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ENGINEERS • PLANNERS • SCIENTISTS • CONSTRUCTION MANAGERS

PROFESSIONAL SERVICES AGREEMENT

March 25, 2025

City of Laredo
1110 Houston Street
Laredo, Texas 78040

City of Laredo Authorized Representative: Ramon E. Chavez, P.E., Director

Subject: City of Laredo Welcome Signage Monuments Project ("Project")

KCI Technologies, Inc. ("KCI") is pleased to submit this professional services proposal (the "Proposal") to City of Laredo ("Client") for the services (the "Services") described in the Scope of Services section of this Proposal. The Proposal shall be valid for a period of thirty (30) business days from the date above. Acceptance and execution thereafter shall be conditioned on KCI's reaffirmation of the Proposal.

The Proposal includes the General Provisions (see Exhibit A) and all other exhibits attached hereto. If this Proposal is accepted and executed by Client, then the General Provisions and other exhibits, along with this Proposal, shall constitute a complete and legally binding contract between KCI and Client.

SCOPE OF SERVICES

This Proposal is limited exclusively to the Services as described below and anything not expressly described shall be considered expressly excluded from the Services. Any modifications to the Services made after execution of this Proposal will be Additional Services unless otherwise agreed to in writing by both parties.

The Services will be performed at the following:

Location: Within IH 35 right-of-way between mile marker 13 and mile marker 18 just outside of Laredo, Texas, and within US-59 right-of-way just outside of Laredo, Texas.

Size: Large Welcome Signage Monuments – Not to Exceed 400 square feet. (20-foot maximum length and 20-foot maximum height)

KCI's understanding of the Project is to provide engineering design services requiring surveying, design, and construction oversight of a Welcome Signage Monuments for the City of Laredo.

Employee-Owned Since 1988

KCI proposes to perform the following Services:

Task 1: Meetings and Coordination

1. Coordinate and attend meetings with the City of Laredo departments, TxDOT, governing agencies, site Architects, MEP professionals, and Structural consultants to review the existing site, right-of-way, utilities, access, and associated improvement needs for the signage monuments.
2. Meet with the City, TxDOT, and Design Team to discuss the proposed site location, monuments concepts, site layout, and determine project design parameters.

Task 2: Topographic and Improvement Survey

1. Conduct a topographic and improvement survey of the selected site area for use in the design of the signage monuments.
2. Process survey data.
3. Prepare an existing terrain model with contours in CAD for use in the design of the signage monuments site improvements.
4. Set up working CAD drawings with survey information for the development of site-civil design plans and conduct technical reviews of survey, field data, and digital terrain model.
5. Prepare the topographic and improvement survey to share with the Design Team.
6. Incorporate and update the survey with any final detailed topographic, utilities, and improvement survey data and share with the Design Team.

Task 3: Geotechnical and Environmental Assessment Reports

1. Obtain the services of a Geotechnical Consultant for the collection of soils information necessary for the design of the signage monuments.
2. Obtain the services of an Environmental Consultant for the preparation of a phase 1 ESA on the site location.
3. Review, comment on, and submit Geotechnical and Environmental Assessment reports to the City of Laredo and Design Team for use with the project.

Task 4: Schematic Design (30% Submittal)

1. Review the data and provided files of the existing improvements within the TxDOT right-of-way, including site evaluation, existing contours, utility services, and property boundaries that will impact the design of the signage monuments.
2. Develop site plan and design requirements and meet with Design Team to discuss project goals and general site plan layout.
3. Conduct Utilities investigations and obtain available utility information and drawings from TxDOT and the various utility companies.
4. Work with the Design Team to prepare the preliminary site plan, architectural schematic of the signage monuments, and preliminary MEP and Structural requirements.
5. Coordinate with the City of Laredo and Design Team to address any utility conflicts and incorporate any project updates to the site plan and architectural schematic.
6. Prepare and submit the 30% design drawings with the Architectural schematic, site plan, MEP and Structural concepts.

