

**CITY OF CORPUS CHRISTI**

**MASTER SERVICES AGREEMENT  
GEOTECHNICAL AND CONSTRUCTION MATERIALS TESTING**

**PROJECT NO. 19057A**

This Agreement is between the City of Corpus Christi, a Texas home rule municipal corporation, P.O. Box 9277, Corpus Christi, Nueces County, Texas 78469-9277 (City) acting through its duly authorized City Manager or designee and **Terracon Consultants, Inc.**, a Delaware Corporation, 3606 WOW Rd., Corpus Christi, TX., 78413 (“Lab”).

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## ARTICLE I – PROJECT TASK ORDER

- 1.1 This Agreement shall apply to as many tasks as City and Lab agree will be performed under the terms and conditions of this Agreement. Each task Lab performs for City hereunder shall be designated a Task Order. No Task Order shall be binding or enforceable unless and until it has been properly executed by both City and Lab. Each properly executed Task Order shall become a separate supplemental agreement to this Agreement.
- 1.2 The Lab shall provide its Scope of Services, to be included in each Task Order. The Scope of Services shall include all associated services required for Lab to provide such Services, pursuant to this Agreement, and any and all Services which would normally be required by law or common due diligence in accordance with the standard of care defined in Article VIII of this Agreement.
- 1.3 All services provided by Lab shall be performed in accordance with the Terms and Conditions to this Master Services Agreement attached hereto and incorporated herein as **Exhibit A**. All work will be subject to authorization from City. A detailed Scope of Services and fee estimate will be developed for each task prior to execution of work.
- 1.4 Lab must perform tasks and services and submit deliverables as detailed in each approved Task Order. A sample Task Order Form is attached as **Exhibit B**.
- 1.5 Lab must provide all labor, equipment and transportation necessary to complete all services agreed to in a timely manner throughout the term of the Agreement. Persons retained by Lab to perform work pursuant to this Agreement shall be employees or subcontractors or subconsultants of Lab. Lab must provide City with a list of all subcontractors/subconsultants that includes the services performed by the subcontractors/subconsultants and the percentage of work performed by the subcontractor/subconsultant. Changes in Lab's team that provides services under this Agreement must be agreed to by the City in writing.
- 1.6 Lab must not begin work on any Task Order authorized under this Agreement until notified in writing to proceed by City's Director of Engineering or authorized designee.

## ARTICLE II – COMPENSATION

- 2.1 The Compensation for all services performed under this Agreement shall not exceed **\$1,000,000**.
- 2.2 The Lab's fee for each Task Order will be on a quantity and unit price basis or lump sum basis with a negotiated not-to-exceed amount. The fees will not exceed those set out in the Task Order and will be full and total compensation for all services outlined in each Task Order, and for all expenses incurred in performing these services. City agrees to pay the Lab for services provided in accordance with each Task Order issued by the City and according to the fee schedule and/or amount not to exceed set out in each Task Order.
- 2.3 All services shall be performed in accordance with the applicable standard of professional care set forth herein and to City's satisfaction, which satisfaction shall be judged by the Director in his/her sole discretion. City shall not be liable for any payment under this Agreement for services which are unsatisfactory, and which previously have not been approved by the Director.
- 2.4 In the event of any dispute(s) between the Parties regarding the amount properly compensable for any Task Order or as final compensation or regarding any amount that may be withheld by City, Lab shall be required to make a claim pursuant to and in accordance with the terms of this Agreement and follow the procedures provided herein for the resolution of such dispute. In the event Lab does not initiate and follow the claims

procedures provided in this Agreement in a timely manner and as required by the terms thereof, any such claim shall be waived.

- 2.5 Lab will submit progress invoices to City Engineer monthly and final invoice upon completion of services. Each invoice is due and payable by City within 30 days of receipt and approval to pay by the City Engineer.
- 2.6 Request for final compensation by Lab shall constitute a waiver of claims except those previously made in writing and identified by Lab as unsettled at the time of final Payment Request.
- 2.7 Any fee payable under this Agreement is subject to the availability of funds. The Lab may be directed to suspend work pending receipt and appropriation of funds.

