

**INTERLOCAL AGREEMENT**  
**REGARDING THE DESIGN AND CONSTRUCTION OF THE**  
**LNRA FACILITY EXPANSION**

This Interlocal Agreement (Agreement) Regarding the Design and Construction of water delivery system improvements is entered by and between the Lavaca-Navidad River Authority ("LNRA"), a conservation and reclamation district, a body politic and corporate and governmental agency of the State of Texas, organized and existing under the provisions of a series of acts formally compiled as Article 8282-131, Tex. Civ. Ann., as amended, and the City of Corpus Christi, Texas (the "City"), a home rule municipality. LNRA and the City are collectively referred to as the "Parties" and individually as "Party."

**Recitals**

WHEREAS, LNRA and City entered into a Water Delivery and Conveyance Contract (Contract) dated December 14, 1993 that, among other things, provided for the construction, operation, maintenance, modification and ownership of a Intake Pump Station (LNRA Facility) to be constructed on LNRA's Site at Lake Texana and used to divert the water supply from Lake Texana contracted by the City through the City's Mary Rhodes Pipeline.

WHEREAS, LNRA operates and maintains LNRA Facility in accordance with the terms of the Contract;

WHEREAS, the City has determined it would be advantageous to the City for LNRA to modify LNRA Facility by expanding LNRA Facility, modifying the footprint of the existing metal pump station building, adding redundant pumps, motors and associated electrical and mechanical appurtenances (LNRA Facility Expansion) to act as a spare pumping unit in case of pumping equipment malfunction and/or failure;

WHEREAS, LNRA is prepared to undertake the LNRA Facility Expansion project and has provided the City a location map, an engineer's conceptual opinion of probable construction costs (OPCC) and associated engineering design and construction management fees including the Engineers' proposed scope of services and responsibilities of owner, which are attached as Exhibit A, Exhibit B, Exhibit C and Exhibit D;

WHEREAS, the City has determined the City desires LNRA advance the LNRA Facility Expansion project and has identified the LNRA Facility Expansion project costs as a budgeted cost and should be funded by the City under an interlocal agreement with LNRA;

WHEREAS, this Agreement provides for the funding of LNRA Facility Expansion;

NOW THEREFORE, LNRA and the City desire to enter this Interlocal Cooperation Agreement in accordance with the terms and provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, for the purpose of defining the responsibilities of both Parties to regarding the design, construction, and funding of LNRA Facility Expansion.

## ARTICLE I. DEFINITIONS

- 1.01 Definitions.** In addition to the terms defined above, and elsewhere in this Agreement, the following terms shall have the meaning assigned to them below wherever they are used in this Agreement, unless the context clearly requires otherwise:

“Equipment” means pumps, motors, valves, electrical service, motor and valve control panels, SCADA equipment, communication equipment, and any other appurtenances required for the LNRA Facility Expansion.

“Plans and Specifications” means the plans and specifications prepared for the LNRA Facility Expansion by the Project Engineer, as the same may be required from time to time in accordance with this Agreement.

“Project Engineer” means Freese & Nichols, Inc. (FNI), or such other engineering firm or firms as may be designated by LNRA.

“Project Operating and Maintenance Budget” means LNRA’s annual project operating and maintenance budget established by the Contract.

