole risk and without liability or legal exposure to Engineer or to Engineer's Consultants.

G. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

Section 10.02 Records Retention

A. Engineer shall maintain on file in legible form, for a period of five years following completion or termination of its services under each Service Order, all Documents, records (including cost records), and design calculations related to Engineer's services or pertinent to Engineer's performance under the Service Order.

B. Within ten (10) days following completion or termination of Engineer's services under each Service Order, or at any time upon CRWA's written request, Engineer shall provide to CRWA a complete copy of all Documents, records (including cost records), and design calculations related to Engineer's services or pertinent to Engineer's performance under the Service Order CRWA at no cost to CRWA.

ARTICLE 11 INSURANCE

Section 11.01 Standard Insurance Policy Requirements

A. Without limiting the indemnity obligations or liabilities of Engineer or its insurers, provided herein, Engineer agrees to carry and maintain at its sole expense during the Term of this Agreement the following policies of insurance (individually, a "**Policy**" and, collectively, the "**Policies**") in at least the minimum amounts specified below.

B. At least five (5) days prior to execution of this Agreement by CRWA, Engineer will provide to CRWA certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to CRWA. The requirement to provide acceptable certificates of insurance is a material condition of this Agreement, and work under this Agreement and any associated Service Order may not commence until such certificates of insurance have been received, reviewed, and accepted by CRWA.

TYPE OF INSURANCE

LIMITS OF LIABILITY

1. Workers' Compensation: Statutory
2. Employer's Liability: \$1,000,000 per Occurrence; \$1,000,000 Aggregate
3. Commercial General Liability: \$1,000,000 per Occurrence \$2,000,000 Aggregate

The CGL Policy will provide contractual liability coverage at the aforementioned limits

4. Professional Liability: \$2,000,000

Engineer will procure and maintain professional liability insurance for protection from claims arising out of performance of its Services under this Agreement caused by any negligent act, error or omission for which the Engineer is legally liable. Policies written on a claims-made basis shall be maintained or have an extended reporting period of at least two (2) years beyond termination of the Agreement.

5. Umbrella Liability \$5,000,000 per Occurrence

Umbrella liability coverage will apply to Employer's Liability, Commercial General Liability, and Business Automobile Liability.

Section 11.02 General Insurance Requirements

A. Each Policy, except Professional Liability, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the CRWA Parties. Additionally, the CRWA Parties shall be designated as an additional insured either by a blanket additional insured or a specific endorsement on all Policies, except for Worker's Compensation, Employer's Liability, and Professional Liability.

B. Each Policy, except Workers' Compensation and Professional Liability, must contain an endorsement that the Policy is primary to any other insurance available to the additional insureds with respect to claims arising under this Agreement.

C. The insurance required as listed above, shall apply to any Consultant performing for or on behalf of Engineer, and Engineer shall ensure that any such Consultant is aware of and complies with the insurance requirements during any period such Consultant is performing work under this Agreement.

D. The minimum insurance required may be increased periodically upon request by CRWA to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

E. Engineer's liability shall not be limited to the specified amounts of insurance required herein.

ARTICLE 12 RELEASE, INDEMNIFICATION AND MUTUAL WAIVER

Section 12.01 Release by Engineer

To the fullest extent permitted by Laws and Regulations, Engineer hereby releases and discharges the CRWA Parties from liability for and assumes the risk of loss or damage to the property of Engineer and the injury or death of any person employed by Engineer.

Section 12.02 Indemnification by Engineer

A. To the fullest extent permitted by Laws and Regulations, Engineer shall indemnify and hold harmless the CRWA Parties from all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable consultants' and attorneys' fees) (collectively, "Damages") arising from third-party claims or actions relating to this Agreement, any Service Order, or any Specific Project, but only to the extent that the Damages are caused by or result from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the Engineer or the Engineer's agent, consultant under contract, or another entity over which the Engineer exercises control.

B. Engineer's indemnity obligations under this Article 12 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Engineer to any employee of Engineer under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts.

C. The obligations of the Engineer under this Article 12 shall survive the expiration or termination of this Agreement.

Section 12.03 Mutual Waiver of Special and Consequential Damages

To the fullest extent permitted by law, CRWA and Engineer waive against each other, and the other's employees, officers, member, member-entities, trustees, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, any Service Order, or a Specific Project, from any cause or causes.