Task 5: Preliminary Design (60% Submittal)

1. Incorporate comments from the City and Design Team review of the 30% submittal.
2. Coordinate with the Design Team to identify specific areas of concern and discuss possible alternatives for the sign, structure, utilities, access, grading, and drainage.
3. Prepare an updated site plan with signage monuments showing the existing site improvements, adjacent street infrastructure, adjacent right of ways, utilities, easements, and proposed site improvements as provided by the Design Team.
4. Prepare a survey data control sheet with control points and benchmark data for use with the construction documents.
5. Prepare a preliminary grading design plan displaying spot elevations, contours, and grades for the preliminary signage monuments plan.
6. Prepare Design Development Architectural drawings for the signage monuments.
7. Prepare a preliminary storm water pollution prevention plan (SWPPP) and Contractor staging plan outlining required best management practices for the protection of nearby streams and drainage systems and for erosion prevention.
8. Prepare preliminary Traffic Control plan.
9. Prepare construction plan sheet set-up and sheet development for the project.
10. Prepare 60% design plans for the improvements. Design to include Existing Site Plan, Proposed Site Plan, Architectural Design Development Plan, Structural Design Plans, Utility Plan, Drainage Plan, Stormwater Pollution Prevention Plan, General notes and Control Plan, preliminary design details.
11. Coordinate and prepare engineering cost estimates for proposed improvements.
12. Conduct up to two (2) preliminary design project review meetings with the City and/or TxDOT to review and discuss design drawings.
13. Submit the 60% preliminary construction plans to the City, TxDOT, and the Design Team for review, coordination, and comments.

Task 6: Final Design (100% Submittal)

1. Review comments provided by the City, TxDOT, and the Design Team. Incorporate comments/redlines into the final plan set.
2. Coordinate with the Design Team to prepare final designs and establish final design sheets.
3. Prepare final Architectural, MEP, Structural, and Civil designs, including site grading determinations, utility connections, structural designs, electrical designs, and various site improvement designs.
4. Prepare 100% design plans for the improvements. Design to include Existing Site Plan, Proposed Site Plan, Architectural Construction Documents, Structural Design Plans, Utility Plan, Drainage Plan, Stormwater Pollution Prevention Plan, Traffic Control Plan, General Notes and Control Plan, and final Design Details.
5. Conduct up to two (2) project review meetings with the City and/or TxDOT to review final design drawings.
6. Prepare final construction plans and specifications as required for submission to the City of Laredo for bidding.

Task 7: City Building Permit Coordination & Plan Updates

1. Assist the City of Laredo with submittals to the building department for the building permit review process.
2. Make necessary revisions and updates to plan sheets as may be required during the building permit review process.

Task 8: Construction Phase Services

1. The City of Laredo will schedule and coordinate construction meetings with the Contractor.
2. Attend the Pre-Construction meeting organized by the City of Laredo.
3. Assist the City with the review of engineering and architectural related specifications and submittals. Provide submittal responses to the City of Laredo.
4. KCI will attend up to 4 monthly construction progress meetings and 4 job site visits during construction, and when necessary, will address design questions, concerns, or issues throughout the construction phase.
5. Set up to 3 benchmarks for use by the Contractor during construction.
6. Attend Pre-Final and Final inspection meetings at the job site. Provide a list of engineering and architectural related punchlist items to the City and the Contractor.
7. Assist the City with the project closeout.

Subconsultants

KCI may utilize the assistance of Blue Top Land Surveying for any surveying related tasks needed for this Project.

Governmental Fee

Governmental Fees are anticipated for this project. KCI assumes the Client will pay all governmental fees in excess of \$500. However, KCI can pay fees that are less than \$500, and if we do, we will bill you for the amount advanced on your behalf plus 10%.

ASSUMPTIONS, EXCLUSIONS, AND CAVEATS

1. This proposal does not include boundary or ALTA level survey work.
2. This proposal does not include any subsurface utility location services.
3. This proposal does not include any construction staking.
4. This proposal does not include any construction materials testing.
5. This proposal assumes that the City of Laredo will conduct the procurement phase for the project.
6. This proposal assumes that KCI will submit plan reviews at 30%, 60%, and 100% to TxDOT and will manage all FHWA submission requirements.
7. This proposal assumes that KCI will coordinate, manage, and assist the City of Laredo in the preparation of resolutions and official documentation required by TxDOT for acceptance of the project.
8. This proposal does not include preparation of as-built drawings. Contractor to provide as-built drawings.

FEES AND PAYMENTS

The following fees are for the performance of the Services listed in the Scope of Services above. The fees listed in this section do not cover any Additional Services, or any other services that are not specifically described as part of the Services.

KCI will submit monthly invoices for the Services and Additional Services rendered and the Direct Expenses and Charges incurred. Client agrees to comply with the PAYMENT terms in the General Provisions.

KCI's fee for the Services will be a lump sum of **\$203,000.00** and will be invoiced monthly based on percentage of Services performed. The lump sum fee includes travel, lodging, per-diem, and equipment rental/use associated with the performance of Services.

The following list subdivides this cost estimate into individual cost estimates for each component of the Services.