## ARTICLE II. DESIGN AND CONSTRUCTION

- 2.01 Design and Construction.** LNRA shall be responsible for the design and construction of the LNRA Facility Expansion in compliance with applicable State laws, regulations and codes. LNRA shall comply with procurement requirements of State law applicable to LNRA for the construction contract. LNRA shall make, execute, and deliver all contracts, orders, receipts, writings, instructions with or to other persons or entities, and in general do or cause to be done all other things as may be necessary for the proper acquisition, construction, and installation of the LNRA Expansion Facilities. LNRA agrees to use its best efforts to cause construction of the LNRA Expansion Facilities to be sufficiently complete to allow LNRA to use the LNRA Expansion Facilities on the schedule jointly agreed to by LNRA and the City, but failure to do so shall not be a default under this Agreement, and LNRA shall not be liable to the City for any delay in completing the LNRA Expansion Facilities so long as the LNRA uses its best efforts to cause the LNRA Expansion Facilities to be completed.
- 2.02 Project Engineer.** LNRA shall engage the service of the Project Engineer for purposes of design, bidding, and construction oversight of the LNRA Facility Expansion. The Project Engineer shall design the LNRA Facility Expansion and provide to LNRA detailed Plans and Specifications of the LNRA Facility Expansion. LNRA’s engineering contract with the Project Engineer shall be subject to the approval of the City, within thirty (30) days following submission by LNRA, which shall not be unreasonably withheld.
- 2.03 Plans and Specification Review; Revisions.** When the Plans and Specifications are seventy-five (75) percent complete, LNRA shall provide the Plans and Specifications to

the City for the City's review. The City may provide written comments to LNRA specifying suggested changes, if any, to the Plans and Specifications. The City shall have fifteen (15) days from the date the Plans and Specifications are submitted to the City to provide written comments to LNRA. LNRA will provide the City with a written explanation of LNRA's treatment of the City's comments. When the Plans and Specifications are one hundred (100) percent complete, LNRA shall provide the Plans and Specifications to the City for the City's review. The City may provide written comments to LNRA specifying suggested changes, if any, to the Plans and Specifications. The City shall have fifteen (15) days from the date the Plans and Specifications are submitted to the City to provide written comments to LNRA. LNRA will provide the City with a written explanation of LNRA's treatment of the City's comments. The Plans and Specifications may be revised prior to the Completion Date, as that term is defined in Section 2.07 of this Agreement. Minor revisions and change orders (plus or minus up to 5% of the costs of the item being modified) may be implemented by LNRA with notice to the City. Any other change order or revision of the Plans and Specifications will require advanced written approval of the City.

- 2.04 Procurement of Components.** LNRA shall be responsible for the procurement of all Equipment in compliance with procurement requirements of State laws applicable to LNRA. LNRA may acquire such Equipment at any time LNRA determines in its sole discretion such acquisition is necessary to timely complete the LNRA Facility Expansion. It is understood that certain Equipment, having long lead times and deemed usable by LNRA as replacement for existing equipment, will be purchased by LNRA using the Project Operating and Maintenance Budget.
- 2.05 Approvals.** LNRA shall be responsible for obtaining all required approvals for construction of the LNRA Facility Expansion.
- 2.06 Bids and Award of Construction Contract.** LNRA shall be responsible for the bid solicitation and contractor selection process. After the receipt of bids for construction contracts, LNRA shall provide the City with a tabulation of bids received and shall identify the lowest and best bidder(s). The City shall have ten (10) business days from the receipt of such information to advise LNRA of any suggestions or objections it may have about the bids received by LNRA. After giving due consideration to the City's suggestions or objections, , and subject to City's approval of the cost of the construction contract, LNRA shall in its sole judgment award the Construction Contract(s) to the contractor(s) submitting the lowest and best bid(s), unless LNRA in its sole judgment determines all bids should be rejected. If all bids are rejected, LNRA will again solicit bids until such time as LNRA receives a bid satisfactory to LNRA
- 2.07 Notice of Construction and Final Completion.** LNRA shall provide the City with advance written notice of the date when construction of the LNRA Facility Expansion is scheduled to start. LNRA shall provide such notice at least fifteen (15) days before construction starts. When the LNRA Expansion Facilities are completed, LNRA shall deliver to the City a certificate signed by LNRA's General Manager's authorized representative stating that, as of a specified date, the LNRA Expansion Facilities have been

completed, or substantially completed, and placed in service (the date specified in such certificate is the "Completion Date").