ARTICLE 13 DISPUTE RESOLUTION

A. In the event a dispute arises between the Parties regarding the application or interpretation of, or in any way relating to, this Agreement, the Parties agree to attempt to resolve all such disputes arising hereunder promptly, equitably and in a good faith manner. If the Parties shall have failed to resolve the dispute within the ten (10) Business Days after any written notice of the dispute has been received by the other Party, then either Party may resort to mediation, under the remaining provisions of this Article.

B. CRWA and Engineer agree they will, before taking any other legal action, including the filing of an action in any State or Federal Court, attempt in good faith, to mediate in any controversy or claim arising out of or related to this Agreement before a Texas

mediator to be agreed upon by CRWA and Engineer. Mediation shall occur in Guadalupe, Comal or Bexar County, Texas. CRWA and Engineer must use their best efforts to agree upon a mediator within fifteen (15) business days after a written request for mediation by either Party. The mediator will schedule a mediation meeting at a time and place determined by the mediator, as agreed by the parties. CRWA and Engineer will each pay one-half of the costs of mediation to the mediator. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available under this Agreement and at law or in equity.

ARTICLE 14 GENERAL PROVISIONS

Section 14.01 Severability

If any part of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Agreement, and this Agreement shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

Section 14.02 No Waiver

Any waiver, expressed or implied, by either CRWA or Engineer to any breach of any agreement, covenant or obligation contained in this Agreement shall operate as such only in the specific instance, and shall not be construed as waiver to any subsequent breach of such agreement, covenant, or obligation.

Section 14.03 Applicable Law

THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. CRWA and Engineer agree that if any controversy or claim arising out of or related to this Agreement cannot be resolved pursuant to and in accordance with the deadlines set forth in Article 13, then either Party may elect to resolve the controversy or claim through litigation filed and maintained in the Texas state courts located in Guadalupe County, Texas. CRWA and Engineer each submit to the exclusive jurisdiction of said courts and waives the right to change venue.

Section 14.04 Agreement and Service Orders Control

In the event of a conflict between the wording of a Service Order and any purchase order issued by CRWA in connection with the Service Order, the wording of the Service Order will control.

Section 14.05 Amendment of Agreement

This Agreement maybe changed or modified at the request of either the Engineer or CRWA, provided both Parties agree to the requested change, and a written amendment of this Agreement is prepared and executed by the Parties.

Section 14.06 Assignment

Engineer may not assign or transfer any rights under or interest in this Agreement without the written consent of CRWA, which such consent may withhold in its discretion.

Section 14.07 No Third-Party Beneficiaries

This Agreement will be for the sole and exclusive benefit of CRWA and Engineer and not for the benefit of any other party, person, or entity. Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by CRWA or Engineer to any Consultant, Contractor, Contractor's subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them.

Section 14.08 Force Majeure

In the event either Party shall be delayed or hindered in or prevented from the performance required hereunder by reason of *force majeure*, which includes strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, or other reason of like nature not the fault of the Party delayed in performing work or doing acts (herein "*force majeure*"), such Party shall be excused for the period of time equivalent to the delay caused by such *force majeure*, or the Agreement may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the CRWA.

Section 14.09 Public Disclosure

CRWA is a political subdivision of the state of Texas subject to the requirements of the Texas Open Meetings Act and the Texas Public Information Act (Texas Government Code, Chapters 551 and 552), and as such, CRWA may be required to disclose to the public upon request this Agreement, the Service Orders issued hereunder, and certain other information and documents relating to the services contemplated hereby. In this regard, Engineer agrees that the disclosure of this Agreement, the Service Orders issued hereunder, or any other information or materials related to the services contemplated hereby, to the public by CRWA as required by the Texas Open Meetings Act, the Texas Public Information Act, or any other law will not expose CRWA (or any party acting by, through or under CRWA) to any claim, liability, or action by Engineer.

Section 14.10 Confidentiality

Engineer will keep confidential all information in whatever form produced, prepared, observed or received from CRWA to the extent that such information is: (a) confidential by law; (b) marked or designated "Confidential" or words to that effect; or (c) information that Engineer is otherwise required to keep confidential by this Agreement.

Notwithstanding the above, Engineer will be permitted to disclose any information required by law or court order.