### ARTICLE III – INSURANCE REQUIREMENTS

- 3.1 Lab must not commence work under this Agreement until all required insurance has been obtained, and such insurance has been approved by the City. Lab must not allow any subcontractor or sub consultant to commence work under this Agreement until all similar insurance required of any subcontractor or sub consultant has been obtained.
- 3.2 Insurance Requirements for this Agreement are set out in the Terms and Conditions to this Agreement which is attached hereto and incorporated herein as **Exhibit A**.

### ARTICLE IV - INDEMNIFICATION

**Lab shall fully indemnify and hold harmless the City of Corpus Christi and its officials, officers, agents, employees, or other entity, excluding the engineer or architect or that person's agent, employee or consultant, over which the City exercises control ("Indemnitee") from and against any and all claims, damages, liabilities or costs, including reasonable attorney fees and court costs, to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual property infringement or failure to pay a subcontractor or supplier committed by Lab or its agent, Lab under contract or another entity over which Lab exercises control while in the exercise of rights or performance of the duties under this agreement. This indemnification does not apply to any liability resulting from the negligent acts or omissions of the City or its employees, to the extent of such negligence.**

**Lab shall defend Indemnitee, with counsel satisfactory to the City Attorney, from and against any and all claims, damages, liabilities or costs, including reasonable attorney fees and court costs, if the claim is not based wholly or partly on the negligence of, fault of or breach of contract by Indemnitee. If a claim is based wholly or partly on the negligence of, fault of or breach of contract by Indemnitee, the Lab shall reimburse the City's reasonable attorney's fees in proportion to the Lab's liability.**

**Lab must advise City in writing within 24 hours of any claim or demand against City or Lab known to Lab related to or arising out of Lab's activities under this Agreement.**

### ARTICLE V – TERM; RENEWALS; TIMES FOR RENDERING SERVICE

- 5.1 This Agreement shall be effective upon the signature of the City Manager or designee (Effective Date).
- 5.2 This Agreement shall be applicable to all Task Orders issued hereunder from the Effective Date of the Agreement until Agreement expires or is terminated earlier by either party.
- 5.3 The initial term of this Agreement shall be two (2) years from the Effective Date. Thereafter, this Agreement

~~may be renewed for up to two (2) additional twelve (12) month renewal options upon mutual agreement of the parties to be evidenced in writing prior to the expiration date of the prior term. Any renewals shall be at the same terms and conditions, plus any approved changes.~~

- 5.4 The times for performing services or providing deliverables will be stated in each Task Order. If no times are so stated, Lab will perform services and provide deliverables within a reasonable time.

#### ARTICLE VI - TERMINATION OF AGREEMENT

- 6.1 City may terminate this Agreement or Task Order under this Agreement, with or without cause, upon seven days written notice to Lab at the address of record.
- 6.2 Lab will be compensated for authorized services completed up to the date of termination.

#### ARTICLE VII – RECORD RETENTION; RIGHT OF REVIEW AND AUDIT

- 7.1 Lab grants City, or its designees, the right to audit, examine or inspect, at City's election, all of Lab's records relating to the work and/or services provided under this Agreement, during the term of this Agreement and retention period herein. The audit, examination or inspection may be performed by a City designee, which may include its internal auditors, or an outside representative engaged by City. Lab agrees to retain its records for a minimum of four (4) years following termination of the Agreement, unless there is an ongoing dispute under this Agreement, then such retention period shall extend until final resolution of the dispute.
- 7.2 "Lab's records" include any and all information, materials and data of every kind and character generated as a result of the Work under this Agreement. Examples include billings, books, general ledger, cost ledgers, invoices, production sheets, documents, correspondence, meeting notes, subscriptions, agreements, purchase orders, leases, contracts, commitments, arrangements, notes, daily diaries, reports, drawings, receipts, vouchers, memoranda, time sheets, payroll records, policies, procedures, federal and state tax filings for issue in questions and any and all other agreements, sources of information and matters that may, in City's judgment, have any bearing on or pertain to any matters, rights, duties or obligations under or covered by any Agreement Documents.
- 7.3 City agrees that it shall exercise the right to audit, examine or inspect Lab's records only during City's regular business hours. Lab agrees to allow City's designee access to all of Lab's records, Lab's facilities and Lab's current or former employees, deemed necessary by City or its designee(s), to perform such audit, inspection or examination. Lab also agrees to provide adequate and appropriate work space necessary to City or its designees to conduct such audits, inspections or examinations.
- 7.4 Lab shall include this audit clause in any subcontractor, supplier or vendor contract.