Fee Summary (Two Monuments)

Engineering Services – Welcome Signage Monuments Design		
Task 1: Meetings and Coordination		\$ 28,000.00
<i>City Coordination</i>	\$ 11,000.00	
<i>TxDOT Coordination</i>	\$ 12,000.00	
<i>Architectural-MEP-Structural Coord</i>	\$ 5,000.00	
Task 2: Topographic and Improvement Survey		\$ 12,000.00
Task 3: Geotechnical and Environmental Assessment Reports		\$ 26,000.00
Task 4: Schematic Design		\$ 29,000.00
<i>Architectural Concept and Schematic</i>	\$ 8,000.00	
<i>Site Civil 30% Design</i>	\$12,000.00	
<i>Structural 30% Design</i>	\$ 4,500.00	
<i>MEP 30% Design</i>	\$ 4,500.00	
Task 5: Preliminary Design (60% Submittal)		\$ 52,000.00
<i>Architectural Design Development</i>	\$11,000.00	
<i>Site Civil 60% Design</i>	\$19,000.00	
<i>Structural 60% Design</i>	\$11,000.00	
<i>MEP 60% Design</i>	\$11,000.00	
Task 6: Final Design (100% Submittal)		\$ 33,000.00
<i>Architectural Construction Documents</i>	\$ 7,000.00	
<i>Site Civil 100% Design</i>	\$13,000.00	
<i>Structural 100% Design</i>	\$ 6,500.00	
<i>MEP 100% Design</i>	\$ 6,500.00	
Task 7: City Building Permit Review and Plan Updates		\$ 5,000.00
Task 8: Construction Phase Services		\$ 18,000.00
Engineering Services Total:		\$ 203,000.00

Changed conditions or additional requirements may result in an adjustment to estimated fees and/or schedules. Any estimate made by KCI to Client of the anticipated fees or completion schedule for its Services is understood to be informational only. KCI does not guarantee the accuracy of fee estimates, shall not be bound by the fee estimates as limits on the amount to be expended and charged in completion of the Services or any component thereof, and shall bill and be paid for fees that exceed these fee estimates as a result of the changed conditions or additional requirements.

DIRECT EXPENSES AND CHARGES

If KCI pays any fees on behalf of the Client, then those expenses will be invoiced directly to the Client.

ADDITIONAL SERVICES

Experience indicates that certain additional services (“Additional Services”) may be appropriate, required, or necessary that KCI cannot presently determine or estimate. For this reason, the fee for Additional Services is not included in the "Fees and Payments" section of this Proposal. Further, the performance of these Additional Services is not included in the Scope of Services unless expressly described in that section of this Proposal.

These Additional Services are the result of many situations and decisions too numerous to include here but two such examples are your decision, or your contractor’s, to deviate from current plans or standards, or a reviewing agency/regulator determination. For clarity, Additional Services, for the purposes of this Proposal, include the common understanding and purpose of the terms: extras, change orders, and add-ons.

FEES AND PAYMENTS FOR ADDITIONAL SERVICES

Fees and payments for Additional Services shall be in addition to any fees and payments for the Services and shall be billed and paid on the same fee and payment terms described for the Services or as mutually agreed upon in writing when the Additional Services are ordered by the Client.

CONCLUSION

KCI welcomes the opportunity to collaborate with the City of Laredo on site civil services for a Welcome Signage Monuments. The KCI point of contact (“POC”) if you have questions about this Proposal, the General Provisions, or any other attachment is Mr. Jeffrey G. Puig, P.E., R.P.L.S., who may be contacted at either 956-729-7844 or Jeffrey.Puig@kci.com.

Respectfully,

KCI Technologies, Inc.



Jeffrey G. Puig, P.E., R.P.L.S.
Practice Leader
7109 North Bartlett Avenue, Suite 201
Laredo, Texas 78041

ACCEPTANCE

By signing this Proposal, you are accepting the Proposal, General Provisions, and any other attachments and, therefore, agreeing to a legally binding contract with KCI Technologies, Inc.

The person executing this contract on behalf of the Client does hereby warrant that he/she has full authority to do so. Unless otherwise identified in Section 18, NOTICES, Client agrees that the person executing this Proposal will be the designated recipient.

his contract will go into effect as of the date of the signature below.

Please provide a copy of the signed contract to the KCI POC.

Name

Title

Signature

Date

EXHIBIT A

GENERAL PROVISIONS

These General Provisions are incorporated by reference in the Proposal for the performance of Services by KCI as of the date of the executed Proposal.

1. START OF SERVICES

KCI will not provide Services until Client executes the Proposal creating a contract. However, if Client fails to return an executed copy of the contract ("Agreement") to KCI and Client requests and authorizes KCI to proceed with Services, the terms and conditions of this Agreement will be in force and govern the Services and the relationship of the parties.