- 2.08 **Liens.** The City and LNRA agree that neither Party will voluntarily create or permit to remain any lien, encumbrance, or charge upon the LNRA Expansion Facilities or any interest therein at any time.
- 2.09 **Ownership and Operation of LNRA Expansion Facilities.** The LNRA Expansion Facilities shall be owned and operated by LNRA as treated as additional LNRA Facilities in accordance with the Contract.

### ARTICLE III. BILLING AND PAYMENTS

- 3.01 **Payment.** The City is responsible for the payment of all of LNRA's costs associated with the LNRA Facility Expansion, including but not limited to the costs of the Project Engineer, the Equipment, and construction costs, up to the amounts approved in advance by the City. , Consistent with Section 2.03, change orders exceeding 5 percent of the costs of the item being modified shall be submitted to the City for review and approval.
- 3.02. **Billing.** LNRA shall invoice the City for the costs as they are incurred by LNRA for the payments required by Section 3.01 on or before the tenth (10) day of each month, and such invoices shall be payable on or before the tenth (10) day of the succeeding month. Invoices shall be deemed paid when payment has been received by LNRA or its designee. For any bill not paid on or before the due date, interest shall accrue on the unpaid invoice at the rate of fifteen percent (15%) per annum until paid in full. LNRA may from time to time, by forty-five (45) days written notice, change the monthly date on which it shall render the invoice and the corresponding due dates. Payment to LNRA shall be made at its offices in Jackson County, Texas.
- 3.03. **Source of Payment.** LNRA and the City agree that the City shall not be required to pledge tax revenues for the payment of any amounts to be paid by the City to LNRA under this Agreement, nor shall LNRA have the right to demand payment of any amounts to be paid by the City under this Agreement be paid from funds raised or to be raised from taxation from the City. The City's funds for payment to LNRA under this Agreement shall be operating expenses of the City's water supply system or wastewater treatment system, or both, as the case may be.

### ARTICLE IV. EFFECTIVE DATE; TERM; DEFAULT; REMEDIES

- 4.01 **Effective Date and Term.** This Agreement becomes effective on the date of the last signatory of this Agreement as indicated with the signatures and shall remain in effect through the completion of construction of LNRA Facility Expansion and payment of all funds. This Agreement shall terminate upon completion of the construction of the LNRA Facility Expansion and the final payment by the City of all invoices related to the LNRA Facility Expansion.

- 4.02 Termination.** Subject to conditions in Section 4.06, either LNRA or the City may terminate this Agreement, at any time, with or without cause, by delivering to the other Party a written notice stating such desire and specifying the date on which this Agreement is to terminate, which date shall be at least six (6) months from the date of such notice. In addition, this Agreement is subject to termination upon receipt of written notice from the City due to non-appropriation of funds during the City's annual budget process.
- 4.03 Default.** If either Party defaults in the observance or performance of any of the provisions, agreements or conditions to be observed or performed on its part under this Agreement, the other Party may give written notice to the Party in default of its intention to terminate this Agreement, specifying the failure or default relied upon. Upon the expiration of forty-five (45) days after the giving of such notice, this Agreement shall terminate, unless, within such forty-five (45) day period, or such longer period as may be specified in such notice or any amendment of or supplement to such notice, the default specified in such notice shall have been fully cured.
- 4.05 Remedies not Exclusive.** The Parties do not intend to specify (and this Agreement shall not be considered as specifying) an exclusive remedy for any Party's default, but all such other remedies existing at law or in equity shall be cumulative including, without limitation, specific performance may be availed of by any Party, as may be allowed by applicable law.
- 4.06 Rights after Termination.** Upon termination by either Party pursuant to Section 4.02 above, the City shall pay to LNRA all costs identified in Section 3.01 through the date of termination, including any claims or damages arising out of contracts entered into by LNRA in accordance with this Agreement for the design and construction of the LNRA Facility Expansion. This provision shall survive any such termination.