#### ARTICLE VIII – MISCELLANEOUS PROVISIONS

- 8.1 Assignability. The Lab will not assign, transfer or delegate any of its obligations or duties in this Agreement to any other person without the prior written consent of the City, except for routine duties delegated to personnel of the Lab staff. If the Lab is a partnership, then in the event of the termination of the partnership, this contract will inure to the individual benefit of such partner or partners as the City may designate. No part of the Lab fee may be assigned in advance of receipt by the Lab without written consent of the City.

The City will not pay the fees of experts or technical assistance or other Labs unless such employment, including the rate of compensation, has been approved in writing by the City.

- 8.2 Ownership of Documents. Lab agrees that upon payment, City shall exclusively own any and all information in whatsoever form and character produced and/or maintained in accordance with, pursuant to or as a result

of this Agreement, including contract documents (plans and specifications), drawings, test results and submittal data. Lab may retain a copy for its files.

- 8.3 Standard of Care. Services performed by Lab will be conducted in a manner consistent with that level of skill and care ordinarily provided by competent members of the profession practicing under the same or similar circumstances and professional license.
- 8.4 Licensing. Lab shall be represented by personnel with appropriate licensure, registration and/or certification(s) at meetings of any official nature concerning the Project, including scope meetings, review meetings, pre-bid meetings and preconstruction meetings.
- 8.5 Entire Agreement. This Agreement, including Task Orders, represents the entire and integrated Agreement between City and Lab and supersedes all prior negotiations, representations or agreements, either oral or written. This Agreement may be amended only by written instrument signed by both the City and Lab.
- 8.6 Disclosure of Interest. Lab agrees to comply with City of Corpus Christi Ordinance No. 17112 and complete the *Disclosure of Interests* form as part of this contract.
- 8.7 Certificate of Interested Parties. Lab agrees to comply with Texas Government Code section 2252.908 and complete Form 1295 Certificate of Interested Parties as part of this agreement. Form 1295 requires disclosure of "interested parties" with respect to entities that enter contracts with cities that exceed \$50,000. These interested parties include:
- (1) persons with a "controlling interest" in the entity, which includes:
    - a. an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock or otherwise that exceeds 10 percent;
    - b. membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or
    - c. service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers; or
  - (2) a person who actively participates in facilitating a contract or negotiating the terms of a contract with a governmental entity or state agency, including a broker, intermediary, adviser or attorney for the business entity.

Form 1295 must be electronically filed with the Texas Ethics Commission at [https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm). The form must then be printed, signed, notarized and filed with the City. For more information, please review the Texas Ethics Commission Rules at <https://www.ethics.state.tx.us/legal/ch46.html>.

- 8.8 Conflict of Interest. Lab agrees to comply with Chapter 176 of the Texas Local Government Code and file Form CIQ with the City Secretary's Office, if required. For more information and to determine if you need to file a Form CIQ, please review the information on the City Secretary's website at <http://www.ctexas.com/government/city-secretary/conflict-disclosure/index>
- 8.9 Controlling Law. This Agreement is governed by the laws of the State of Texas without regard to its conflicts of laws. Venue for legal proceedings lies exclusively in Nueces County, Texas.
- 8.10 Severability. If, for any reason, any one or more Articles and/or paragraphs of this Agreement are held invalid or unenforceable, such invalidity or unenforceability shall not affect, impair or invalidate the remaining Articles and/or paragraphs of this Agreement but shall be confined in its effect to the specific Article, sentences, clauses or parts of this Agreement held invalid or unenforceable, and the invalidity or unenforceability of any Article, sentence, clause or parts of this Agreement, in any one or more instance, shall not affect or prejudice in any way the validity of this Agreement in any other instance.