2. ADJUSTMENTS TO FEE AND TIME

Fees quoted in the Proposal are based on current salaries, operational costs and the Services as initially presented by Client. Unless a lump sum fee is quoted, KCI shall have the automatic right to adjust the fee basis to reflect change in salaries and operational cost on each twelve (12) month anniversary following the date of the Proposal. Estimates stated in the Proposal are provided for convenience of the Client and KCI may adjust the estimates as necessary once Services commence if the Services are not as originally described or anticipated. KCI will not perform the Services requiring an adjustment to the estimates without written approval from Client.

Should conditions be encountered in the performance of the Services that KCI has reason to believe are in variance with the conditions initially indicated by the Client or documents provided by the Client and differing materially from those ordinarily encountered and generally recognized as inherent in the Services, hereinafter called Changed Conditions, KCI shall, prior to modifying its Services or disturbing such Changed Conditions, give written notice to Client of such Changed Conditions and an estimate of additional time and cost, if applicable, to provide the Services in relation to the Changed Conditions. Upon receipt of KCI's notice of Changed Conditions, Client shall determine how the Changed Conditions will affect the project and notify KCI of how to proceed with the Services.

Although KCI will attempt to complete all Services in a timely fashion, KCI does not guarantee, expressed or implied, the time when Services are completed. If applicable, KCI will coordinate with the Client in scheduling and performing the Services to avoid conflict, delay in or interference with Client's work or others performing at the project site.

3. CONDUCT OF THE SERVICES

If applicable to the Services, all concept, preliminary and final plans prepared by KCI will be submitted to Client for approval prior to or concurrent with submittal to appropriate governmental authorities. If Client does not respond to such plans within five (5) business days of receipt, the plans shall be deemed approved by Client. After Client's approval, any change shall be deemed Additional Services for which KCI shall receive additional compensation. KCI shall not be obligated to incorporate changes requested by Client into its plans if, in the opinion of KCI, such changes would result in a substandard work product.

If applicable to the Services, any reference to existing subsurface objects is provided for general reference based on existing information supplied to KCI by the Client or others and such locations are not to be considered exact. At least forty-eight (48) hours before penetrating the ground, Client agrees to contact the local "State One-Call System (Dial 811)" and have a utilities representative on site unless otherwise stated in the Services.

4. STANDARD OF CARE

KCI will perform the Services in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time and in the same or similar locale and conform, as applicable, to appropriate federal, state and local laws, regulations and codes relevant to this Agreement. KCI makes no warranty, express or implied, of the Services. Nothing in this Agreement is intended to create, nor shall it be construed to create, a fiduciary duty owed by either party to the other.

5. RIGHT OF ENTRY; PERMITS; LICENSES; SAFETY

Client agrees to provide rights of entry and all permits necessary for the completion of KCI's Services under this Agreement at no cost to KCI unless otherwise defined in the Proposal. If applicable to the Services, Client represents, warrants and covenants that it possesses either (1) valid title and ownership interests in, or (2) the right to transfer, assign or encumber, the real property or parcel(s) of land that is the focus of or is related to the Services.

If applicable to the Services, if Client possesses neither valid title and ownership interests in, nor the right to transfer, assign or encumber, the real property or parcel(s) of land related to the Services, one of the following conditions must be fulfilled by Client within ten (10) business days after receipt of a fully executed copy of this Agreement:

- i. Client must secure express written authorization from the rightful owner of the property that (1) grants KCI the right to provide the Services on or about the property or parcel(s) in question; and (2) acknowledges and affirms the entire terms of this Agreement and the range of Services rendered by KCI; or
- ii. Client must pay an additional fee to KCI in an amount equal to thirty percent (30%) of the gross contract before KCI commences the Services.

KCI warrants that its personnel providing the Services are appropriately skilled and licensed in the State in which the Project is located.

If applicable to the Services, when KCI Services require KCI personnel or subconsultants to be at a project site, KCI agrees it and its subconsultants will comply with the Client's or any of Client's contractors or representative's reasonable health and safety requirements, which will be provided to KCI at least ten (10) business days prior to arrival on the project site. KCI shall not be responsible for any health and safety precautions or programs of Client or any of Client's contractors or representatives.

If applicable to the Services, neither the professional activities of KCI, nor the presence of KCI or its employees and subconsultants at a project site, shall relieve the Client, or the Client's General Contractor or, as applicable, any other third party engaged by the Client, of its obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending and coordinating the Services in accordance with the project documents and any health or safety precautions required by any regulatory agencies. KCI and its personnel have no authority to exercise any control over any other third parties, including a construction contractor or its employees in connection with their work or any health or safety programs or procedures. The Client agrees that it, its General Contractor or any other third party engaged by the Client shall be solely responsible for jobsite health and safety and warrants that this intent shall be carried out in the Client's contract with those other entities.