## ARTICLE V. NOTICE

- 5.01 Notices.** All notices and communications under this Agreement shall be mailed by certified mail, return- receipt requested, hand delivered to the parties at the following physical addresses or emailed to the email addresses that follow:

LNRA: Lavaca-Navidad River Authority  
P.O. Box 429  
4631 FM 3131  
Edna, Texas 77957  
Attn: Patrick Brzozowski, P.E., General Manager  
[pbrzozowski@lnra.org](mailto:pbrzozowski@lnra.org)

City: Corpus Christi Water  
Attn: Nick Winkelmann, Interim Chief Operating Officer  
P. O. Box 9277  
Corpus Christi, Texas 78469  
[NickW@corpuschristitx.gov](mailto:NickW@corpuschristitx.gov)

These addresses may be changed by giving prior written notice of the change.

The Parties affirmatively consent to the disclosure of e-mail addresses that are provided above. This consent is intended to comply with the requirements of the Texas Public Information Act, Tex. Gov't Code §552.137, *et seq.*, as amended, and shall survive termination of this Agreement.

## ARTICLE VI. GENERAL PROVISIONS

- 6.01 Force Majeure.** If by reason of force majeure, either Party is rendered unable, wholly or in part, to carry out its obligations under this Agreement, and if such Party gives notice and full particulars of such force majeure, in writing, to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligations of the Party giving such notice (other than obligations for the payment of money under Section 3.01 of this Agreement), so far as they are affected by such force majeure, shall be suspended during the continuance of the inability then claimed, including a reasonable time for removal of the effect thereof. The term "force majeure" shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States, or any state, or any agency or political subdivision of the United States or of any state, or any other civil or military authority, insurrection, riots, epidemics, landslides, lightening, earthquakes, fire, hurricanes, tornadoes, storms, floods, washouts, droughts, arrests, civil disturbances, explosions, breakage or accidents to machinery, transmission pipes, or canals, shortages of labor, materials, supplies or transportation, or any other cause not reasonably within the control of the Party claiming such inability. The requirement that any force majeure shall be reasonably beyond the control of the Party shall be deemed to be fulfilled even though the existing or impending strike, lockout or other industrial disturbance may not be settled but could have been settled by acceding to the demand of the opposing person or persons. The parties shall use their best efforts to remove the cause of any force majeure.
- 6.02 Assignment.** This Agreement shall be assignable in whole or part by either Party with prior written consent of the other Party, which consent shall not be unreasonably withheld.
- 6.03 City Audit.** Upon reasonable notice, during normal business hours, the City or its agent shall be entitled to inspect and review LNRA records of any costs assessed or incurred under this Agreement.
- 6.04 Venue.** Exclusive venue for any cause of action arising out of or in relation to this Agreement shall be in Jackson County, Texas.
- 6.05 Authorization to Sign.** The governing bodies of LNRA and the City have approved the execution of this Agreement, and the persons signing the Agreement have been duly authorized by the governing bodies of LNRA and the City to sign this Agreement on behalf of the governing bodies.

- 6.06 Governing Law, Entire Agreement, Etc.** This Agreement (a) may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument; (b) constitutes the entire agreement between LNRA and the City with respect to the subject matter hereof; (c) shall be governed in all respects, including validity, interpretation and effect, by and shall be enforceable in accordance with the laws of the State of Texas; (d) may be modified only by an instrument signed by the duly authorized representative of each of the parties; and (e) shall not be construed as a contract for the benefit of a third party other than a permitted successor or assign of a Party. If any court of competent jurisdiction finds any clause or provisions of this Agreement invalid, the invalidity of such clause or provisions shall not affect any of the remaining provisions hereof. Each Party may specifically, but only in writing, waive any breach of this Agreement by the other Party, but no such waiver shall be deemed to constitute a waiver of similar or other breaches by such other Party.
- 6.07 Binding Agreement and Assignment.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective Parties hereto, provided however, that nothing herein shall prevent the Parties hereto or their respective successors, legal representatives, or assigns, by mutual agreement in writing, from revising or amending this Agreement as may be necessary in the future because of changed circumstances or otherwise. Neither Party may assign all or any part of its rights and obligations hereunder without the express written consent of the other Party.