Section 14.11 Certificate of Interested Parties

Engineer will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to CRWA at the time Engineer submits the signed Agreement to CRWA. A separate Form 1295 may be required for subsequent Service Orders, as required by the referenced code and rules issued thereunder.

Section 14.12 Engineer's Certificate

Engineer certifies that it has not engaged in corrupt, fraudulent, or coercive practices in competing for or in executing this Agreement. For the purposes of this Section 14.12:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the selection process or in the execution of the Agreement;
2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the selection process or the execution of the Agreement to the detriment of CRWA, or (b) to deprive CRWA of the benefits of free and open competition;
3. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or affect the execution of the Agreement.

Section 14.13 No Conflict of Interest

A. By and through its execution of this Agreement, Engineer hereby certifies that it has no actual or potential Organizational Conflict of Interest. "**Organizational Conflict of Interest**" means that because of other activities or relationships with other persons or entities, the Engineer is unable or potentially unable to render impartial assistance or advice to CRWA or that Engineer's objectivity in performing the services under this Agreement and related Service Orders is or might, in CRWA's sole discretion, otherwise be impaired.

B. Engineer agrees to immediately notify CRWA of any actual or potential Organizational Conflict of Interest that develops during the Term of this Agreement. Engineer further agrees to submit to CRWA, together with each Service Order submitted pursuant to this Agreement, written disclosure of any actual or potential conflict of interest arising from an existing business relationship between Engineer and any public, private or governmental agency whose interests are or may be adverse to the interests of CRWA in connection with CRWA's statutory purpose, operations, pending or

contemplated permit applications or pending or contemplated litigation. Engineer's obligation to disclose conflicts of interest as herein described shall be ongoing, and to the extent that Engineer has not previously disclosed to CRWA an actual or potential conflict of interest, shall make such disclosure contemporaneously with of Engineer's invoice first submitted to CRWA following discovery of the existence of the actual or potential conflict. Engineer agrees to furnish to CRWA, upon CRWA's written request, a list of all water utilities and governmental entities for whom Engineer has performed engineering or related services within the twenty-four (24) months preceding the date of such request.

C. Engineer further agrees that CRWA may terminate this Agreement immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Agreement or discovers that Engineer has failed to timely make any disclosure required by Section 14.13(B).

Section 14.14 Parties Bound

This Agreement binds and inures to the benefit of the Parties and their respective legal representatives, successors and assigns, where assignment is permitted by this Agreement.

Section 14.15 Attorneys' Fees; Default

In the event Engineer or CRWA breach any of the terms of this Agreement and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

ARTICLE 15 EXHIBITS

Section 15.01 Suggested Form of Service Order

The Suggested Form of Service Order is attached as Attachment One, and shall be used as the basis for preparing a specific Service Order for each Specific Project under this Agreement.

Section 15.02 Exhibits Included

A. **Exhibit A**, *Engineer's Services for Service Order*. Services, tasks, and terms in **Exhibit A** as included with this Agreement are for reference in preparing the scope of services for specific Service Orders, and are contractually binding only to the extent expressly incorporated in a specific Service Order.

B. **Exhibit B**, *Engineer's Standard Hourly Rates for Work performed under the Service Order*. This Exhibit, as updated from time to time, applies to all Service Orders.

C. **Exhibit C**, *Engineer's Reimbursable Expenses Schedule for costs incurred by Engineer when performing Work under the Service Order*. The terms of **Exhibit C** that

will be applicable to and govern compensation under a specific Service Order will be determined by the selection of compensation methods made in Paragraph 5, “*Payments to Engineer*,” of the specific Service Order.

D. **Exhibit D**, *Duties, Responsibilities and Limitations of Authority of Resident Project Representative*. This Exhibit is not contractually binding except when expressly incorporated in a specific Service Order.

E. **Exhibit E**, *Notice of Acceptability of Work*. Engineer shall use this Notice of Acceptability of Work form at the conclusion of construction on a Specific Project if the form is expressly incorporated by reference in a specific Service Order, and Engineer’s scope of services in the specific Service Order includes providing such a Notice.

F. **Exhibit E**, *Amendment to Service Order*. CRWA and Engineer may use this form during a Specific Project to modify the specific Service Order.

Engineer:

Contract Representative

Name

Address

Email

CRWA:

Contract Representative

Name

Address

Email

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the Effective Date first above written.