6. DOCUMENTS

Upon final payment, KCI hereby assigns to Client any and all rights, title and interest, including, without limitation, patents, trademarks, copyrights, trade secrets and other proprietary rights, to the Documents and Materials created by KCI specifically for Client hereunder and required to be delivered to Client by virtue of the description or specification as a deliverable in the applicable Services. Documents and Materials are the documents, drawings, and any specifications, computations, electronic data files, sketches, test data, survey results, photographs, and other material required for the provision of the Services.

Until final payment and during the provision of Services, KCI will provide the Documents and Materials to Client pursuant to a limited, non-transferable, no fee, worldwide, license to use the Documents and Materials solely for the purpose of the Project. Client may not copy, distribute, display, or create derivative works from the Documents and Materials except as necessary for the Project until ownership passes at the time of final payment. Under no circumstances or at any time (including after any assignment has been effectuated) may Client modify the Documents and Materials without KCI's express written permission and, when permitted, any such modifications will be clearly marked as being made by the Client.

Where the Documents and Materials are marked with KCI's copyright notices or other indicia or authorship, Client may not remove or modify any such marking without the prior written permission of KCI during the duration of the Project or anytime thereafter (including after any assignment has been effectuated). Notwithstanding anything to the contrary contained herein, KCI retains all right to its knowledge, experience, and know-how (including processes, ideas, concepts, and techniques) acquired in the course of performing the Services. KCI may, but is not obligated to, keep copies of all Documents and Materials for its records.

In the event Client, Client's contractors or subcontractors, or anyone for whom Client is legally liable makes or permits to be made any changes or modifications to the Documents and Materials, including electronic files, without obtaining KCI's prior written consent, Client assumes full responsibility for such changes or modifications, including any consequences thereof. Client agrees to waive any and all claims against KCI and to release KCI from any liability arising directly or indirectly from unauthorized changes or modifications.

Client will include in all contracts in any way related to the Services provisions prohibiting another entity, including a contractor or any subcontractors of any tier, from making any changes or modifications to KCI's Documents and Materials without the prior written approval of KCI, prohibiting the removal of KCI's copyright notices and other markings, and requiring the other party to indemnify KCI from any and all liability or cost arising from unauthorized changes or modifications.

Client assumes full responsibility and liability for all unauthorized changes and modifications to the Documents and Materials by itself or any third party after final payment to KCI.

If there is a discrepancy between that which is described or depicted on any Documents or Materials in electronic files and that which is described and depicted on the hard copies of such Documents or Materials, the hard copies shall govern.

7. INDEMNIFICATION AND LIABILITY

KCI shall indemnify and hold harmless the Client, its officers, directors, and employees, from and against those liabilities, damages, and costs that Client is legally obligated to pay as a result of the death or bodily injury to any person or the destruction or damage to any property, to the extent caused by the negligent acts, errors or omissions of KCI or anyone for whom KCI is legally responsible, subject to any limitations of liability contained in this Agreement. KCI will reimburse Client for reasonable defense costs for claims arising out of KCI's professional negligence based on the percentage of KCI's liability.

KCI shall indemnify, defend and hold harmless the Client, its officers, directors, and employees, from and against those claims, liabilities, damages and costs arising out of third-party claims to the extent caused by the negligent acts, errors or omissions of KCI or anyone for whom KCI is legally responsible, subject to any limitations of liability contained in this Agreement. The duty to defend shall not apply to professional liability claims.

The foregoing defend, hold harmless and indemnity obligations shall apply solely to any such causes of action, damages, costs, expenses or defense obligations covered by KCI's insurance.

The Client agrees to indemnify and hold harmless KCI, its officers, directors, and employees against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by

the Client's negligent acts, errors or omissions in connection with the Services and this Agreement and the acts of its contractors, subcontractors or consultants or anyone for whom the Client is legally liable. This Client indemnification and hold harmless includes damages, liabilities or costs arising from or relating to: slander of title or disparagement of property claims referenced in Section 5, RIGHT OF ENTRY; PERMITS; LICENSES; SAFETY; changes/modifications to Documents and Materials referenced in Section 6, DOCUMENTS; fees and expenses including, but not limited to cost of personnel time, court costs, litigation expenses and reasonable attorneys' fees KCI incurs as a result of late-payment referenced in Section 10, PAYMENTS; and, where applicable, any loss or damage to KCI or third parties' personnel or equipment resulting from any ground penetration except when it is the direct result of KCI's sole negligence or when caused by normal wear and tear.