*[Signature Pages to Follow]*

**Executed effective as of the Effective Date by the following duly authorized representatives of the Parties:**

**Lavaca-Navidad River Authority**

By: Jerrey L. Adelman  
Print Name

Jerrey L. Adelman  
Signature

Title: Pres

Date signed: 11-22-2025

**City of Corpus Christi, Texas**

By: \_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

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

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

Exhibit A: Engineer's Proposed Scope of Services and Responsibilities of Owner  
Exhibit B: Engineers' Fee Summary Design and Construction Management  
Exhibit C: Engineer's Conceptual Opinion of Construction Cost  
Exhibit D: Location Map



**Exhibit A**  
**Engineers Proposed Scope of Services and Responsibilities of Owner**

**SCOPE OF SERVICES AND RESPONSIBILITIES OF OWNER**

**ARTICLE I PROJECT UNDERSTANDING**

The Lavaca-Navidad River Authority (Owner) and Freese and Nichols Inc. (Engineer or FNI) proceeding with design and construction of the West delivery System Pump Station Expansion (The Project). The Project will include installing one vertical turbine pump and motor, one Variable Frequency Drive (VFD) and a new electrical room.

- A. The Project will have the following facilities:
1. Electrical
    - a. Switchgear feeder
    - b. New VFD
    - c. Cable/conduit
    - d. Power/lighting for new electrical room
  2. Instrumentation/Controls
    - a. Cable/conduit
    - b. Switches/transmitters for discharge piping
    - c. SCADA updates for new pump
    - d. Vibration monitoring system
    - e. Pump Control Valve control cabinet
  3. Process Mechanical
    - a. Discharge piping
    - b. Pump control valve
    - c. Isolation butterfly valve
  4. Architectural
    - a. Pre-engineered metal building (PEMB)
  5. Structural
    - a. Foundation for PEMB
  6. Building Mechanical
    - a. HVAC for new electrical room
    - b. Ventilation upgrades for pump room
  7. Civil

- a. Grading for building addition
  - b. Walkways and paving for building addition
- B. The following facilities are not part of The Project, and will be provided by others:
  - 1. Off-site SCADA control facilities at Owner's operations center.
  - 2. Electric power service to the Project Site(s).
  - 3. Electrical relay, power system, and/or arc flash studies. If required, these will be provided by the construction contractor.
- C. The Project will include the following construction and equipment bid packages:
  - 1. Bid Package for the procurement and installation of the new pump and associated structural, electrical and piping improvements.

If more construction or equipment bid packages are included, then additional compensation will be mutually agreed upon.

The Project will include the conventional design-bid-build delivery method.

## **ARTICLE II BASIC SERVICES**

- A. **PROJECT MANAGEMENT:** Upon execution of this Agreement, FNI shall:
  - 1. Conduct kickoff meeting to review scope, schedule, and budget; determine any special conditions that may affect design and/or construction; discuss administrative requirements of Owner; and to develop design criteria. Conduct a site visit to the facility in conjunction with the kickoff meeting.
  - 2. Manage efforts of internal design team and sub-consultants on the Project and perform Quality Control review of all deliverables.
    - a. Prepare meeting agendas and minutes and attend the following meetings:
    - b. Attend up six (6) virtual project coordination meetings with Owner
  - 3. Prepare a Microsoft Project schedule and provide monthly updates including necessary revisions to bring the Project back on schedule if needed. The project schedule will not be resource loaded.
  - 4. Prepare monthly reporting including status report, recent activities, upcoming activities, action items log, decisions made log, budget updates, schedule updates, and scope changes. Prepare monthly invoices.
  - 5. Deliverables include the following:
    - a. Agendas and minutes for all meetings
    - b. Project schedule updated monthly
    - c. Monthly reporting
    - d. Monthly invoices
- B. **PRELIMINARY DESIGN PHASE:** FNI shall provide professional services in this phase as follows:
  - 1. Prepare a technical memo describing the new electrical room, life safety code, HVAC, pumps, construction sequencing and assumptions.

