FORM 132.SM
(Approving/Authorizing)

Controller's Office

To the Honorable Mayor and City Council of the City of Houston, Texas:

I hereby certify, with respect to the money required for the contract, agreement, obligation or expenditure contemplated by the ordinance set out below that:

(✓) Funds have been encumbered out of funds previously appropriated for such purpose.

( ) Funds have been certified and designated to be appropriated by separate ordinance to be approved prior to the approval of the ordinance set out below.

( ) Funds will be available out of current or general revenue prior to the maturity of any such obligation.

( ) No pecuniary obligation is to be incurred as a result of approving the ordinance set out below.

( ) The money required for the expenditure or expenditures specified below is in the treasury, in the fund or funds specified below, and is not appropriated for any other purposes.

( ) A certificate with respect to the money required for the expenditure or expenditures specified below is attached hereto and incorporated herein by this reference.

( ) Other - Grant Funds Available

Annise D. Parker
Madeleine D. Appel
City Controller of the City of Houston, Texas

Date: February 12, 2008

FUND REF: 1000-2500-521405 AMOUNT: $605,141.50 ENCUMB. NO.: 4500057231

OA 4600008583

City of Houston, Texas Ordinance No. 2008-122

AN ORDINANCE AWARDING A CONTRACT BETWEEN THE CITY OF HOUSTON AND JOHNSON CONTROLS, INC. FOR ENERGY MANAGEMENT AND MAINTENANCE SERVICES FOR THE GENERAL SERVICES DEPARTMENT; PROVIDING A MAXIMUM CONTRACT AMOUNT; AND DECLARING AN EMERGENCY.

* * * *

FORM 132.SM
(Approving/Authorizing)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. The City Council hereby approves and authorizes the contract, agreement or other undertaking described in the title of this Ordinance, in substantially the form as shown in the document which is attached hereto and incorporated herein by this reference. The Mayor is hereby authorized to execute such document and all related documents on behalf of the City of Houston. The City Secretary is hereby authorized to attest to all such signatures and to affix the seal of the City to all such documents.

Section 2. The Mayor is hereby authorized to take all actions necessary to effectuate the City's intent and objectives in approving such agreement, agreements or other undertaking described in the title of this ordinance, in the event of changed circumstances.

Section 3. The City Attorney is hereby authorized to take all action necessary to enforce all legal obligations under said contract without further authorization from Council.

Section 4. The total allocation for the contract, agreement or other undertaking approved and authorized hereby shall never exceed **$8,336,069.00,** unless and until this sum is increased by ordinance of City Council

Section 5. There exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 13th **day of** February**, 20**08**.**

APPROVED this _____ day of _____, 20_____.

_____
Mayor of the City of Houston, Texas

FORM 132.SM
(Approving/Authorizing)

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is FEB 19 2008.

City Secretary

(Prepared by Legal Dept. Y. Nicole Montgomery)
(YNM/dw 1/10/2008) Assistant City Attorney
(Requested by Calvin D. Wells, City Purchasing Agent, Finance and Administration Department)
(L.D. File No.033-0700098-001)
G:\CALSHAR\DEW\SPECIAL\johnson.doc

AYE	NO	
✓		MAYOR WHITE
••••	••••	COUNCIL MEMBERS
✓		LAWRENCE
✓		JOHNSON
✓		CLUTTERBUCK
✓		ADAMS
✓		SULLIVAN
✓		KHAN
✓		HOLM
	ABSENT-OUT OF CITY CITY BUSINESS	GARCIA
✓		RODRIGUEZ
✓		BROWN
✓		LOVELL
✓		NORIEGA
✓		GREEN
✓		JONES
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT REVIEW
DATE: FEB 19 2008

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

I. PARTIES

A. Address

THIS AGREEMENT FOR ENERGY MANAGEMENT AND MAINTENANCE SERVICES("Agreement") is made as of January 1, 2008 ("Effective Date") between the **CITY OF HOUSTON, TEXAS** ("City"), a municipal corporation, and **JOHNSON CONTROLS, INC.** ("Contractor"), a corporation authorized to do business in Texas.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

City

Director, General Services Department
or Designee
City of Houston
P.O. Box 1562
Houston, Texas 77251

Contractor

James Mylett, Regional Vice President
JOHNSON CONTROLS, INC.
9001 Jameel, Suite 100
Houston, Texas 77040

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

TABLE OF CONTENTS

Page No.

I. PARTIES 1
- A. Address 1
- B. Table of Contents 1
- C. Parts Incorporated 4
- D. Controlling Parts 4
- E. Signatures 5

II. DEFINITIONS 6

III. DUTIES OF CONTRACTOR 8
- A. Scope of Services 8
- B. Duty to Inspect 10
- C. Invoicing 10
- D. Payment of Subcontractors 11
- E. Personnel of Contractor 11
- F. RELEASE 11
- G. INDEMNIFICATION 11
- H. RELEASE AND INDEMNIFICATION-PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT 12
- I. INDEMNIFICATION PROCEDURES 13
- J. Insurance 13
- K. Warranties 15
- L. Maintenance Audit 16
- M. Confidentiality 17
- N. Use of Work Products 17
- O. Licenses and Permits 17
- P. Compliance with Laws 18
- Q. Compliance with Equal Opportunity Ordinance 18
- R. Minority and Women Business Enterprises 18
- S. Performance Bond 18
- T. Drug Abuse Detection and Deterrence 18
- U. Environmental Laws 19
- V. Conflicts of Interest 20

IV. DUTIES OF CITY 20
- A. Payment Terms 20
- B. Taxes 20
- C. Method of Payment - Disputed Payments 20
- D. Limit of Appropriation 20
- E. Changes 21
- F. Adding Facilities 22
- G. Access to Site 23

V. TERM AND TERMINATION 24

A. Contract Term 24
B. Renewals 24
C. Termination for Convenience by City 24
D. Termination for Cause by City 24
E. Termination for Cause by Contractor 25

VI. MISCELLANEOUS 25
A. Independent Contractor 25
B. Force Majeure 25
C. Severability 26
D. Entire Agreement 26
E. Written Amendment 26
F. Applicable Laws 27
G. Notices 27
H. Captions 27
I. Non-Waiver 27
J. Inspections and Audits 27
K. Enforcement 27
L. Ambiguities 28
M. Survival 28
N. Publicity 28
O. Parties In Interest 28
P. Successors and Assigns 28
Q. Business Structure and Assignments 28
R. Dispute Resolution 28
S. Remedies Cumulative 29
T. Contractor Debt 29
U. Pay or Play 29

EXHIBITS

A. SCOPE OF SERVICES

B. FEE SCHEDULE

C. EQUAL EMPLOYMENT OPPORTUNITY

D. MWBE SUBCONTRACT TERMS

E. PERFORMANCE BOND

F. DRUG POLICY COMPLIANCE AGREEMENT

G. CERTIFICATION OF NO SAFETY IMPACT POSITIONS

H. DRUG POLICY COMPLIANCE DECLARATION

I. LIST OF FACILITIES

C. Parts Incorporated

The above described exhibits are incorporated into this Agreement.

D. Controlling Parts

If a conflict among the sections or exhibits arises, the exhibits control over the sections, and the sections and exhibits control over the RFP, Contractor's written responses to the RFP, Addenda and Letters of Clarification.

E. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):
WITNESS (if not a corporation):

JOHNSON CONTROLS, INC.

By:_____
Name:
Title:
Tax Identification No:_____

By:_____
Name:
Title:

ATTEST/SEAL:

CITY OF HOUSTON, TEXAS
Signed by:

_____
City Secretary

_____
Mayor

APPROVED:

_____
Director, General Services Department

APPROVED:

COUNTERSIGNED BY:

_____
Purchasing Agent

_____
City Controller

APPROVED AS TO FORM:

DATE COUNTERSIGNED:

_____
Assistant City Attorney
L.D. File No. 033-0700098-001

_____

II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

"Acceptable" means that services, equipment, or performance, meet or exceed the requirements of this Agreement.

"Acceptable Equivalent" means any equipment, part or product that complies with existing industry standards governing its manufacture or use, and that is a functional equivalent of any equipment, part, product or specification described herein, or, which functionally satisfies an approved, negotiated or specified use made a part hereof.

"Agreement" or "Contract" means this contract between the parties including all exhibits and any written amendments authorized by City Council and Contractor.

"Basic Services" mean those services described in Exhibit "A" – Scope of Work.

"Business Days" mean all days of a calendar year.

"City" is defined in Section I of this Agreement and includes its successors and assigns.

" Contractor" is defined in Section I of this Agreement and includes its successors and assigns.

"Covered Equipment" means the equipment for which services are to be provided under this Agreement.

"Director" means the Director of the General Services Department or the City Purchasing Agent, or their designee in writing.

"Documentation" or "Documents" means those manuals provided by the Contractor for use by the City with the Equipment provided or serviced under this Agreement.

"Equipment" means all machinery, together with the necessary supplies for upkeep and maintenance, and also all tools and apparatus necessary for the proper and acceptable completion of the specified Work.

"Extended Service" is included as part of this contract. Contractor will respond within 2 hours, 24 hours a day, 7 days a week (including holidays). Should a defect during an Extended Service visit that Contractor is not responsible for under this Agreement, Contractor will advise the City of the defect.