Neither the Client nor KCI shall be obligated to indemnify the other party in any manner whatsoever for the other party's own negligence.

If applicable to the Services, Client warrants that it has and will comply with all lawful obligations regarding hazardous or toxic substances, and it agrees to indemnify and hold KCI harmless from any loss, damage, expenditure or liability arising out of or in any way relating to the presence, discharge, exposure or release of hazardous or toxic substances of any kind except to the extent it is the direct result of KCI's sole negligence.

To the fullest extent permitted by law, the total liability, in the aggregate, of KCI and its officers, directors, and employees to Client and anyone claiming by, through or under Client, for any and all injuries, claims, losses, expenses, or damages whatsoever arising out of or in any way related to the Services or this Agreement, from any cause or causes whatsoever, including but not limited to, negligence, strict liability, breach of contract or breach of warranty shall not exceed \$25,000 or the total compensation received by KCI under this Agreement, whichever is the lesser.

Neither party shall have liability for special, incidental, or consequential damages, lost revenues, lost profits, or punitive/exemplary damages, regardless of whether either party is or was aware of the possibility or actuality of such damages and regardless of the form or theory of relief of any claim or action. If Client is subject to liquidated damages, then Client agrees to waive any potential claim against KCI for liquidated damages unless, pursuant to a final determination consistent with Section 12, DISPUTE RESOLUTION, KCI is found to be at least partially at fault, then KCI agrees to pay its proportionate share of liquidated damages.

If applicable to the Services, Client agrees that KCI shall not be liable for work performed by other parties, for the accuracy of data supplied by other parties upon which KCI may rely, or for testing or inspection work performed by others, nor for any loss or damages claimed to result from penetration of the ground unless the loss or damage is a direct result of KCI's sole negligence.

If applicable to the Services, Client hereby agrees that, to the fullest extent permitted by law, KCI's maximum liability to Client for any and all claims, actions, damages, or losses arising out of or in any way related to mold shall not exceed the amount of any insurance coverage available to satisfy any claim made against KCI within the scope of any such coverage in existence at the time the claim is resolved by way of settlement award or judgment (exclusive of any required deductible). Client further agrees that in no event shall KCI be liable for any claims or damages of any nature, regardless of the insurance, (including costs relating thereto) for bodily or personal injury related to mold claims.

8. INSURANCE

KCI maintains at least the following insurance: 1) Commercial General Liability Insurance, including contractual liability, with a limit of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate; 2) Workers Compensation Insurance in compliance with the statutes of the State that has jurisdiction over its employees providing the Services to the required statutory amount; 3) Automobile Liability Insurance with a combined single limit of two million dollars (\$2,000,000); and 4) Professional

Liability Insurance in the amount of at least two million dollars (\$2,000,000). Certificates of insurance may be provided upon request.

9. CONFIDENTIALITY

The term "Confidential Information" shall mean any confidential or proprietary business, technical, financial or other non-public information or materials in a tangible or electronic format of a party ("Disclosing Party") provided to the other party ("Receiving Party") in connection with the Project, whether orally or in physical form, that is not generally known or available to others. However, Confidential Information shall not include information (i) previously known by Receiving Party without an obligation of confidentiality; (ii) acquired by Receiving Party from a third party which was not, to Receiving Party's knowledge, under an obligation of confidentiality; (iii) that is or becomes publicly available through no fault of Receiving Party; or (iv) that Disclosing Party gave written permission to Receiving Party to disclose, but only to the extent of such permitted disclosure.

Confidential Information produced or provided by either party relating to the Project shall not be released to other parties or the subject of any public announcement or publicity release without the other party's written authorization. The submission or distribution of documents to meet official regulatory requirements or for similar purposes in connection with the Project is not a publication as stated herein.

Except as required by applicable law, each Receiving Party agrees that (i) it will use Confidential Information of Disclosing Party solely for the purpose of the Agreement; and (ii) it will not disclose the Confidential Information of the Disclosing Party to any third party other than the Receiving Party's employees or agents, on a need-to-know basis, who are bound by obligations of nondisclosure and restricted use at least as strict as those contained herein, provided that Receiving Party remains liable for any breach of the confidentiality provisions of this Agreement by its employees or agents. The Receiving Party will protect the Confidential Information of the Disclosing Party in the same manner that it protects the confidentiality of its own proprietary and confidential information, but in no event using less than a reasonable standard of care.