2. Attend a site visit with Owner.
3. Prepare a 3D photogrammetry scan of the building.
4. Prepare conceptual drawings including:
  - a. Pump Station Plan
  - b. Pump Station Section
  - c. Electrical Room Plan
  - d. Electrical One-line diagram
  - e. Process Flow diagram
5. Prepare an opinion of probable construction cost (OPCC)
6. Furnish one (1) electronic copy (.pdf format) of the above preliminary design documents and present and review them with Owner.
7. Attend a virtual design workshop with Owner to discuss comments.

**C. DESIGN PHASE:** FNI shall provide professional services in this phase as follows:

1. Prepare layouts of the pump station including:
  - a. Demolition plans for any equipment or structure modifications within the pump station.
  - b. Mechanical station layout includes plan views, equipment locations, piping layouts, station sections.
  - c. Civil layout that includes new paving and grading modifications.
  - d. Structural layout for PEMB foundation.
  - e. Architectural layout for PEMB, connections to the existing structure, life safety code plans, finishes schedules.
  - f. I&C drawings including process equipment schematics and SCADA system architecture diagrams.
  - g. Electrical drawings including one line diagram, electrical room floor plan and equipment layouts.
2. Determine power load requirements
  - a. Determine power loads based on the pump type and layout
  - b. Coordinate with local utility and confirm motor starter types and identify restrictions.
3. Prepare revised opinion of probable construction cost.
4. Prepare bidding, contract and technical specifications.
5. Provide design submittals at 75% and 100% design milestones
6. Deliverables include one (1) electronic copy (pdf) of the following:

- a. Design Drawings
- b. Technical Specifications
- c. Opinion of Probable Construction Cost

Upon final approval by Owner, FNI will provide Owner one (1) set of reproducible "Final" drawings and specifications.

**D. BID OR NEGOTIATION PHASE:** Upon completion of the design services and approval of "Final" drawings and specifications by Owner, FNI shall provide professional services in this phase as follows:

1. Assist Owner in securing bids. Issue a Notice to Bidders to prospective contractors and vendors listed in FNI's database of prospective bidders, and to selected plan rooms. Provide a copy of the notice to bidders for Owner to use in notifying construction news publications and publishing appropriate legal notice. The cost for publications shall be paid by Owner.
2. Submit electronic copies of plans, specifications and bidding documents to CIVCAST. Prospective bidders may download and print documents from CIVCAST, who will maintain plan holder list and post addenda. FNI will also list bid projects on the FNI website.
3. Assist Owner by responding to questions and interpreting bid documents. Prepare and issue addenda to the bid documents to CIVCAST if necessary.
4. Assist the Owner in conducting a pre-bid conference for the construction projects and coordinate responses with Owner. Response to the pre-bid conference will be in the form of addenda issued after the conference. Attend the tour of the project site after the pre-bid conference.
5. Assist Owner in the opening, tabulating, and analyzing the bids received. Review the qualification information provided by the apparent low bidder to determine if, based on the information available, they appear to be qualified to construct the project. Recommend award of contracts or other actions as appropriate to be taken by Owner.
6. Assist Owner in the preparation of Construction Contract Documents for construction contracts. Provide six (6) sets of Construction Contract Documents which include information from the selected bidders' bid documents, legal documents, and addenda bound in the documents for execution by the Owner and construction contractor. Distribute three (3) copies of these documents to the contractor with a notice of award that includes directions for the execution of these documents by the construction contractor. Provide Owner with the remaining three (3) copies of these documents for use during construction. Additional sets of documents can be provided as an Additional Service.
7. Furnish contractor copies of the drawings and specifications for construction pursuant to the General Conditions of the Construction Contract.
8. Deliverables for the Bid or Negotiation Phase include:

- a. Notice to Bidders
- b. Electronic copies of plans, specifications, bidding documents, and addenda
- c. Recommendation of Award with tabulation of bids
- d. Notice of award to selected bidder
- e. Conformed contract documents for execution
- f. Copies of conformed contract documents for Contractor and Owner

**E. CONSTRUCTION PHASE GENERAL REPRESENTATION:** Upon completion of the bid or negotiation phase services, FNI will proceed with the performance of construction phase general representation services as described below.