"First Class Condition" refers to the quality of systems, parts, equipment and related components and appurtenances including replacements ("elements"). It also refers to the condition of the wear and operation of the elements. When referring to the quality of the elements, First Class Condition means of a quality equal to or better than the elements as originally installed. When referring to the wear and operation of the elements, First Class Condition means a standard that is within the manufacturer's published tolerances for safe, reliable operation, or if no published tolerances, within generally accepted tolerances within the HVAC and equipment maintenance industry.

"Furnish" means to supply and deliver to the appropriate site, ready for unloading, unpacking, assembly, installation, use, etc., as applicable in each instance, except as otherwise defined in greater detail.

"General Services Department Facilities" mean any one or all of the facilities listed in Exhibit "I" and those added under Article IV Section F of this Agreement.

"Hazardous Materials" mean any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders including, but not limited to asbestos and polychlorine biphenyls.

"Include" and "Including" and words of similar import, shall be deemed to be followed by the words "without limitation".

"Installation Site (s)" means General Services Department Facilities and any one or all of the facilities listed in Exhibit "I".

"Maintenance Service" means both Preventive Maintenance and Remedial Maintenance.

"Manufacturer" means the original manufacturer or producer of a part or component.

"Materials" means any substance specified for use in the accomplishment of the Work.

"Notice to Proceed" means a written communication from the Director to Contractor instructing Contractor to begin performance.

"OEM" means the Original Equipment Manufacturer.

"Premium Level Coverage" includes BASIC COVERAGE as well as Repair Labor, plus Repair Material for Covered Equipment.

"Provide" means furnish and install, complete, and ready for intended use, as applicable in each instance, except as otherwise defined in greater action.

"Repair" means to restore to good or sound working condition.

"Repair Labor" includes labor necessary to restore Covered Equipment to working condition following an equipment failure and excludes total equipment replacement due to obsolescence or unavailability of parts.

"Repair Materials" include materials necessary to restore Covered Equipment to working condition following an equipment failure and excludes total equipment replacement due to obsolescence or unavailability of parts. Repair Materials must be new. All Repair Materials are covered by the warranty as described herein.

"Response Time" means the maximum elapsed time in which Contractor must respond to an Emergency Service Request. The maximum elapsed time is measured from Contractor's receipt of an Emergency Service Request to Contractor's arrival at the specified work site.

"Routine" means those services that do not require emergency condition.

"Schedule" the planned periods of time the Contractor shall be allowed to perform contract Work on City property as determined by the Director.

"Service" means to provide the labor, tools, equipment, and all items required to minimize maintenance requirements and ensure proper systems and equipment performance based on manufacturer's recommended procedures including, but not limited to, lubricating rotating equipment, changing filters, cleaning drains, verification of proper performance and calibration of controls and measurements devices, verifying proper operation of equipment and making adjustments in operating conditions, including operating positions and set points, pressures, and fluids.

"Straight Time" is defined as being between the hours of 8:00 a.m. through 5:00 p.m.; Monday through Friday.

"Work" all services to be provided by the Contractor under this Agreement.

III. DUTIES OF CONTRACTOR

A. Scope of Services

1. In consideration of the payment specified in this Agreement, Contractor shall provide all labor, supervision, parts, equipment, materials, tools, instruments, expendable items, supplies, reports, transportation, insurance, subcontracts, bonds, and incidentals necessary to perform the Services as set forth in Exhibit "A". Contractor shall not be paid for travel time to and from the job site. Contractor shall perform all services hereunder so as to minimize the downtime of air conditioning and lighting equipment in all General Services Department Facilities. Contractor shall at all times take necessary precautions to leave all driveways, entrances and exists to buildings open and accessible. **Contractor shall maintain an office and provide a full time Project Manager at the Jesse H. Jones Library or another location, as determined by the Director.**

2. **Malfunctions and Emergencies**
The City shall verbally notify Contractor within 24 hours after learning of (i) any material malfunctions in the operation of the Equipment or any of the City's equipment for which Contractor has any service responsibility hereunder, or (ii) any interruption or alteration of the energy supply to the Installation Sites.

3. **Installation**
Upon the date specified in a written Notice to Proceed from the Director, Contractor shall diligently obtain, install and commence operation and maintenance of the Equipement. Installation shall be complete within 180 calendar days from such date, unless an extension of time is agreed to by the Director in writing. By executing this Agreement, Contractor confirms that 180 calendar days is reasonable period of performing such installation services. Upon Acceptance as defined herein, the Contractor shall issue a Certificate of Substantial Completion to the City. Upon receipt of the Certificate of Substantial Completion, the City shall certify that the Equipment installation is complete. The Certificate of Substantial Completion shall include the following:

   a. An acknowledgement by the Customer of the buildings substantially completed and the Substantial Completion Date for each building.

b. An acknowledgment by the Customer of receipt of manuals and training provided by Contractor under the Agreement.
c. An acknowledgement by the Customer of receipt of the warranty start date and warranty period.
d. A punch list of items remaining to be completed by Contractor.

4. Time Extensions

Upon written request by the Contractor showing good cause, the Director, in his sole discretion, may grant time extensions to complete the installation of the Equipment not to exceed a total of 180 days without the need to amend this Agreement

a. To the extent any delays are caused by the City personnel with whom such installation must be coordinated and over whom the Contractor has no control (but only to the extent that the exercise of due diligence and care on the part of the Contractor within the scope of its services under this Agreement could not have avoided such delays, and
b. To the extent any delays are caused by Force Majeure.

In the event that Contractor discovers or suspects the presence of Hazardous Materials during the performance of its services, the Director may extend the time for performance to cover the period required of abatement, cleanup or removal of the Hazardous Materials.

If the Director extends the time for performance, as a result of Contractor's discovery or suspicion of Hazardous Materials at an Installation Site, by more than 12 months, Contractor shall be entitled to an adjustment of the price difference for any actual price increases of Equipment that are incurred by Contractor in connection with the extension subject to the following: If the extension period is greater than 12 months, Contractor shall calculate the amount of its increased costs, if any, and present its calculation together with all supporting documentation to the Director. Within 30 days of receiving Contractor's calculation and supporting documentation, the Director shall either approve the calculation or shall notify Contractor in writing of the Director's intent to delete the site from the list of approved Installation Sites.

5. Acceptance

Upon completion of the Installation of the Equipment, the City shall operate the Equipment for a 30-day Trial Period (the "Trial Period"). During the Trial Period, Contractor shall provide:

a. Documentation to all persons designated by the Director to monitor the Equipment, and
b. Consultation to assist the City in operating the Equipment.

If, during the Trial Period, the City discovers that the Equipment is not performing in accordance with the Documentation and the terms of this Contract, the City agrees to notify the Contractor in writing of any non-conformity between the Equipment and the Documentation as soon as practicable after discovery. Contractor shall have 30 days from the date of such notice to correct the problem. The City shall then have an additional 15 days to retest the corrections (the "Re-Test Period").

The Equipment shall be deemed to be acceptable by the City ("Acceptance") when: (i) the Equipment and Documentation has been completely delivered and installed, and (ii) the Equipment has, by the end of the 30-day Trial Period or any Re-Test Period, successfully operated in accordance with the Documentation. The Equipment shall be deemed to be rejected if at the end of the 30-day Trial Period (plus any time provided to the Contractor to correct malfunctions in the Equipment and the Re-Test Period) the Equipment is not performing in accordance with the

Documentation and the terms of this Contract and the Contractor has been unable to correct the malfunction. If the City rejects the Equipment, then the Contractor shall remove the rejected Equipment at no cost to the City and the City shall have no obligation to pay for the use of such Equipment or any other applicable charges for services provided under this Contract. Notwithstanding the above, the City reserves all available rights at law or equity. Upon the City's rejection of any or all of the Equipment, Contractor shall refund to the City within 30 days any monies paid by the City to Contractor for such rejected Equipment.

6. **Title and Security interest**
Upon Acceptance, title to the Equipment shall vest in the City.

7. **Ownership of Certain Proprietary Rights**
Contractor hereby grants to the City a perpetual license in any software, formulas, patterns, devices, secret inventions or processes, or copyright, patent and other intellectual and proprietary rights or similar items of property that are or may become used in connection with the Equipment. It is understood by the parties that the City will not acquire any interest, other than the perpetual license, in any of the intellectual or proprietary rights set forth in the previous sentence. If requested by Contractor, the City agrees to execute a mutually agreeable software license agreement.

8. **Standards of Service**
Contractor shall maintain the Equipment in a manner that will provide the standards of service and comfort (i.e., heating, cooling, hot water, lighting and so forth) as requested by the Director and subject to appropriate current acceptable industry standards. Contractor shall notify the Director in writing of any problems and of Contractor's recommended corrective action.

9. **Installation Sites**
The Installation Sites are listed in Exhibit "I". The Contractor represents that it has made an examination of the Installation Sites and familiarized itself with the surface, subsurface, external and internal conditions to be encountered therein. The Contractor shall inform the Director of the steps to be taken in preparation of the Installation Sites. No additional compensation will be allowed for work made necessary due to unusual conditions or obstacles encountered during the progress of the services. However, the City agrees that all duties and obligations in connection with any Hazardous Materials located at the Installation Site are strictly the City's.

10. **Coordinate Performance**
Contractor shall coordinate its performance with the Director and other persons that the Director designates. Contractor shall promptly inform the Director and other person(s) of all significant events relating to the performance of this Contract.