Engineer:

Address

Name

Title

Signature

CRWA:

850 Lakeside Pass
New Braunfels, Texas
78130

Name

Title

Signature

ATTACHMENTS

APPENDIX 1 - DEFINITIONS

ATTACHMENT ONE - SERVICE ORDER

EXHIBIT A – ENGINEER'S SERVICES FOR SERVICE ORDER

EXHIBIT B – STANDARD HOURLY RATES SCHEDULE

EXHIBIT C – REIMBURSEMENT EXPENSE SCHEDULE

**EXHIBIT D – SCHEDULE OF DUTIES, RESPONSIBILITIES AND
LIMITATIONS OF AUTHORITY**

EXHIBIT E – NOTICE OF ACCEPTABILITY OF WORK

EXHIBIT F – AMENDMENT TO SERVICE OR

APPENDIX 1
DEFINITIONS

1. *Addenda*. Written or graphic instruments issued prior to the opening of Bids that clarify, correct, or change the Bid Documents or the proposed Construction Contract Documents.

2. *Agreement*. This “Master Services Agreement between CRWA and Engineer for Professional Engineering Services,” including all Attachments and Exhibits attached hereto.

3. *Bid*. The offer or proposal of the bidder submitted on the CRWA-prescribed form setting forth the prices and schedule for the Work to be performed.

4. *Bid Documents*. The notice or invitation to submit bids or proposals for construction of a Specific Project, including the instructions to bidders, the Bid form and attachments, the bid bond, if any, the Construction Contract Documents, and all Addenda, if any.

5. *Business Day*. means any day other than Saturday or Sunday or any other day on which banks in Texas are permitted or required to be closed.

6. *Change Order*. A document which is signed by a Contractor and CRWA and authorizes an addition, deletion, or revision in the Work or an adjustment in the Construction Contract Price or the Construction Contract Times, or other revision to the Construction Contract, issued on or after the effective date of the Construction Contract.

7. *Change Proposal*. A written request by a Contractor, duly submitted in compliance with the procedural requirements set forth in the Construction Contract, seeking an adjustment in Construction Contract Price or Construction Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Construction Contract Documents or the acceptability of Work under the Construction Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Construction Contract.

8. *Ceiling Price*. The maximum amount CRWA will pay for the Work or phases of Work described in a Service Order.

9. *Commencement Date of a Service Order*. The date indicated in a Service Order on which the Service Order becomes effective; but if no such date is indicated, it means the date on which this Service Order is signed and delivered by the last of the two Parties to sign and deliver.

10. *Constituent of Concern*— Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. (“CERCLA”); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5101 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. (“RCRA”); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C.

§§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

11. *Construction Contract*. The entire and integrated written contract between CRWA and a Contractor concerning the Work.

12. *Construction Contract Documents*. The documents described in the Construction Contract as the “Contract Documents.”

13. *Construction Contract Price*—The money that CRWA has agreed to pay Contractor for completion of the Work in accordance with the Construction Contract Documents.

14. *Construction Contract Times*—The numbers of days or the dates by which a Contractor shall: (a) achieve milestones or specific deadlines, if any, in the Construction Contract; (b) achieve Substantial Completion, and (c) complete the Work.

15. *Construction Cost*. The cost to CRWA of the construction of those portions of an entire Specific Project designed or specified by or for Engineer under this Agreement and the specific Service Order, including construction labor, services, materials, testing, equipment, insurance, and bonding costs, and allowances for contingencies. The Construction Cost does not include costs of Services of Engineer or other design professionals and Consultants; costs of land, rights-of-way, or compensation for damages to properties; or CRWA’s costs for legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with a Specific Project; or the cost of services to be provided to CRWA by others. Construction Cost is one of the items comprising Total Project Costs.

16. *Constructor*. Any person or entity (not including the Engineer, its employees, agents, representatives, and Consultants), performing or supporting construction activities relating to a Specific Project, including but not limited to Contractors, Subcontractors, Suppliers, CRWA’s work forces, utility companies, other contractors, construction managers, testing firms, shippers, and truckers, and their employees, agents, and representatives.

17. *Consultants*—Individuals or entities having a contract with Engineer to furnish services with respect to a Specific Project as Engineer’s independent professional associates, consultants, subcontractors, or vendors.