In the event Receiving Party receives a subpoena or other administrative or judicial demand for any Confidential Information of Disclosing Party, Receiving Party will give Disclosing Party prompt written notice of such subpoena or demand and allow Disclosing Party to assert any available defenses to disclosure. Upon request by Disclosing Party and excluding necessary back-ups and record retention policies, Receiving Party will return or destroy all copies of any Confidential Information of the Disclosing Party and will destroy the copies kept consistent with record retention policies. Confidential Information will at all times remain the property of the Disclosing Party. The provisions of this Section will expire three (3) years after the expiration or termination of the Agreement.

10. PAYMENTS

Invoices submitted by KCI to Client are due and payable in full for undisputed amounts no later than thirty (30) days after receipt or, if applicable, fifteen (15) days after Client receives payment for the Services invoiced by KCI. If Client has a specific format or required information to be included in the invoice, Client will provide those details to KCI at the time of executing this Agreement. KCI does not agree to any retainage or withholding unless specifically agreed to in writing.

If any invoiced amount is disputed, Client will provide a detailed written explanation of the dispute and the parties agree to follow the dispute process in Section 12, DISPUTE RESOLUTION. Both parties agree to continue fulfilling the obligations of this Agreement during resolution of the dispute.

If undisputed amounts of an invoice remain unpaid for more than sixty (60) days from the date of the invoice, KCI, at its discretion and as allowable by law, may impose any or all of the following remedies: (1) apply a service charge of one and one half percent (1.5%) per month, eighteen percent (18%) per annum; (2) stop all Services, provided Client is given three (3) business days prior written notice to cure; (3) withdraw all certifications and plans previously submitted; (4) assert a lien on the property; (5) file suit for the collection of said overdue invoices in any Court of competent jurisdiction; and (6) undertake any other remedies

accorded it by law or this Agreement. An exercise of one or more of these actions shall not be deemed a waiver of future exercise of other actions.

As full and complete compensation for the Services, including all sales, excise, employment, use and other applicable taxes, fees and all other amounts imposed by governing authorities that are applicable to the Services, Client shall pay the KCI invoices. KCI shall be responsible for the payment of all taxes covering the Services, including the payment of all applicable taxes covering its employees.

11. TERMINATION

Upon five (5) business days' written notice to the other party, this Agreement may be terminated for convenience by either party, with or without cause and at the party's sole discretion. Upon termination for convenience, neither party shall have any further claims against each other provided that Client shall pay KCI for all Services performed through the date of termination.

Upon payment for all Services performed through the date of termination for convenience, neither party shall have any further claim for any type of damages and this Agreement will be deemed completed as of the date of the termination for convenience as if the Services included only those Services completed through the date of the termination for convenience.

If Client has paid KCI in full pursuant to the terms of a termination for convenience, Client has the option within thirty (30) business days of the notice to terminate for convenience to request Services to resume provided KCI is given ten (10) business days written notice as to when Services shall resume and only after Client and KCI have agreed on the Services, schedule, and fee. If Client fails to resume the Services as provided herein, KCI shall have no obligation to resume the Services at any time thereafter.

If the termination for convenience is due to Client being terminated for convenience, then Client shall vigorously pursue on behalf of KCI the compensation due KCI. KCI agrees to cooperate fully in Client's efforts to pursue any claims allowed including providing any necessary documentation and cost records.

Either party may terminate this Agreement for cause should the other party fail to deliver their obligations and requirements in a timely manner, to correct defective Services, as applicable, to act in good faith, or to carry out their obligations and requirements in accordance with this Agreement, each of which shall constitute a breach of this Agreement. In such event, the terminating party shall give written notice to the intended terminated party explaining the cause for termination thereby initiating the option to cure the default and take substantial steps to correct such default within ten (10) business days after receipt of notification. If the intended terminated party fails to take substantial steps in the time allotted, the other party may immediately terminate this Agreement.

12. DISPUTE RESOLUTION

The parties agree that all claims, disputes, and other matters ("Claims") in question between the parties arising out of or relating to this Agreement or breach thereof shall first attempt to be resolved between themselves including escalating up to the appropriate levels of each party. If after thirty (30) business days the Claim remains unresolved, then the parties agree to submit the Claim for confidential, non-binding mediation with both parties agreeing to the mediator no later than forty-five (45) days after written agreement to engage in mediation. The fees and expenses of the mediator shall be equally shared by both parties. Each party is responsible for their own costs, expenses, consultant fees and attorney fees incurred in the presentation or defense of the Claims that is subject to mediation between the parties. The parties agree to fully cooperate and participate in good faith to resolve the Claims. No written or verbal representation made by either party in the course of any discussions attempting to resolve the Claims or other settlement negotiations shall be deemed to be a party admission. Both parties agree that the choice of law shall be the laws of the State of the KCI office executing the Agreement, regardless of any other choice of law provisions.