B. Duty to Inspect

Contractor represents that it or its agent has inspected all sites affected by this Agreement and that it is not entitled to additional compensation for its failure to accurately account for all of the work required to be performed under this Agreement.

C. Invoicing

Contractor shall submit its invoices on forms approved in advance by the Director. Each invoice must be accompanied by support documents as may be requested by the Director. Each invoice Contractor submits must be in duplicate and each copy must include required support documents. Each invoice must be identified by the Contract name and Contractor number. All invoices are to be delivered or mailed to the following location:

The City of Houston
General Services Department
P O BOX 61189
Houston, TX 77208-1189

D. Payment of Subcontractors

Contractor shall make timely payments to all persons and entities supplying labor, materials, services, or equipment for the performance of this Agreement. CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS. Contractor shall submit disputes relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

E. Personnel of Contractor

Contractor shall provide sufficient, fully qualified personnel to meet the performance requirements set forth in Exhibit "A". Contractor shall replace any of its personnel or subcontractors whose work product is deemed unsatisfactory by the Director.

F. **RELEASE**

EXCEPT FOR THE CITY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT, CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

G. **INDEMNIFICATION**

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

(1) CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

(2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND

(3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO $1,000,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

H. <u>RELEASE AND INDEMNIFICATION - PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT</u>

CONTRACTOR AGREES TO AND SHALL RELEASE AND DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY BY ANY PARTY, INCLUDING CONTRACTOR, ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED.

CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT.
WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

I. **INDEMNIFICATION PROCEDURES**

(1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:

(a) a description of the indemnification event in reasonable detail,

(b) the basis on which indemnification may be due, and

(c) the anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

(a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

(b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

J. Insurance

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

(1) Minimum Insurance Requirements. Contractor shall maintain the following insurance coverage in the following amounts:

(Coverage)	(Limit of Liability)
Workers' Compensation	Statutory for Workers' Compensation
Employer's Liability	Bodily Injury by accident $500,000 (each accident)

	Bodily Injury by Disease $500,000 (policy limit) Bodily Injury by Disease $500,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, Combined Limits of $500,000 each Occurrence and $1,000,000 aggregate
Automobile Liability Insurance (for vehicles Contractor uses in performing under this Agreement, including Employer's Non-Owned and Hired Auto Coverage)	$1,000,000 combined single limit
Excess Liability	$2,000,000.00 combined single limit per occurrence

Defense costs are excluded from the face amount of the policy.
Aggregate Limits are per 12-month policy period
unless otherwise indicated.

(2) Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.

(3) Issuers of Policies. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide.

(4) Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.

(5) Deductibles. Contractor shall be responsible for and pay any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.

(6) Cancellation. Each policy must state that it may not be canceled or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

(7) Subrogation. Each policy, except Professional Liability (if any), must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees.

(8) Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.

(9) Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.

(10) Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than $500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.

(11) Proof of Insurance.

(a) Prior to execution of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.

(b) Contractor shall continuously and without interruption, maintain in force the required insurance coverages specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may

(1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or

(2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

(12) Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

K. Warranties

Contractor warrants that it shall perform all work in a good and workmanlike manner meeting the standards of quality prevailing in Harris County, Texas, for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

With respect to any parts, instruments, equipment, and goods it furnishes, Contractor warrants:

(1) that all items are new and free of defects in title, design, material, and workmanship,

(2) that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,

(3) that each replacement item is new, in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new),

(4) that no items or their use infringe any patent, copyright, or other proprietary rights. In the event Contractor becomes aware of such an infringement, Contractor will replace the items that are the subject of the infringement with non-infringing items in a timely manner;

(5) that for one year from the date of any installation ("Warranty Period"), Contractor shall provide all parts, instruments, equipment, and goods required to complete all Preventive and Remedial Maintenance required under this Agreement at no cost to the City. This warranty is in addition to Contractor's obligation to provide Basic Services under this Agreement. When the manufacturer's warranty period for any parts, instruments, equipment, and goods is greater than 1 year, the longer period prevails; and

(6) that there is an extended 5 year compressor warranty on any new HVAC Equipment installed or replaced under this Agreement.

Contractor shall manage and enforce on the City's behalf all manufacturer warranties issued before the Effective Date of this Agreement, during the Term of this Agreement, and any extensions. Contractor shall not be entitled to any additional compensation for the management and enforcement of these manufacturer warranties. If Contractor does not exhaust all remedies, including litigation, against a manufacturer who fails to honor all or a part of a warranty, it shall not receive additional compensation from the City for the labor and material costs it incurs to repair or replace the item that otherwise would have been under warranty.

With the exception of those component parts and items included in the Equipment that are covered by paragraph (5) above, Contractor hereby assigns and agrees to deliver all manufacturer's warranties on the Equipment to the City within 5 days of the Notice of Substantial Completion.

The City acknowledges and agrees that the Equipment to be installed is of a size, design, and capacity selected by the Contractor for the City. The City's remedy for the breach of any such manufacturer's warranty shall be against Cotnractor.

L. Maintenance Audit

(1) At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor and at City's expense, may provide for a third party maintenance audit. Contractor shall rectify any deficiencies in performance discovered by such audit for which Contractor is responsible to the Director's satisfaction at no cost to the City within 10 days of receipt of a notice of any deficiency. Further, the Contractor shall provide the Director with a written explanation for such deficiency in performance and a plan to prevent future deficiencies within 15 days of receipt of such notice. Failure of the Contractor to timely rectify the deficiency or provide the written explanation and plan to the Director shall be grounds for termination for cause as provided in Section V.

(2) At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor, may conduct his own inspections of Contractor's work performance, equipment, inventory, logs and work sites. Contractor shall rectify any deficiencies discovered by such

inspection to the Director's satisfaction within 10 days of receipt of a notice of any such deficiency at no cost to the City if caused by the Contractor or its subcontractors.

M. Confidentiality

Contractor, its agents, employees, contractors, and subcontractors shall hold all City information, data, and documents (collectively, "the Information") that they receive, prepare, or to which they have access, in strictest confidence. Contractor, its agents, employees, contractors, and subcontractors shall not disclose, disseminate, or use the Information unless the Director authorizes it in writing. Contractor shall establish procedures to ensure confidentiality of the Information and to prevent its unauthorized use and disclosure. Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors who perform work under this Agreement, which bind them to the terms in this paragraph.

N. Use of Work Products

Subject to Article III, Section A (7), Contractor conveys and assigns to the City its entire interest and full ownership worldwide in and to any work, invention, and all Documents, and the copyrights, patents, trademarks, trade secrets, and any other proprietary rights therein (collectively "Proprietary Rights") that Contractor, its agents, employees, contractors, and subcontractors (collectively "Authors") develop, write, or produce under this Agreement (collectively "Works").

The Authors shall not claim or exercise any Proprietary Rights related to the Works. If requested by the Director, Contractor shall place a conspicuous notation on any Works which indicates that the City owns the Proprietary Rights.

Contractor shall execute all documents required by the Director to further evidence this assignment and ownership. Contractor shall cooperate with the City in registering, creating, and enforcing Proprietary Rights arising under this Agreement. If Contractor's assistance is requested and rendered under this Section, the City shall reimburse Contractor for all out-of-pocket expenses it incurs in rendering assistance, subject to the availability of funds. On termination of this Agreement, or if requested by the Director, Contractor shall deliver all Works to the City. Contractor shall obtain written agreements from the Authors which bind them to the terms in this Section.

All Works developed, written, or produced under this Agreement for use as a contribution to a collective work; a part of a motion picture or other audiovisual work; a translation; a supplementary work; a compilation; an instructional text; a test; answer material for a test; or an atlas, are "works made for hire."

Contractor may retain copies of the Works for its archives. Contractor shall not otherwise use, sell, license, or market the Works.

O. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by this Agreement, any statute, ordinance, rule, or regulation. This requirement includes, without limitation, certification of the on-site technicians. Contractor shall immediately notify the Director of any suspension, revocation, or other detrimental action against required licenses or certifications.

P. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations; the City Charter and Code of Ordinances; and any other City rules and regulations.

Q. Compliance with Equal Opportunity Ordinance

Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

R. Minority and Women Business Enterprises

It is the City's policy to ensure that Minority and Women Business Enterprises ("MWBEs") have the full opportunity to compete for and participate in City contracts. The objectives of Chapter 15, Article V of the City of Houston Code of Ordinances, relating to City-wide Percentage Goals for contracting with MWBEs, are incorporated into this Agreement.

Contractor shall make good faith efforts to award subcontracts or supply agreements in at least **15%** of the value of this Agreement to MWBEs. The City's policy does not require Contractor to in fact meet or exceed this goal, but it does require Contractor to objectively demonstrate that it has made good faith efforts to do so. To this end, Contractor shall maintain records showing:

(1) subcontracts and supply agreements with Minority Business Enterprises,

(2) subcontracts and supply agreements with Women's Business Enterprises, and

(3) specific efforts to identify and award subcontracts and supply agreements to MWBEs. Contractor shall submit periodic reports of its efforts under this Section to the Affirmative Action Director in the form and at the times he or she prescribes.