18. *Contractor*. The individual or entity with which CRWA enters into a Construction Contract.

19. *Correction Period*. The time after Substantial Completion during which Contractor must correct, at no cost to CRWA, any Defective Work; normally one year after the date of Substantial Completion or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee or specific provision of the Construction Contract Documents.

20. *Day*. For purposes of this Agreement and associated Service Orders, the term “day” means a calendar day of 24 hours.

21. *Defective Work.* Any part of the Work the Engineer or the CRWA believes is defective under the terms and standards set forth in the Construction Contract Documents.

22. *Documents.* Data, reports, Drawings, Specifications, Record Drawings, and other deliverables, whether in printed or electronic media format, generated, provided or furnished in appropriate phases by Engineer to CRWA pursuant to this Agreement and any attached Service Orders.

23. *Drawings.* That part of the Construction Contract Documents prepared or approved by Engineer that graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop drawings are not Drawings as so defined.

24. *Effective Date.* The date indicated in this Agreement on which it becomes effective; but if no such date is indicated, it means the date on which this Agreement is signed and delivered by the last of the two Parties to sign and deliver it.

25. *Engineer.* The individual or entity named as such in this Agreement.

26. *Engineer's Contract Representative.* The Engineer's Contract Representative is the person appointed to represent the Engineer's interests in this Agreement as more particularly described in Section 8.01(B).

27. *Field Order.* A written order issued by Engineer which directs minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.

28. *Final Acceptance.* That point in a Specific Project wherein CRWA considers the Project complete and CRWA issues a Certificate of Final Acceptance.

29. *General Conditions.* That part of the Construction Contract Documents that sets forth the terms, conditions, and procedures that govern the Work to be performed or furnished by Contractor with respect to a Specific Project.

30. *Hourly Rates Service Order.* A Service Order under which CRWA agrees to pay Engineer based on the amount of time spent by the Engineer's employees in performing the Work described in the Service Order and for the Reimbursable Expenses incurred by Engineer in performing the services, but limited to the Ceiling Price specified in the Service Order.

31. *Laws and Regulations; Laws or Regulations.* Any and all applicable laws, rules, regulations, ordinances, codes, standards, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

32. *Lump Sum Service Order.* A Service Order under which CRWA agrees to pay Engineer a specified agreed amount for the services described in the Service Order regardless of the number hours it takes to complete the work.

33. *Named Reimbursable Expenses.* Only the Reimbursable Expenses expressly listed, if any, in a Lump Sum Service Order.

34. *CRWA's Contract Representative.* CRWA's Contract Representative is the person appointed to represent CRWA's interests in this Agreement.

35. *CRWA Parties.* CRWA and its employees, trustees, managers, member-entities.

36. *Proposal.* Document representing technical qualifications, approach to specific work, and costs associated with construction of a Specific Project or project specific services.

37. *Record Drawings.* Drawings depicting the completed Specific Project, or a specific portion of the completed Specific Project, prepared by Engineer and based solely on Contractor's record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications, as delivered to Engineer and annotated by Contractor to show changes made during construction and to depict the final state of work.

38. *Reimbursable Expenses.* The expenses incurred directly by Engineer in connection with performing or furnishing Services for a Specific Project for which CRWA will pay Engineer as indicated in the Service Order and **Exhibit C**.

39. *Resident Project Representative.* The authorized representative, if any, of Engineer assigned to assist Engineer at the Site of a Specific Project during the Construction Phase. As used herein, the term Resident Project Representative or "**RPR**" includes any assistants or field staff of the RPR.

40. *Samples.* Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.

41. *Scope of Services.* The scope of the professional engineering services to be provided by Engineer for any Specific Project as outlined in the Service Order for that Project.

42. *Services.* The professional engineering services to be provided by Engineer under any Service Order.

43. *Service Order.* A document in the form of **Attachment One** executed by CRWA and Engineer pursuant to this Agreement, including amendments if any, stating the scope of services, Engineer's compensation, times for performance of services, deliverables, and other relevant information for a Specific Project.

44. *Shop Drawings.* All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to CRWA or Engineer to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Construction Contract Documents.

45. *Site.* Lands or areas indicated in the Construction Contract Documents for a Specific Project as being furnished by CRWA upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by CRWA which are designated for use of a Contractor for the construction of a Specific Project.