In performing these services, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for the supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or any safety precautions and programs relating in any way to the condition of the premises, the work of the Contractor or any Subcontractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the Project site or otherwise performing any of the work of the Project.

These services are based on the use of FNI's standard General Conditions for construction projects. Modifications to these services required by use of other general conditions or contract administration procedures are an Additional Service. If General Conditions other than FNI's standard are used, the Owner agrees to include provisions in the General Conditions that require Contractor to include FNI: (1) as an additional insured and in any waiver of subrogation rights with respect to such liability insurance purchased and maintained by Contractor for the Project (except workers' compensation and professional liability policies); and (2) as an indemnified party in the Contractor's indemnification provisions where the Owner is named as an indemnified party.

1. Assist Owner in conducting virtual pre-construction conference(s) with the Contractor(s), review construction schedules prepared by the Contractor(s) pursuant to the requirements of the construction contract and prepare a proposed estimate of monthly cash requirements of the Project from information provided by the Construction Contractor.
2. Establish communication procedures with the Owner and contractor. Submit monthly reports of construction progress. Reports will describe construction progress in general terms and summarize project costs, cash flow, construction schedule and pending and approved contract modifications.
3. Facilitate monthly virtual construction progress meetings (up to 30) with the Owner and contractor to review progress to date and planned progress for the following month.
4. Establish and maintain a project documentation system consistent with the requirements of the construction contract documents. Monitor the processing of contractor's submittals and provide for filing and retrieval of project documentation. Produce monthly reports indicating the status of all submittals in the review process. Review contractor's submittals, including, requests for information, modification requests, shop drawings, schedules, and other submittals in accordance with the requirements of the construction contract documents for the projects. Monitor the progress of the contractor in sending and processing submittals to see that documentation is being processed in accordance with schedules.

5. Based on FNI's observations as an experienced and qualified design professional and review of the Payment Requests and supporting documentation submitted by Contractor, determine the amount that FNI recommends Contractor be paid on monthly and final estimates, pursuant to the General Conditions of the Construction Contract. 24 Payment Requests (including final) are assumed as part of this scope.
6. Make visits appropriate to the stage of construction to the site (as distinguished from the continuous services of a Resident Project Representative) to observe the progress and the quality of work and to attempt to determine in general if the work is proceeding in accordance with the Construction Contract Documents. FNI will report any observed deficiencies to Owner. Visits to the site in excess of the specified number are an Additional Service.
  - a. Due to the nature of the pump station expansion project, it is expected there will be extended periods during the Contractor's equipment procurement process where monthly site visits will not be necessary.
  - b. FNI's scope of services is based on three (3) periodic site visits during construction and one (1) site visit for startup of the equipment. Substantial and final completion review site visits are included in item 11 below.
7. Notify the contractor of non-conforming work observed on site visits. Review quality related documents provided by the contractor such as test reports, equipment installation reports or other documentation required by the Construction contract documents.
8. Coordinate the work of testing laboratories and inspection bureaus required for the testing or inspection of materials, witnessed tests, factory testing, etc. for quality control of the Project. The cost of such quality control shall be paid by Owner and is not included in the services to be performed by FNI.
9. Interpret the drawings and specifications for Owner and Contractor(s). Investigations, analyses, and studies requested by the Contractor(s) and approved by Owner, for substitutions of equipment and/or materials or deviations from the drawings and specifications is an Additional Service.
10. Establish procedures for administering constructive changes to the construction contracts. Process contract modifications and negotiate with the contractor on behalf of the Owner to determine the cost and time impacts of these changes. Prepare change order documentation for approved changes for execution by the Owner. Documentation of field orders, where cost to Owner is not impacted, will also be prepared. Investigations, analyses, studies or design for substitutions of equipment or materials, corrections of defective or deficient work of the contractor or other deviations from the construction contract documents requested by the contractor and approved by the Owner are an Additional Service. Substitutions of materials or equipment or design modifications requested by the Owner are an Additional Service.
11. Prepare documentation for contract modifications required to implement modifications in the design of the project. Receive and evaluate notices of contractor claims and make recommendations to the Owner on the merit and value of the claim on the basis of information submitted by the contractor or available in project documentation. FNI will attempt to negotiate a settlement value with the Contractor on behalf of the Owner if appropriate. Providing these services to review or evaluate construction contractor(s) claim(s), supported by causes not within the control of FNI are an Additional Service.
12. Conduct, in company with Owner's representative, a final review of the Project for conformance with the design concept of the Project and general compliance with the