Contractor shall require written subcontracts with all MWBE subcontractors and suppliers and shall submit all disputes with MWBE subcontractors to binding arbitration in Houston, Texas, if directed to do so by the Affirmative Action Director. All agreements must contain the terms set out in Exhibit "D." If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is $50,000 or less, then the subcontract must also be signed by the attorneys of the respective parties.

S. Performance Bond

Contractor shall furnish and maintain a performance bond for $1,000,000 conditioned on Contractor's full and timely performance of the Agreement (and payment of subcontractors). If the City exercises any option period, Contractor shall maintain a Performance Bond in the amount of $1,000,000 for the option period exercised. The bond must be in substantially the form attached as Exhibit "E" and issued by a corporate surety authorized and admitted to write surety bonds in Texas. If the amount of the bond exceeds $100,000, the surety must be listed on the current list of accepted sureties on federal bonds published by the United States Treasury Department or reinsured for any liability in excess of $100,000 by a reinsurer listed on the U.S. Treasury list.

T. Drug Abuse Detection and Deterrence

(1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.

(2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"),

(a) a copy of its drug-free workplace policy,

(b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "F," together with a written designation of all safety impact positions and,

(c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "G."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "H". Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

(3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.

(4) Contractor shall require that its subcontractors comply with the Executive Order and Contractor shall secure and maintain the required documents for City inspection.

U. Environmental Laws

Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TCEQ"), and any other governmental agency with the authority to promulgate environmental rules and regulations ("Environmental Laws). Contractor shall promptly reimburse the City for any fines or penalties levied against the City because of Contractor's failure to comply.

Subject to Article III Section 4 and Section 9, Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. Contractor shall not deposit oil, gasoline, grease, lubricants, or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary sewer system or elsewhere on City Property in violation of the Environmental Laws.

V. Conflicts of Interest

If a potential or actual conflict of interests arises between the City's interests and the interests of other clients Contractor represents, Contractor shall immediately notify the City Attorney and Mayor by fax transmission or telephone and request consent. The City shall be deemed to consent to the conflict unless the Mayor or City Attorney sends a written notice that the City declines to consent within 3 business days after the City receives the notice. If the City does not consent, Contractor shall immediately take steps to resolve the conflict.

IV. DUTIES OF CITY

A. Payment Terms

(1) Subject to all the terms and conditions of this Agreement, the City shall pay to Contractor, and Contractor accepts the fees specified in Exhibit "B," Fee Schedule, for all work provided by Contractor and its subcontractors under this Agreement. The City shall pay Contractor based on quarterly invoices submitted by Contractor to the City based on the fees and dates set out in Exhibit B.

The hourly rates and fees for Additional Services, as described in Exhibit "A", are stated in Exhibit "B".

(2) If the City pays Contractor for work performed by any subcontractor or for parts, supplies, equipment, or materials provided by any supplier, and Contractor withholds or has withheld payment to the subcontractor or supplier because of a deficiency in the quality or quantity of that subcontractor's or supplier's work or materials, the City may withhold a corresponding amount from any pending or future payments to Contractor until the next regular payment to Contractor occurring after the City receives reasonable documentation that the deficiency has been remedied.

(3) All invoices are subject to approval by the Director and are due and payable on or about 30 days after receipt and approval by the Director. All payments must be made by check made payable to Contractor. The City will not unreasonably delay or withhold payment or approval of any invoice. Neither payments made nor approval of invoices or services by the Director shall be construed as final acceptance or approval of that part of Contractor's services to which such payment or approval relates. Such payments do not relieve Contractor of any of its obligations under this Agreement.

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment - Disputed Payments

If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action.

After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

D. Limit of Appropriation

(1) The City's duty to pay money to Contractor for any purpose under this Agreement is limited in its entirety by the provisions of this Section.

(2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of **$605,141.50** to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies.

(3) The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor and, where in excess of the amount specified in Paragraph (4) below, approved by motion or ordinance of City Council in substantially the following form:

"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of $_____, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Agreement, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is $_____.

SIGNED:

(Signature of the City Controller)
City Controller of the City

REQUESTED:

(Signature of the Director)
Director

(4) City Council delegates to the Director the authority to approve up to **$7,730,927.50** in supplemental allocations for this Agreement without returning to Council.

(5) The Original Allocation plus all supplemental allocations are the Allocated Funds. **For purposes of Change Orders in Section IV.E.(3)(c) below, the Original Agreement amount is $8,336,069.00.** The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

E. Changes

(1) At any time during the Agreement Term, the Director may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.

(2) The Director will issue the Change Order in substantially the following form:

CHANGE ORDER

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of Notice]

SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]

Signed:

[Signature of Director]

(3) The Director may issue more than one Change Order, subject to the following limitations:

(a) Council expressly authorizes the Director to approve a Change Order up to $25,000. A Change Order in excess of $25,000 must be approved by the City Council.

(b) If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.

(c) The Total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.

(4) Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The Director's decision regarding a time extension is final.

(5) A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.

(6) Change Orders are subject to the Allocated Funds provisions of this Agreement.

F. Adding Facilities

Subject to Article IV Section D, Limit of Appropriation and Section E Changes of this Agreement, the City may add additional facilities to the List of Facilities, Exhibit I, provided the cost for any additional facility does not exceed **$1.28** per square foot annually.

G. Access to Site

Contractor may enter and leave the premises at all reasonable times without charge. Contractor and its employees may use the common areas and roadways of the premises where [the Installation Sites are located] [it is to perform the services] together with all facilities, equipment, improvements, and services provided in connection with the premises for common use. This excludes parking for Contractor's personnel. Contractor shall repair any damage caused by it or its employees as a result of its use of the common areas.

V. TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Effective Date and continues for 5 consecutive years from the Effective Date, unless sooner terminated under this Agreement. Performance begins on the date specified in the Notice to Proceed issued by the Director. Contractor acknowledges that time is of the essence of this Agreement.

B. Renewals

If the Director, at his or her sole discretion, gives written notice of renewal to Contractor at least 30 days before expiration of the then-current term and if sufficient funds are allocated then, upon expiration of the initial term, this Agreement is renewed for up to 2 successive one-year terms under the same terms and conditions.

C. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section IV(A) unless the fees exceed the allocated funds remaining under this Agreement.

TERMINATION OF THIS AGREEMENT AND PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

D. Termination for Cause by City

If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

(1) Contractor fails to perform any of its duties under this Agreement;
(2) Contractor becomes insolvent;
(3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or

(4) a receiver or trustee is appointed for Contractor.

If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and give the Contractor 30 days' notice to cure the default. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

If, after termination for failure to fulfill contract obligations, it is determined that Contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the City. In such event, Contractor shall be paid in accordance with the provisions of Section V.C. of the Agreement.

E. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives the notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

VI. MISCELLANEOUS

A. Independent Contractor

Contractor is an independent contractor and shall perform the services provided for in this Agreement in that capacity. The City has no control or supervisory powers over the manner or method of Contractors' performance under this Agreement. All personnel Contractor uses or provides are its employees or subcontractors and not the City's employees, agents, or subcontractors for any purpose whatsoever. Contractor is solely responsible for the compensation of its personnel, including but not limited to: the withholding of income, social security, and other payroll taxes and all worker's compensation benefits coverage.

B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for reasonable delays in performing its obligations under this Agreement to the extent the delay is caused by Force Majeure that directly impacts the City or Contractor. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Agreement. Force Majeure means: fires, interruption of utility services, epidemics in the City, floods, hurricanes, tornadoes, ice storms and other natural disasters, explosions,

war, terrorist acts against the City or Contractor, riots, strikes, court orders, and the acts of superior governmental or military authority, and which the affected party is unable to prevent by the exercise of reasonable diligence. The term does not include any changes in general economic conditions such as inflation, interest rates, economic downturn or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Force Majeure does not entitle Contractor to extra Reimbursable Expenses or payment.

2. This relief is not applicable unless the affected party does the following:

(a) uses due diligence to remove the effects of the Force Majeure as quickly as possible and to continue performance notwithstanding the Force Majeure; and

(b) provides the other party with prompt written notice of the cause and its anticipated effect.

3. The Director will review claims that a Force Majeure that directly impacts the City or Contractor has occurred and render a written decision within 14 days. The decision of the Director is final.

4. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.

5. If the Force Majeure continues for more than 14 days from the date performance is affected, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT UP TO THE TIME THE WORK IS HALTED DUE TO FORCE MAJEURE.**

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

G. Notices

All notices to either party to the Agreement must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in Section I of this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

H. Captions

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

I. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

J. Inspections and Audits

City representatives may perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

K. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

L. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

M. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

N. Publicity

Contractor shall make no announcement or release of information concerning this Agreement unless the release has been submitted to and approved, in writing, by the Director.

O. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

P. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

Q. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under §9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the Director's written consent.

R. Dispute Resolution

For purposes of this Section "Project Administrator" means the person the Director designates to monitor the progress of all Parties' performance under this Agreement.

Except as may otherwise be provided by law, a dispute that (1) does not involve a question of law; (2) arises during the performance of this Agreement; and (3) is not resolved between the Project Administrator and Contractor must be handled as described below:

(a) The Project Administrator shall put its decision in writing and mail or otherwise furnish Contractor with a copy. Contractor may abide by the decision or may appeal the decision to the Director.