46. *Specific Project.* The total specific undertaking to be accomplished for CRWA by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the services to be performed or furnished by Engineer under a specific Service Order are a part.

47. *Specifications.* That part of the Construction Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards, and workmanship as applied to the Work and certain administrative details applicable thereto.

48. *Standard Hourly Rates.* The Standard Hourly Rates listed in Engineer's Standard Hourly Rates Schedule attached hereto as **Exhibit B.**

49. *Subcontractor.* An individual or entity having a direct contract with a Contractor or with any other Subcontractor for the performance of a part of the Work.

50. *Substantial Completion.* The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of CRWA or Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Construction Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.

51. *Special Conditions.* That part of the Construction Contract Documents which amends or supplements the General Conditions.

52. *Term or Term of this Agreement.* The Term of this Agreement is the period from the Effective Date until the date on which this Agreement expires or is terminated in accordance with the provisions of this Agreement.

53. *Total Project Costs.* The total cost of planning, permitting, studying, designing, constructing, testing, commissioning, and start-up of the Specific Project, including Construction Cost and all other Specific Project labor, services, materials, equipment, insurance, and bonding costs, allowances for contingencies, the total costs of services of Engineer or other design professionals and consultants, cost of land, rights-of-way, or compensation for damages to properties, or CRWA's costs for legal, accounting, insurance counseling, and auditing services, interest and financing charges incurred in connection with the Specific Project, and the cost of other services to be provided by others to CRWA.

54. *Work.* The entire construction or the various separately identifiable parts thereof required to be provided by Construction Contract Documents for a Specific Project. Work includes and is the result of performing or providing all labor, equipment, materials, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning; all as required by such Construction Contract Documents.

55. *Work Change Directive.* A written directive to a Contractor issued on or after the effective date of the Construction Contract, signed by CRWA and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

Attachment One
GENERAL FORMAT FOR SERVICE ORDER

SERVICE ORDER
CANYON REGIONAL WATER AUTHORITY (“CRWA”)
MASTER SERVICES AGREEMENT NO. _____

PROJECT NAME *(Insert Project name)*
PROJECT NO.: *(Insert Project number)*
SERVICE ORDER NO.: *(Insert Service Order number)*
COMMENCEMENT DATE: *(Insert Service Order Commencement Date)*

This Service Order is executed by any between the Canyon Regional Water Authority (“CRWA”) and _____ (“**Engineer**”). CRWA and Engineer agree that all of the Services authorized by this Service Order shall be subject to the terms and conditions of CRWA’s Master Services Agreement for Professional Engineering Services between CRWA and Engineer (“**Agreement**”). Upon execution of this Service Order, the Agreement shall be incorporated into and be considered part of this Service Order as if set forth herein in its entirety.

Any capitalized terms in this Service Order that are not defined herein shall have the meanings given to them in the Agreement. If there is any inconsistency between the terms of this Service Order and the terms of the Agreement, the terms of this Service Order will control.

Engineer will provide the Services described in the Services of Engineer below in connection with the Specific Project described below.

1. Description of Specific Project:

[Insert description of the Specific Project that is the subject of this Service Order.]

2. Services of Engineer (Scope of Services)

A. The specific services to be provided or furnished by Engineer under this Service Order are:

[Select one of the following options and delete the other.]

set forth the attached **Exhibit A**, which is incorporated herein.

[or]

as follows: []

[Note: Insert detailed scope of services here.]

B. Resident Project Representative (RPR) Services

If the scope of services established in Paragraph 2.A above includes RPR services, then the RPR shall provide *[Select one of the following options]*:

- full time representation; or
- part time representation as follows:_____.

C. Designing to a Construction Cost Limit

[If the design under this Service Order will be governed by a Construction Cost Limit, then include the following clause, with blanks filled in; if not, then delete the clause or indicate “Does not apply” or similar.]

Under this Service Order, Engineer will design to a Construction Cost Limit of \$_____.

D. Other Services

Engineer shall also provide the following services:

[Summarize or provide a brief description of other services (if any) that are to be provided by Engineer, but have not been addressed above

2. CRWA's Responsibilities

CRWA shall have those responsibilities set forth in Section 5.01 of the Agreement, subject to the following:

[State any additions or modifications to Section 5.01 for this Specific.]