## EXHIBIT A

### TERMS AND CONDITIONS TO GEOTECHNICAL AND CONSTRUCTION MATERIALS TESTING AGREEMENT

#### ARTICLE 1. SERVICES: Lab will:

- 1.1 Provide only those services requested by City Engineer that, in the opinion of Lab, lie within the technical or professional areas of expertise of Lab and which Lab is adequately staffed and equipped to perform.
- 1.2 Perform technical services under the supervision of a licensed professional engineer and in compliance with the basic requirements of the appropriate standards of the American Society for Testing and Materials, where applicable and other standards designated in writing by the City Engineer.
- 1.3 Promptly submit formal reports (printed and electronic copies) of tests, inspections and services performed indicating, where applicable, compliance with the Project specifications or other contract documents. Such reports must be complete and factual, citing the tests performed, methods employed, values obtained and parts of the structure of the Project area subjected to any testing.
- 1.4 Utilize testing equipment which has been calibrated according to applicable standards and, upon request, submit to the City Engineer or designee documentation of such calibration.
- 1.5 Secure representative samples of those materials that the City's contractor proposes to use which require testing, together with relevant data concerning such materials including the point of origin and supplier.
- 1.6 Consider reports to be confidential and distribute reports only to those persons, organizations or agencies specifically designated in writing by the City Engineer.
- 1.7 Pay salaries, wages, expenses, social security taxes, federal and state unemployment taxes and any other similar payroll taxes relating to the services.

#### ARTICLE 2. CITY RESPONSIBILITIES: City Engineer or designee will:

- 2.1 Provide Lab with all plans, specifications, addenda, change orders, approved shop drawings and other information for the proper performance of services by Lab.
- 2.2 Issue authorization in writing giving Lab free access to the Project site and to all shops or yards where materials are prepared or stored.
- 2.3 Designate in writing those persons or firms which will act as the City's representative with respect to Lab's services to be performed under this Agreement and which must be promptly notified by Lab when it appears that materials tested or inspected are in non-compliance. Only the City Engineer or designee has authority to transmit instructions, receive information and data and/or interpret and define the City's policies and decisions with respect to the Project. Lab acknowledges that certain City representatives may have different types of authority concerning the Project.
- 2.4 Advise Lab sufficiently in advance of any operations so as to allow for assignment of personnel by Lab for completion of the required services. Such advance notice will be in accordance with that established by mutual agreement of the parties.
- 2.5 Direct the Project contractor, either by the Construction Contract or direct written order, to:

- (a) Stop work at the appropriate times for Lab to perform contracted services;
- (b) Furnish such labor and all facilities needed by Lab to obtain and handle samples at the project and to facilitate the specified inspection and tests;
- (c) Provide and maintain for use of Lab adequate space at the Project for safe storage and proper curing of test specimens that must remain on the Project site prior to, during and up to 60 days after testing.

### ARTICLE 3. GENERAL CONDITIONS

- 3.1 Lab, by the performance of services covered hereunder, does not in any way assume, abridge or abrogate any of those duties, responsibilities or authorities with regard to the Project that, by custom or contract, are vested in the Project architects, design engineers or any other design agencies or authorities.
- 3.2 Lab is not authorized to supervise, alter, relax, enlarge or release any requirement of the Project specifications or other contract documents nor to approve or accept any portion of the work. Lab does not have the right of rejection or the right to stop the work. City Engineer will direct the Project contractor to stop work at appropriate times for Lab to conduct the sampling, testing or inspection of operations covered by the Agreement.

### ARTICLE 4. FIELD MONITORING AND TESTING

- 4.1 City and Lab agree that Lab will be on-site to perform inspections for contracted services. The City and Lab also agree that Lab will not assume responsibility for Project contractor's means, methods, techniques, sequences or procedures of construction, and it is understood that the final services provided by Lab will not relieve the Project contractor of its responsibilities for performing the work in accordance with the Project plans and specifications. For the purposes of this Agreement, the word "inspection" is used to mean periodic observation of the work and the conducting of tests by Lab as specified in the Agreement. Continuous monitoring by Lab or its subcontractors does not mean that Lab is approving placement of materials. Inspection is not and should not be construed to be a warranty by Lab to the City or any other party.
- 4.2 Samples collected or tested by Lab remain the property of the City while in the custody of the Lab. Lab will retain the samples for a period of 60 days following the date of submission of any report related to the sample. Following the retention period, Lab will dispose of non-hazardous samples, and return hazardous, acutely toxic or radioactive samples and samples' containers and residues to City. City agrees to accept such samples and samples' containers.