(b) If Contractor desires to appeal a decision of the Project Administrator, Contractor must submit a written appeal to the Director. Contractor must file its written appeal within 7 working days following receipt of the Project Administrator's original decision. The Director shall provide Contractor with a written response to the appeal within 14 working days following its receipt. The decision of the Director is final.

(c) To the extent permitted by law, nothing in this section prevents either Party from taking all legal actions available to it.

S. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

T. Contractor Debt

IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT CONTRACTOR HAS INCURRED A DEBT, SHE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FOR ANY PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR.

U. PAY OR PLAY

The requirements and terms of the City of Houston Pay or Play program, as set out in Executive Order 1-7, are incorporated into this Agreement for all purposes. Contractor has reviewed Executive Order No. 1-7 and shall comply with its terms and conditions as they are set out at the time of City Council approval of this Agreement.

EXHIBIT "A"

SCOPE OF SERVICES

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, and supervision to perform HVAC, Electrical and Lighting Services, Fire Alarm Monitoring and Repair Services, Plumbing and Maintenance Management System at all locations listed in Exhibit I. The Computerized Maintenance Management System (CMMS) includes all General Services Department Facilities.

Part I. Generally

1.0 Basic Services

1.1 The Contractor must comply with all of the U.S. Environmental Protection Agency's energy proficient program requirements related to proposed energy conservation measures. This is to include all interior and exterior lighting and interior motion sensors.

1.2 The Contractor must replace the existing control systems with new and/or upgrade currently installed control systems at all General Services Department Facilities. New or upgraded systems shall be web based compliant and shall have the capability to be monitored and controlled from the Central Library Energy Management System. The total system must be a "single seat" interface, accessible from single PC's, located at the Central Library @ 500 Mckinney (for contractors use), General Services Department South District operations and management at 2707 Dalton, and General Services Department North District operations and management at 3026 Berry Rd. Completed control system shall be integrated so that all programming and operator functions shall be consistent throughout all facilities from the "single seat" PC's. Multiple database and/or operating systems is not acceptable. (See Part IV of this Exhibit A)

1.3 The Contractor will operate and maintain all building control systems and equipment in the most efficient manner.

1. 4 The Contractor shall provide maintenance and repair services including all labor at all the General Services Department Facilities listed in Exhibit I including, but not limited to:

1.4.1 Four (4) filter changes per year and water treatment program including all labor, materials and equipment for testing and chemical application. All labor and materials for four (4) preventive maintenance inspections per year, all repairs included.

1.4.2 Diagnostic/Predictive Maintenance on all major equipment including one (1) vibration analysis per year, one (1) oil analysis every three (3) years and one (1) eddy current testing every three (3) years.

1.4.3 Lighting preventive maintenance of facilities, including all labor and materials.

1.4.4 Electrical preventive maintenance and repair of facilities, including all labor and materials. Exclusions: All underground electrical and piping.

1.4.5 The Computerized Maintenance Management System (CMMS) shall be the Impak Tenant Retention Program and will be web-hosted by the contractor. The CMMS will be required to track and manage all activities associated with maintenance and repair. The system shall be capable of viewing and printing Computer Aided Design (CAD) drawings and scanned documents while in a work order or maintenance record. The following lists the application features and a description of the functions required by the CMMS. Each module shall be capable of providing tracking and analyzing financial information and act as a central repository for all facility related information. Each module must have the ability to create and save custom reports in a user-friendly manner and produce graphs and charts. The report manager shall have the ability to export the file to an ASCI format, or a Microsoft Excel file.

1.4.5.1 Property Management and Operations Module will manage and track all aspects of facility management and should include, but not be limited to, the following:

1.4.5.2 Automated preventive maintenance system with variable cycle scheduling and work order generation.

1.4.5.3 Work order system with the ability to prioritize, schedule and track material, create, manage and track purchase requests, manage and record labor costs.

1.4.5.4 Work order system should include a tenant work order request form and the ability to generate internal work orders.

1.4.5.5 Web-based Customer Satisfaction Survey should be included with work order completion notification to tenant for follow up.

1.4.5.6 Project Management of multiple trades with invoicing capabilities.

1.4.5.7 Record and report energy services, which will include audit findings, usage and cost per facility and have the ability to create reports that can be used to determine citywide energy usage and cost estimates, rate modeling results and energy related capital improvement projects.

1.4.5.8 GUI interface to enable the user to click on a location to access the records and work order information. (See Part V of this Exhibit A for additional technical specifications)

1.4.6 Full time on-site operator of HVAC, controls, and CMMS systems shall be included.

1.4.7 All HVAC, controls repair service calls shall be included for response on a 24 hours a day / 7 days a week basis. Response time shall be no more than four (4) hours after receipt of the call from the designated city representative

1.4.8 Replacement of light lamps and ballasts when necessary.

1.4.9
Continuous Intrusion and Fire Alarm Monitoring , Inspection and Repair service calls shall be included for response on a 24 hours a day / 7 days a week basis. Response time shall be no more than two (2) hours after receipt of the call from the designated city representative (See Part II of this Exhibit A)

2.4.10 Plumbing service and repair calls shall be included for response on a 24 hours a day / 7 days a week basis. Response time shall be no more than two (2) hours after receipt of the call from the designated city representative (See Part III of this Exhibit A)

2.0 Additional Services

2.1 Contractor shall provide any other services requested by the Director in writing that is not included in basic services.

Part II: Fire Alarm Monitoring and Maintenance

Scope of Work:

General description of work: Contractor shall provide all labor, materials, supplies, equipment, transportation, permits (if required) and insurance necessary to perform **Fire Alarm Monitoring and Maintenance** at COH locations listed Exhibit I. Services are to be in compliance with NFPA and local codes. The service approach is to include, but not be limited, to the following.

- Provide quality-licensed professionals with expertise in life safety and security systems.
- Maintain and stock equipment levels to insure systems functionality at all times.
- Deploy a scheduled maintenance program that encompasses all state and local regulations.

1. Inspections and Testing

1.1. Inspections of Fire Alarm Systems: (Inspection frequency)

1.1.1. Fire Alarm Control panels (Monthly Inspections/Test)

1.1.1.1. Test of Fire communications services (Owner and Fire department to be notified before testing is performed)
1.1.1.2. Disable System, Test Fire Extinguishment and Alarm Interlock Circuits
1.1.1.3. Inspect and Self Test main fire system panel
1.1.1.4. Activate an alarm and confirm alarm was properly received at the main alarm and monitoring station
1.1.1.5. Enable System, Inspect all panel lights and LEDs for status
1.1.1.6. Complete test and notify property manager and the Fire department of completions. Provide written report to property manager.

1.1.2. 2. Fire Alarm Control panels (Semi-annual Inspections/Test)

1.1.2.1.Intentionally left blank

1.1.3. Fire Alarm Control panels (Annual Inspections/Test)

1.1.3.1.Inspect batteries and replace as needed
1.1.3.2.Test audio and repair as necessary
1.1.3.3.Test Audio Playback Devices

1.2. Inspections of Fire Alarm Field Devices: (Inspection frequency)

1.2.1. Fire Alarm Field Devices (Bi-Monthly Inspection/Test)

1.2.1.1.Sprinkler Systems

1.2.2. Fire Alarm Field Devices (Quarterly Inspection/Test)

1.2.2.1.Fire Phones

1.2.3. Fire Alarm Field Devices (Quarterly Inspection/Test)

1.2.3.1.Manual Stations
1.2.3.2.Heat Detectors
1.2.3.3.Area Smoke Detectors
1.2.3.4.Smoke Detectors with built in thermal element
1.2.3.5.Duct mounted smoke detectors
1.2.3.6.Infrared detectors
1.2.3.7.Ultraviolet detectors
1.2.3.8.Sprinkler system valve supervision
1.2.3.9.Magnetic door releases
1.2.3.10. Indicating appliances

1.2.4. Fire Alarm Field Devices (Annual Inspection/Test)

1.2.4.1.Smoke detectors
1.2.4.2.Remove 2% of non-restorable heat detectors and replace with new units. Send the removed detectors to a National Testing Laboratory for analysis.

2. Emergency Repairs

2.1. The contractor may be required to do emergency repairs at times other than the normal working days and/or hours. Contractor shall be available on a twenty-four (24) hour basis for emergency repairs and respond within two hours from notification from authorized city personnel. All telephone calls must be answered by a person and not via recorded message at all times.

3. Response Time

3.1. Contractor shall respond to all notices of repair needs (other than emergency repairs) within 24 hrs. of receipt of notice. A facsimile or electronic copy shall be considered acceptable notification and the time noted on the fax transmittal will begin the 24 hr. notification period. All repairs must be accomplished within 72 hours of receipt of notice of repair from the individual department. Exceptions to the 72 hour requirement will be made only upon written presentation of an acceptable reason for failure to repair within the allotted time. Excessive and continued failure to respond within the allotted time periods shall be considered a breach of contract and may result in termination of this Contract.

4. Permits

4.1. Contractor shall be responsible for securing any and all permits, if required, for proposed work. Any fee charged for these permits shall be paid by Contractor and shall be reimbursable to the contractor upon written attached to the contractor's invoices.

5. Work Crews

5.1. A normal repair work crew on any repair incident shall consist of a minimum of one Fire Technician licensed by the State of Texas and one helper. Any additional technicians or helpers must be approved by the director of the General Services Department. All PM inspections will be done by a journeyman/State of Texas licensed Fire Alarm System Technician.