If mediation fails to resolve the Claims within six (6) months, the Claims shall be submitted for determination through litigation in a court of competent jurisdiction in the County or City of the State of the KCI office

executing the Agreement. Prior to the exercise of this right, the party seeking judicial relief shall provide the other party thirty (30) days' prior written notice before filing such judicial action.

13. CERTIFICATE OF MERIT

Either consistent with the applicable Certificate of Merit statute or pursuant to this Agreement, Client shall make no claim (whether directly or in the form of a third-party claim) against KCI unless the Client shall have first provided KCI with written certification executed by an independent engineer licensed in the State where the Services are being performed, specifying each and every act or omission that the certifier contends constitutes a violation of the standard of care consistent with Section 4, STANDARD OF CARE. Such certificate shall be provided thirty (30) days prior to the presentation of any such claim or the institution of any dispute resolution process pursuant to Section 12, DISPUTE RESOLUTION.

14. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

If applicable to the Services, KCI will comply with the requirements of 41 CFR §§ 60-1.4(a) and 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing information about compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, or disability.

If applicable to the Services, KCI will comply with the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing information about compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Contractor/subcontractor agrees to comply with all the provisions set forth in 29 CFR Part 471, Appendix A to Subpart A (Executive Order 13496).

15. ASSIGNMENT, DELEGATION, AND SUBCONTRACT

Neither party may assign, delegate, or subcontract any portion of this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld. Any assignment, delegation, or subcontracting shall not operate to relieve that party of performing its obligations and responsibilities per this Agreement. Any assignment, delegation, or subcontract shall provide for and require the same protections as to the other party and levels of performance at least equal to those provided for in this Agreement.

16. THIRD PARTY BENEFICIARY

The parties agree that the Services performed by KCI pursuant to this Agreement are solely for the benefit of the Client and are not intended by either party to benefit any other person or entity. To the extent that any other person or entity, including but not limited to the project contractor and/or any of its subcontractors, is benefited by the Services performed by KCI pursuant to this Agreement, such benefit is purely incidental and such other person or entity shall not be deemed a third-party beneficiary to this Agreement.

17. FORCE MAJEURE

If and to the extent that either party is prevented, precluded or hindered from performance under this Agreement by force majeure circumstances, including acts of God, the elements, acts of terrorism, disease, viruses, pandemic, epidemic, acts of governmental authorities, strikes, lockouts, casualties, or other similar or dissimilar causes beyond its reasonable control, such performance shall be excused, but only for the time period and to the extent that such performance is prevented, precluded or hindered by such causes. Time of

performance of the party's obligations hereunder shall be extended by a time period reasonably necessary to overcome the effects of such force majeure occurrences.

18. NOTICES

All notices shall be sufficient if delivered in person, or sent by certified mail receipt requested or email to the party's designated recipient at the following:

Client: City of Laredo
1110 Houston Street
Laredo, Texas 78040
rchavez@ci.laredo.tx.us

KCI: Jeffrey G. Puig, PE, RPLS, Practice Leader
7109 N. Bartlett, Suite 201
Laredo, Texas 78041
956-729-7844
Jeffrey.puig@kci.com

Unless otherwise identified above, Client agrees that the person executing this contract will be the designated recipient.

Notice will be considered made as of the date of actual delivery if in person, as of the date of the receipt if sent via certified mail, or two (2) business days after the date of the email.

Changes in the designated recipient and/or contract information from the above will not be effective until such time as written notice is provided to the other party in accordance with this Section 18.

19. MISCELLANEOUS

This Agreement and all the terms herein may only be amended, deleted, or otherwise altered by a written document signed by KCI and Client.

The failure of either party to enforce or act upon any right afforded it by this Agreement shall not be deemed a waiver of such right for future acts of a similar nature.

This Agreement shall be governed by the laws of the State of the KCI office executing the Agreement, regardless of its or any other choice of law provisions.

Both parties agree that KCI is an independent contractor.

KCI shall have the right, at its expense, to post prominently advertising signage at the location and on vehicles and equipment acknowledging KCI is providing services.

The whole and entire agreement of the parties is set forth in this Agreement and the parties are not bound by any agreements, understandings, or conditions otherwise than as expressly set forth herein.

If any provision of this Agreement is deemed invalid, illegal or unenforceable in any jurisdiction, (i) such provision will be deemed amended to conform to applicable laws of such jurisdiction so as to be valid and enforceable, or if it cannot be so amended without materially altering the intention of the parties, it will be stricken; (ii) the validity, legality and enforceability of such provision will not in any way be affected or impaired thereby in any other jurisdiction; and (iii) the remainder of this Agreement will remain in full force and effect.