### ARTICLE 5. INSURANCE REQUIREMENTS

- 5.1 Lab must not commence work under this agreement until all required insurance has been obtained and such insurance has been approved by the City. Lab must not allow any subcontractor to commence work until all similar insurance required of any subcontractor has been obtained.
- 5.2 Lab must furnish to the Director of Engineering Services with the signed agreement (or amendment) 2 copies of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. **The City must be listed as an additional insured on the General Liability and Auto Liability policies, and a waiver of subrogation is required on all applicable policies. Endorsements must be provided with COI. Project name and or number must be listed in Description Box of COI.**



TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
<b>30-written day notice of cancellation, required on all certificates or by applicable policy endorsements</b>	<b>Bodily Injury and Property Damage</b> Per occurrence - aggregate
Commercial General Liability including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence \$2,000,000 Aggregate
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$500,000 Combined Single Limit
PROFESSIONAL LIABILITY (Errors and Omissions)	\$1,000,000 Per Claim \$2,000,000 Aggregate (Defense costs must be outside policy limits) If claims made policy, retro date must be prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.
WORKERS' COMPENSATION (All States Endorsement if Company is not domiciled in Texas)  Employer's Liability	Statutory  \$500,000 /\$500,000 /\$500,000

- 5.3 In the event of accidents of any kind related to this agreement, Lab must furnish the City with copies of all reports of any accidents within 10 days of the accident.
- 5.4 Applicable for paid employees, Lab must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Lab will be promptly met. An All States Endorsement shall be required if Lab is not domiciled in the State of Texas.
- 5.5 Lab shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Lab's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII. **Lab is required to provide City with renewal Certificates.**

5.6 Lab shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Lab shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi  
Attn: Engineering Services  
P.O. Box 9277  
Corpus Christi, TX 78469-9277

5.7 **Lab agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**

- (a) List the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations, completed operation and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy and professional liability/Errors & Omissions policy;
- (b) Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
- (c) Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
- (d) Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.

5.8 Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Lab shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Lab's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.

5.9 In addition to any other remedies the City may have upon Lab's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Lab to remove the exhibit hereunder, and/or withhold any payment(s) if any, which become due to Lab hereunder until Lab demonstrates compliance with the requirements hereof.

5.10 Nothing herein contained shall be construed as limiting in any way the extent to which Lab may be held responsible for payments of damages to persons or property resulting from Lab's or its subcontractor's performance of the work covered under this agreement.

5.11 It is agreed that Lab's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.

5.12 It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

## **ARTICLE 6. CLAIMS**

6.1 Claims arising from this Agreement shall be made in writing, sworn to and signed by an authorized representative. The responsibility to substantiate a claim rests with the party making the claim.

6.2 All negotiations pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

#### **ARTICLE 7. SAFETY**

City and Lab agree that, in accordance with the generally accepted construction practice, the Project's general contractor will be solely and completely responsible for working conditions on the Project, including safety of all persons and property during the performance of the work and for compliance with all municipal, state and federal laws, rules and regulations, including OSHA. The duty of Lab in providing services is not, therefore, to include any review of, or responsibility for, the adequacy of the Project's general contractor's safety measures in, on or near the Project site.



Project Number:  
Accounting Unit:  
Account:  
Activity:  
Account Category:  
Fund Name:  
Amount: \$

PROPOSAL ATTACHED



June 20, 2019

Ms. Marisa Alaniz, EIT  
City of Corpus Christi  
Engineering Services Department  
1201 Leopard Street, 3<sup>rd</sup> Floor  
Corpus Christi, Texas 78401

Re: Letter of Intent, Geotechnical and Materials' Testing Services

Dear Ms. Alaniz,

As per your request, Terracon is pleased to submit this Letter of Intent to provide Geotechnical and Materials' Testing Services to the City of Corpus Christi (City) on projects to be determined by the City under a forthcoming Master Services Agreement for an amount not to exceed \$1,000,000.

We have attached the 2019 unit rate sheets for both Geotechnical and Materials' Testing for your review.

We are excited about the opportunity to assist the City on future projects and look forward to working with your staff. Please feel free to contact me with any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Barker". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tom Barker  
Office Manager  
Terracon