6. Replacement Supplies and Materials

6.1. The contractor will provide all necessary materials and supply. (Full level coverage)

7. Clean-up

7.1. At the completion of all work, contractor shall remove from the area all trash, rubble, and debris caused by its operation, leaving the facility clean.

8. <u>Contract Administration</u>

8.1. Service Authorizations

8.1.1. NO REPAIR WORK, OUTSIDE COVERED REPAIR/SERVICES SHALL BE PERFORMED WITHOUT NOTIFICATION AND APPROVAL FROM THE AUTHORIZED CITY REPRESENTATIVES. THESE AUTHORIZED CITY REPRESENTATIVES SHALL BE INDENTIFIED IN THE PRE-PERFORMANCE MEETING AFTER AWARD OF CONTRACT.

8.2. Repair Labor

8.2.1. Full level coverage to include repair labor and repair materials.

8.3. Contractor's Responsibility and Liability for Performance and Completion of Work

8.3.1. Contractor shall be responsible for all cost incurred for corrections due to poor workmanship, non-fit, omissions and/or nonconformance due to noncompliance with applicable current industry standards and codes. Work will be inspected after completion for workmanship, appearance, proper functioning of all equipment and compliance with industry standards and codes. In the event deficiencies are discovered, the repair work will be rejected and Contractor shall be notified by the General Services Department Building Maintenance Superintendent with a statement of correction and a time schedule in which the repair(s) must be corrected. Payment and/or the commencement of discount period (if applicable) will not be made until corrective repairs are made and work is re-inspected and approved. Failure to correct the deficiencies within the designated time schedule will result in the City having corrections made at the Contractor's expense.

8.4. Warranty

8.4.1. The Contractor shall warrant all work performed under this Contract in a workmanship manner in compliance with NFPA and the city of Houston fire system Codes and shall be performed by trained and skilled personnel having experience with Fire Alarm Systems service/repairs.

8.4.2. All work shall have warranty period of 90 days, unless otherwise specified and agreed to, from date of completion.

Part III. Plumbing

Scope of Work:

General description of work: Contractor shall provide all labor, materials, supplies, equipment, transportation, permits (if required) and insurance necessary to perform **Plumbing Preventive Maintenance** (PM) **and Repairs** as necessary for City locations listed in the RFP.

1. **PM Tasking** (shall be done at the frequency listed for each category of plumbing fixture or equipment.)

1.1. Category of Plumbing: (PM Inspection frequency)

1.1.1. Main Drain Lines (Bi-annual PM inspection)

1.1.1.1.Sink drains
1.1.1.2.Custodial sink drains
1.1.1.3.Garbage disposals

1.1.1.4.Grease trap lines
1.1.1.5.Photo lab drains
1.1.1.6.HVAC drain lines
1.1.1.7.Storm and sanitary sewer (video inspection bi-annually)

1.1.2. Plumbing Fixtures/Systems/components (Bi-annual PM inspection)

1.1.2.1.Compartment sinks
1.1.2.2.Sink sprayers
1.1.2.3.Water heater/ PRV's
1.1.2.4.Commodes
1.1.2.5.Urinals
1.1.2.6.Shower pans
1.1.2.7.Sink and shower fixtures
1.1.2.8.Gas lines and fixtures
1.1.2.9.Hose bibs
1.1.2.10. Water and gas valves
1.1.2.11. Pressure reducing valves
1.1.2.12. Clean-outs
1.1.2.13. Septic tank systems
1.1.2.14. Grease traps
1.1.2.15. Sumps
1.1.2.16. Oil interceptors
1.1.2.17. Lint traps
1.1.2.18. Back-flow preventer
1.1.2.19. Expansion tanks

1.1.3. Medical and Natural Gas Lines (Bi-annual PM inspection)

1.2. PM Scope of Work:

1.2.1. Visual inspects all components of fixture where possible.
1.2.2. Check for structural integrity
1.2.3. Check for leaks
1.2.4. Repair minor leaks or minor problems.
1.2.5. Test for leaks after minor repairs.
1.2.6. Log condition on report with asset id number or fixture. Asset id numbers will be assigned to all fixtures by Contractor after award of contract.

2. Repair Labor

2.1. Full level coverage to include repair labor and repair materials.

2.2. Emergency Repairs

2.2.1. The contractor may be required to do emergency repairs at times other than the normal working days and/or hours. Contractor shall be available on a twenty-four (24) hour basis for emergency repairs and respond within two hours from notification from authorized city personnel. All telephone calls must be answered by a person and not via recorded message at all times.

2.3. Response Time

2.3.1. Contractor shall respond to all notices of repair needs (other than emergency repairs) within 24 hrs. of receipt of notice. A facsimile or electronic copy shall be considered acceptable notification and the time noted on the fax transmittal will begin the 24 hr. notification period. All repairs must be accomplished within 72 hours of receipt of notice of repair from the individual department. Exceptions to the 72 hour requirement will be made only upon written presentation of an acceptable reason for failure to repair within the allotted time. Excessive and continued failure to respond within the allotted time periods shall be considered a breach of contract and may result in termination of this Contract.

2.4. Permits

2.4.1. Contractor shall be responsible for securing any and all permits, if required, for proposed work. Any fee charged for these permits shall be paid by Contractor and shall be reimbursable to the contractor upon written attached to the contractor's invoices.

2.5. **Work Crews**

2.5.1. A normal repair work crew on any repair incident shall consist of a minimum of one journeyman plumber licensed by the State of Texas and one helper. Any additional plumbers or helpers must be approved by the director of the General Services Department. All PM inspections will be done by a journeyman/State of Texas licensed plumber.

2.6. **Replacement Plumbing Fixtures/Supplies and Materials**

2.6.1. Plumbing fixtures shall be American Standard, Kohler, Crane, or Eljer. Toilet seats shall be Church, Beneka, or Olsonite.

2.6.2. All plumbing fixtures shall be caulked with silicone caulking of the same color as the fixture.

2.6.3. Contractor shall properly cap or plug all openings in equipment and all piping systems to exclude dirt and other foreign material. Plugs of rags, wool, cotton, paper, waste, or similar materials may not be used in plugging. Contractor must follow current City of Houston Plumbing codes.

2.7. Clean-up

2.7.1. At the completion of all work, contractor shall remove from the area all trash, rubble, and debris caused by its operation, leaving the facility clean.

3. Contract Administration

3.1. Service Authorizations

3.1.1. NO REPAIR WORK, OUTSIDE COVERED REPAIR/SERVICES SHALL BE PERFORMED WITHOUT NOTIFICATION AND APPROVAL FROM THE AUTHORIZED CITY REPRESENTATIVES. THESE AUTHORIZED CITY REPRESENTATIVES SHALL BE INDENTIFIED IN THE PRE-PERFORMANCE MEETING AFTER AWARD OF CONTRACT.

3.2. Repairs, Appraisal/Estimate

3.2.1. Contractor will be responsible for material and labor not to exceed $200.00 per occurrence.

3.2.1.1.Exclusions: All underground piping. All Elevator Sumps.

3.2.2. Should the City of Houston need only an estimate for a job, the City shall request an estimate from the contractor. No cost shall be incurred for this estimate.

3.3. Contractor's Responsibility and Liability for Performance and Completion of Work

3.3.1. Contractor shall be responsible for all cost incurred for corrections due to poor workmanship, non-fit, omissions and/or nonconformance due to noncompliance with applicable current industry standards and codes. Work will be inspected after completion for workmanship, appearance, proper functioning of all equipment and compliance with industry standards and codes. In the event deficiencies are discovered, the repair work will be rejected and Contractor shall be notified by the General Services Department Building Maintenance Superintendent with a statement of correction and a time schedule in which the repair(s) must be corrected. Payment and/or the commencement of discount period (if applicable) will not be made until corrective repairs are made and work is re-inspected and approved. Failure to correct the deficiencies within the designated time schedule will result in the City having corrections made at the Contractor's expense.

3.4. Warranty

3.4.1. The Contractor shall warrant all work performed under this Contract in a workmanship manner in compliance with the city of Houston Plumbing Codes and shall be performed by trained and skilled personnel having experience with plumbing service repairs.

3.4.2. All work shall have warranty period of 90 days, unless otherwise specified and agreed to, from date of completion.