3. Service Order Schedule

The parties shall meet the following schedule:

[Revise and amend for each specific Service Order. See the following table for Example purposes only]

Party	Action	Schedule
Engineer	Furnish [] review copies of the Report and other Study and Report Phase deliverables to CRWA.	Within [] days of the Commencement Date of the Service Order.
CRWA	Submit comments regarding Report and other Study and Report Phase deliverables to Engineer.	Within [] days of the receipt of Report and other Study and Report Phase deliverables from Engineer.
Engineer	Furnish [] copies of the revised Report and other Study and Report Phase deliverables to CRWA.	Within [] days of the receipt of CRWA's comments regarding the Report and other Study and Report Phase deliverables.
Engineer	Furnish [] review copies of the Preliminary Design Phase documents, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables to CRWA.	Within [] days of CRWA's authorization to proceed with Preliminary Design Phase services.
CRWA	Submit comments regarding Preliminary Design Phase documents, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables to Engineer.	Within [] days of the receipt of Preliminary Design Phase documents, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables from Engineer.
Engineer	Furnish [] copies of the revised Preliminary Design Phase documents, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables to CRWA.	Within [] days of the receipt of CRWA's comments regarding the Preliminary Design Phase documents, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables.

Engineer	Furnish [] copies of the final Drawings and Specifications, assembled drafts of other Construction Contract Documents, the draft bidding- related documents (or requests for proposals or other construction procurement documents), and any other Final Design deliverables, to CRWA.	Within [] days of CRWA's authorization to proceed with Final Design Phase Services.
CRWA	Submit comments and instructions regarding the final Drawings and Specifications, assembled drafts of other Construction Contract Documents, the draft bidding- related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables, to Engineer.	Within [] days of the receipt of the final Drawings and Specifications, assembled drafts of other Construction Contract Documents, the draft bidding- related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables from Engineer.
Engineer	Furnish [] copies of the revised final Drawings and Specifications, assembled Construction Contract Documents, bidding-related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables, to CRWA.	Within [] days of the receipt of CRWA's comments and instructions regarding the final Drawings and Specifications, assembled drafts of other Construction Contract Documents, the draft bidding- related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables

Should CRWA not return comments and/or instructions in the time listed in the schedule, the Engineer's schedule for subsequent items will be extended by the same number of days by which CRWA comments or instructions exceed the scheduled review with no further recourse by the Engineer against CRWA.

4. Method of Compensation

A. CRWA shall pay Engineer for services rendered under this Service Order using the following method of compensation: *[Select one of the following options.]*

- Lump Sum plus Named Reimbursable Expenses, if any; or
- Standard Hourly Rates plus Reimbursable Expenses with a Ceiling Price.

B. If this is a Lump Sum Service Order, CRWA shall pay Engineer the following lump sum amount for the services described in this Service Order: \$ _____. In addition, CRWA shall reimburse Engineer for the following Named Reimbursable Expenses (if any):

C. If this is an Hourly Rates Service Order, the Ceiling Price for this Service Order is. \$ _____.

D. If this is an Hourly Rates Service Order, the estimated amount of compensation payable for each category of services rendered under this Service Order is as follows:

[Note: Delete line items that do not apply to this Service Order.]

Description of Service	Amount
Study and Report Phase	\$
Preliminary Design Phase	\$
Final Design Phase	\$
Bidding or Negotiating Phase	\$
Construction Phase	\$
Resident Project Representative Services	\$
Post-Construction Phase	\$
Other Services (list as appropriate)	\$
ESTIMATED TOTAL COMPENSATION	\$

E. The terms of payment are set forth in Article 4 of the Agreement.

5. Consultants and Subcontractors retained or that will be retained as of the Commencement Date of the Service Order:

[List name of Consultants and Subcontractors, if any]

6. Other Modifications to the Agreement or the Exhibits to the Agreement:

[Supplement or modify the Agreement and Exhibits, if appropriate.]

7. Exhibits or Attachments to this Service Order:

8. Documents (other than the Agreement) Incorporated by Reference:

9. Terms and Conditions

Execution of this Service Order by CRWA and Engineer, and approval hereof by CRWA's Board of Trustees, shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Service Order signed by CRWA and approved by its Board of Trustees.

Engineer:

Project Manager

Name

Address

Email

CRWA:

Project Manager

Name

Address

Email