Part IV

ırdware specifications for the 3 new Computerized Maintenance Systems should include the following for each ıtem:

1 Desktop Hardware:

1.1 Intel dual-core E-6700 or equivalent processor
1.2 2-gigabyte DDR memory
1.3 Dual-layer DVD/CD write/rewrite

1.4 400-gigabyte hard drive
1.5 Network Interface: 10/100Base-T network interface
1.6 EVGA e-GeForce 7900GS 256MB PCI Express Graphic Card, or Equivalent
1.7 EVGA nForce 680i SLI Socket 775 Motherboard, or equivalent
1.8 Standard ATX Cabinet with dual cooling fans
1.9 1440VA/980W, Input 120V/ Output 120V, Interface Port DB-9 RS-232, SmartSlot, USB, advanced battery monitoring, audible alarms, auto diagnostic testing, Automatic Voltage Regulation (AVR), AVR Boost, AVR Trim, brownout correction, CellGuard, intelligent battery management, lightning and surge protection, line-interactive, load meter, network-grade line conditioning, overload indicator, pager notification, programmable power event response, replace battery indicator, Sine-wave output, site wiring fault indicator, SmartSlot, software, status indicator LED's
1.10 Media Reader: High-Performance 15-in-1 Digital Media Manager™ xD- Picture Card™, CompactFlash® I (CF), CompactFlash® II, Secure Digital™ (SD), Mini Secure Digital™ (Mini SD™)4, Multi Media Card™ (MMC), Reduced Size MMC (RS-MMC)4, MMC Mobile4, MMC Plus, Memory Stick™ (MS), Memory Stick Duo5, Memory Stick Pro®, Memory Stick Pro® Duo5, SmartMedia, IBM Microdrive™
1.11 1KW Continuous (1.1KW peak) @ 50°C, fits standard ATX cases (20" min. depth), +12VDC @ 72A (78A peak) (Single Rail), high-efficiency with .98 power factor, clean DC output, 24-pin, dual 8-pin, 4-pin M/B connectors, quad PCI-express video connectors, 15 drive connectors (incl. 6 SATA), NVIDIA® SLI™/ATI CrossFire™ Certified

2 External System backup:

2.1 500-gigabyte external hard drive
2.2 Hi-speed USB interface
2.3 8-megabyte (or higher) cache buffer

3 Continued Monitor:

3.1 19" flat panel LCD
3.2 2 ms response time
3.3 1600:1 contrast ratio
3.4 300 cd/m^2 brightness
3.5 1440 x 900 resolution
3.6 160° vertical/horizontal viewing angles
3.7 DVI-DM input

4 Printer:

4.1 LaserJet
4.2 Black & white
4.3 Up to 20 pages per minute
4.4 2 USB ports
4.5 Parallel connectivity
4.6 96 MHz processor or better

Note: Memory back-up system and software configuration will be determined upon v installation.

1.4.5.1 Additional CMMS/Technology requirements

1.4.5.1.1 The following lists the application features and a description of the functions required by the Web-Based Facility Maintenance Management System. Each module shall be capable of providing tracking and analyzing financial information and act as a central repository for all facility related information. Each module must have the ability to create and save custom reports in a user-friendly manner and produce graphs and charts. The report manager shall have the ability to export the file to an ASCI format, or a Microsoft Excel file.

1.4.5.1.2 Property Management and Operations Module will manage and track all aspects of facility management and should include, but not be limited to, the following:

1.4.5.1.2.1 Automated preventive maintenance system with variable cycle scheduling and work order generation.

1.4.5.1.2.2 Work order system with the ability to prioritize, schedule and track material, create,manage and track purchase requests, manage and record labor costs.

1.4.5.1.2.3 Work order system should include a tenant work order request form and the ability to generate internal work orders.

1.4.5.1.2.4 Web-based Customer Satisfaction Survey should be included with work order completion notification to tenant for follow up.

1.4.5.1.2.5 Project Management of multiple trades with invoicing capabilities.

1.4.5.1.2.6 Record and report energy services, which will include audit findings, usage and cost per facility and have the ability to create reports that can be used to determine citywide energy usage and cost estimates, rate modeling results and energy related capital improvement projects.

1.4.5.1.2.7 GUI interface to enable the user to click on a location to access the records and work order information.

1.4.5.1.3.2 Perform detailed cost tracking, budgeting and sophisticated financial analysis, including "what-if" scenarios that compare different budget trials.

1.4.5.1.3.3 GUI interface to enable the user to click on a location to access the records.

1.4.5.1.5 Deliverables

1.4.5.1.5.1 Web-Based Facility Maintenance Management System (FMMS) containing the modules previously described. The contractor will host this system.

1.4.5.1.5.2 Security: The CMMS system will provide various levels of secured access, as designated by the GSD administrator, to the various sections of the software. This access will be encryption and password protection at all levels.

1.4.5.1.5.3 GUI Interface: The system will be required to provide a user-friendly interface (GUI), which is easily customizable and familiar to end-users. This will include standard navigation bars (Outlook style), tabbed pages, drag and drop capabilities, and report printing on standard printing devices. In addition, on-line help and wizards will be required. Future expansion will need to include interfacing with current and new technologies including E-mail, paging and PDA's (handheld devices). All data will be accessible for real time queries and inputting.

1.4.5.1.5.4 Hand Held Devices/Paging Interface (Optional): GSD may exercise the option to purchase hand held devices in the future. Additionally, we are interested in the software's potential for interfacing with existing e-mail and/or paging systems.

1.4.5.1.7 Technical Support

1.4.5.1.7.1 The contractor shall provide the technical support for the term of the contract. The support will include, but not be limited to, maintenance of the CAFM/CIFM software, responding to questions regarding the uses of the program, development of routine reports and programming. Service shall be available through:

Telephone (1-800 help line)
Fax
Internet e-mail
Site visits

EXHIBIT "B" FEE SCHEDULE

CATEGORY	YEAR 1 COSTS	YEAR 2 COSTS	YEAR 3 COSTS	YEAR 4 COSTS	YEAR 5 COSTS	OPTIONAL YEAR 1 COSTS	OPTIONAL YEAR 2 COSTS
HVAC, ELECTRICAL AND LIGHTING SERVICES	$917,769.00	$820,654.00	$845,274.00	$870,631.00	$896,750.00	$923,654.00	$951,365.00
FIRE ALARM MONITORING AND REPAIR SERVICES	$153,745.00	$158,324.00	$163,075.00	$167,969.00	$173,008.00	$178,199.00	$183,544.00
PLUMBING MAINTENANCE AND REPAIR SERVICES	$63,589.00	$65,496.00	$67,461.00	$69,785.00	$71,569.00	$73,716.00	$75,928.00
COMPUTERIZED MAINTENANCE MANGEMENT SYSTEM (CMMS)	$73,860.00	$27,663.75	$28,493.66	$29,348.47	$30,228.93	$31,136.00	$32,069.87
TOTAL	$1,208,963.00	$1,072,138.00	$1,104,304.00	$1,137,433.00	$1,171,556.00	$1,206,705.00	$1,242,907.00
ADDITIONAL SERVICES	$75 PER HOUR PRICE+15% MARKUP	$75 PER HOUR PRICE+15% MARKUP	$75 PER HOUR PRICE+15% MARKUP	$75 PER HOUR PRICE+15% MARKUP	$75 PER HOUR PRICE+15% MARKUP	$75 PER HOUR PRICE+15% MARKUP	$75 PER HOUR PRICE+15% MARKUP
ADDITIONAL SERVCIES--MATERIALS							

YEARLY INVOICE DATES

JANUARY 2ND
APRIL 1ST
JULY 1ST
OCTOBER 1ST

EXHIBIT "C"

EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.

2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.

3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.

5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.

6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.

7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

EXHIBIT "D"
MWBE SUBCONTRACT TERMS

Contractor shall ensure that all subcontracts with MWBE subcontractors and suppliers are clearly labeled **"THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT"** and contain the following terms:

1. _____ (MWBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's Affirmative Action Director ("the Director").

2. _____ (MWBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform (1) audits of subcontractor's books and records, and (2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep its books and records available for inspection for at least 4 years after the end of its performance under this subcontract. Nothing in this provision shall change the time for bringing a cause of action.

3. Within 5 business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given under Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of the agent.

4. Any controversy between the parties involving the construction or application of any of the terms, covenants, or conditions of this subcontract must, upon the written request of one party served upon the other or upon notice by the Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 -- "the Act"). Arbitration must be conducted according to the following procedures:

a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within 30 days or the matter may be referred to arbitration.

b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City's contract with the American Arbitration Association on file in the City's Affirmative Action Division Office.

c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.

d. If the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

EXHIBIT "E"

PERFORMANCE BOND

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

Document 00610

PERFORMANCE BOND

THAT WE, _____, as Principal, (the "Contractor"), and the other subscriber hereto, _____, as Surety, do hereby acknowledge ourselves to be held and firmly bound to the City of Houston (the "City"), a municipal corporation, in the penal sum of $_____ for the payment of which sum, well and truly to be made to the City, its successors and assigns, Contractor and Surety do bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, the Contractor has on or about this day executed a Contract in writing with the City for _____

_____,

all of such work to be done as set out in full in said Contract documents therein referred to and adopted by the City Council, all of which are made a part of this instrument as fully and completely as if set out in full herein.

NOW THEREFORE, if the said Contractor shall faithfully and strictly perform the Contract in all its terms, provisions, and stipulations in accordance with its true meaning and effect, and in accordance with the Contract documents referred to therein and shall comply strictly with each and every provision of the Contract and with this Bond, then this obligation shall become null and void and shall have no further force and effect; otherwise the same is to remain in full force and effect. Should the Contractor fail to faithfully and strictly perform the Contract in all its terms, including but not limited to the indemnifications thereunder, the Surety shall be liable for all damages, losses, expenses and liabilities that the City may suffer in consequence thereof, as more fully set forth herein.

It is further understood and agreed that the Surety does hereby relieve the City or its representatives from the exercise of any diligence whatever in securing compliance on the part of the Contractor with the terms of the Contract, and the Surety agrees that it shall be bound to take notice of and shall be held to have knowledge of all acts or omissions of the Contractor in all matters pertaining to the Contract. The Surety understands and agrees that the provision in the Contract that the City will retain certain amounts due the Contractor until the expiration of 30 days from the acceptance of the Work is intended for the City's benefit, and the City will have the right to pay or withhold such retained amounts or any other amount owing under the Contract without changing or affecting the liability of the Surety hereon in any degree.

It is further expressly agreed by Surety that the City or its representatives are at liberty at any time, without notice to the Surety, to make any change in the Contract documents and in the Work to be done thereunder, as provided in the Contract, and in the terms and conditions thereof, or to

make any change in, addition to, or deduction from the Work to be done thereunder; and that such changes, if made, shall not in any way vitiate the obligation in this Bond and undertaking or release the Surety therefrom.

It is further expressly agreed and understood that the Contractor and Surety will fully indemnify and save harmless the City from any liability, loss, cost, expense, or damage arising out of Contractor's performance of the Contract.

If the City gives Surety notice of Contractor's default, Surety shall, within 45 days, take one of the following actions:

1. Arrange for Contractor, with consent of the City, to perform and complete the Contract; or

2. Take over and assume completion of the Contract itself, through its agents or through independent contractors, and become entitled to the payment of the balance of the Contract Price.

If the Surety fails to take either of the actions set out above, it shall be deemed to have waived its right to perform and complete the Contract and receive payment of the balance of the Contract Price and the City shall be entitled to enforce any remedies available at law, including but not limited to completing the Contract itself and recovering any cost in excess of the Original Contract Price from the Surety.

This Bond and all obligations created hereunder shall be performable in Harris County, Texas. This Bond is given in compliance with the provisions of Chapter 2253, Texas Government Code, as amended, which is incorporated herein by this reference.

Notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle, with proper postage affixed (certified mail, return receipt requested), addressed to the respective other Party at the address prescribed in the Contract documents, or at such other address as the receiving party may hereafter prescribe by written notice to the sending party.

IN WITNESS THEREOF, the said Contractor and Surety have signed and sealed this instrument on the respective dates written below their signatures and have attached current Power of Attorney.

ATTEST/SEAL: (if a corporation)
WITNESS: (if not corporation)

_____
(Name of Contractor)

By:_____
Name:
Title:

By:_____
Name:
Title:
Date:

ATTEST/SURETY WITNESS (SEAL)

_____
(Full Name of Surety)

_____
(Address of Surety for Notice)

_____
(Telephone Number of Surety)

By:_____
Name:
Title:
Date:

By:_____
Name:
Title: Attorney-in-Fact
Date:

REVIEWED:

_____
Assistant City Attorney
P. O. Box 368
Houston, TX 77001-0368

EXHIBIT "F"

DRUG POLICY COMPLIANCE AGREEMENT

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

_____ (Contractor)
(Name of Company)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a Notice to Proceed:

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).

2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.

3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.

4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the contract by the City of Houston.

_____
Date

_____
Contractor Name

_____
Signature

_____
Title

EXHIBIT "G"

CONTRACTOR'S CERTIFICATION
OF NO SAFETY IMPACT POSITIONS
IN PERFORMANCE OF A CITY CONTRACT

I, _____, _____,
(Name) (Title)

as an owner or officer of _____ (Contractor)
(Name of Company)

have authority to bind the Contractor with respect to its bid, and hereby certify that Contractor has no employee safety impact positions, as defined in §5.18 of Executive Order No. 1-31, that will be involved

in performing _____.
(Project)

Contractor agrees and covenants that it shall immediately notify the City of Houston Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

_____
(Date)

_____
(Typed or Printed Name)

_____
(Signature)

_____
(Title)

EXHIBIT "H"

DRUG POLICY COMPLIANCE DECLARATION

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

_____ (Contractor)
(Name of Company)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding 6 months from _____ to _____, 20___.

_____ Initials — A written Drug Free Workplace Policy has been implemented and employees notified. The policy meets the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Policy).

_____ Initials — Written drug testing procedures have been implemented in conformity with the Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31. Employees have been notified of such procedures.

_____ Initials — Collection/testing has been conducted in compliance with federal Health and Human Services (HHS) guidelines.

_____ Initials — Appropriate safety impact positions have been designated for employee positions performing on the City of Houston contract. The number of employees in safety impact positions during this reporting period is _____.

_____ Initials — From _____ (Start date) to _____ (End date) the following testing has occurred:

	Random	Reasonable Suspicion	Post Accident	Total
Number Employees Tested				
Number Employees Positive				
Percent Employees Positive				

_____ Initials — Any employee who tested positive was immediately removed from the City worksite consistent with the Mayor's Policy and Executive Order No. 1-31.

_____ Initials — I affirm that falsification or failure to submit this declaration timely in accordance with established guidelines will be considered a breach of contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration are within my personal knowledge and are true and correct.

_____
(Date)

_____
(Typed or Printed Name)

_____
(Signature)

_____
(Title)

EXHIBIT "I"

LIST OF FACILITIES

General Services Department Facilities

Library Name	Address	Area Sq. Ft.
Clayton Main Building	5300 Caroline	23,000
Guest House		2,210
Central Complex:	500 McKinney	
Jesse Jones		333,620
Julia Ideson		200,000
Acres Home Branch	8501 W. Montgomery	8,000
Alief Branch	7979 S. Kirkwood	18,000
Blue Ridge Branch *	7007 W. Fuqua Dr.	14,660
Bracewell Branch	10115 Kleckley Dr.	8,126
Carnegie Branch	1050 Quitman	18,000
Collier Branch	6200 Pinemont	16,000
Dixon Branch	8002 Hirsch Rd.	3,000
Fifth Ward Branch	4014 Market St.	3,000
Flores Branch	110 N. Milby	8,500
Frank Branch	6440 W. Bellfort	16,000
Heights Branch	1302 Heights Blvd.	14,000
Hillendahl Branch	2436 Gessner Rd.	10,000
Johnson Branch	3517 Reed Rd.	10,500
Jungman Branch	5830 Westheimer	17,000
Kashmere Gardens Branch	5411 Pardee St.	10,576
Kendall Branch	14330 Memorial Dr.	9,642
Lakewood Branch	8815 Feland St.	4,150
Library Resource Center (LRC)	3102 Center St.	10,000
Looscan Branch	2510 Willowick Dr.	7,387
Mancuso Branch	6767 Bellfort	11,000
Marston Admin Building	820 Marston	22,000
Melcher Branch	7200 Keller St.	4,200
Meyer Branch	5005 W. Bellfort St.	7,650
Montrose Branch	4100 Montrose Blvd.	15,100
Moody Branch	9525 Irvington Blvd.	5,700
Oak Forest Branch	1349 West 43rd St.	7,650
Park Place Branch	8145 Park Place Blvd.	16,000
Pleasantville Branch	1520 Gellhorn St.	4,000
Ring Branch	8835 Long Point Rd.	7,615
Robinson- Westchase	3223 Wilcrest	16,600
Scenic Woods Branch	10677 Homestead Rd.	11,000
Smith Branch	3624 Scott St.	10,500
Stanaker Branch	611 S/Sgt. Macario Garcia	8,500
Stella Link	7405 Stella Link	20,000
Tuttle Branch	702 Kress St.	6,500
Vinson Branch	3100 W. Fuqua St.	9,000
Walter Branch	7660 Clarewood Dr.	7,675
Young Branch	5330 Griggs Rd.	7,000

CERTIFICATE OF INSURANCE

Issue Date:

PRODUCER	COMPANIES AFFORDING COVERAGE
(Insurance Agent)	Company Letter A
	Company Letter B
INSURED	Company Letter C
(Name of Engineer)	Company Letter D
	Company Letter E

TYPE OF INSURANCE	CO. LTR.	POLICY NUMBER	POLICY EFFECTIVE DATE (Date)	POLICY EXPIRATION DATE (Date)	LIMITS	
GENERAL LIABILITY						
X	COMMERCIAL GENERAL LIABILITY				General Aggregate	$1,000,000
	Claims Made				Products-Comp/OP Agg.	$1,000,000
	Occur				Personal & Adv. Injury	$ no limit required
					Each Occurrence	$ 300,000
					Fire Damage (Any one fire)	$ not required
					Med. Expense (Any one person)	$ not required
AUTOMOBILE LIABILITY						
X	ALL OWNED AUTOS				Combined Single Limit	$ 1,000,000
	SCHEDULED AUTOS				Bodily Injury (Per Person)	$ no limit required
X	HIRED AUTOS				Bodily Injury (Per Accident)	$ no limit required
X	NON-OWNED AUTOS				Property Damage	$ no limit required
	GARAGE LIABILITY					
EXCESS LIABILITY						
	UMBRELLA FORM				Each Occurrence	$ not required
	OTHER THAN UMBRELLA FORM				Aggregate	$ not required
WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY					**STATUTORY LIMITS**	
					Each Accident	$ 100,000
					Disease-Policy Limit	$ 100,000
					Disease-Each Employee	$ 100,000
OTHER Professional Liability					Claim/aggregate	$1,000,000

SPECIAL ITEMS

City of Houston (incl. officers, agents and employees) is named as an additional insured on all policies except Worker's Compensation and professional liability insurance. All policies are primary to the additional insured. A waiver of subrogation in favor of the City of Houston, its officers and employees is included in the policy.

CERTIFICATE HOLDER	CANCELLATION
City of Houston, Texas	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED, NON-RENEWED OR MATERIALLY CHANGED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL WRITTEN 30 DAYS NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.