Construction Contract Documents. Prepare a list of deficiencies to be corrected by the contractor before recommendation of final payment. Assist the Owner in obtaining legal releases, permits, warranties, spare parts, and keys from the contractor. Review and comment on the certificate of completion and the recommendation for final payment to the Contractor(s). Visiting the site to review completed work in excess of two trips are an Additional Service.

13. Revise the construction drawings in accordance with the information furnished by construction Contractor(s) reflecting changes in the Project made during construction. Two (2) sets of prints of "Record Drawings" shall be provided by FNI to Owner.

### **ARTICLE III SPECIAL SERVICES**

FNI shall render the following professional services, which are not included in the Basic Services described above, in connection with the development of the Project:

- A. **3D Photogrammetry** - The scope of work includes capturing high-resolution images of the pump station using ground-based photogrammetry equipment. The data will be processed into a 3D photo with the capability to move through the environment and take measurements. The 3D photo will be hosted on Matterport cloud-based software or similar. The scans will not be used to model the facility.

### **ARTICLE IV ADDITIONAL SERVICES**

Any services performed by FNI that are not included in the Basic Services or Special Services described above are Additional Services. Additional Services to be performed by FNI, if authorized by Owner, are described as follows:

- A. **Environmental Services:** No environmental mitigation design will be completed as mitigation is not anticipated.
- B. **Public Meetings:** Attend public meetings for the Project including meetings with city planning and development boards and prepare engineering display documents needed for the public meetings.
- C. **Base Surveying and Subsurface Utility Engineering Documents:** Civil site plans included in the Plans titled "Intake Building Plant Pipeline, Control Building and Appurtenances" Dated April 1997 will be used for this project. The need for additional survey or SUE has not been identified at this time.
- D. **Geotechnical Engineering:** Geotechnical drilling and laboratory testing was performed under a separate contract for this project site. The need for additional testing has not been identified at this time.
- E. **Factory Testing for Equipment:** No equipment witness testing is planned to be performed without additional compensation.
- F. **Field layouts or the furnishing of construction line and grade surveys.** GIS mapping services or assistance with these services.
- G. **Providing services to investigate existing conditions or facilities, or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by Owner.**
- H. **Providing renderings, model, and mock-ups requested by Owner.**



- I. Making revisions to drawings, specifications or other documents when such revisions are 1) not consistent with approvals or instructions previously given by Owner or 2) due to other causes not solely within the control of FNI.
- J. Making revisions to drawings, specifications or other documents due to updates in building codes after 100% design has been completed.
- K. Providing consultation concerning the replacement of any Work damaged by fire or other cause during the construction and providing services as may be required in connection with the replacement of such Work. Performing investigations, studies, and analysis of work proposed by construction contractors to correct defective work. Any services required as a result of default of the contractor(s) or the failure, for any reason, of the contractor(s) to complete the work within the contract time. Providing services after the completion of the construction phase not specifically listed in Article IIE. Visits to the site in excess of the number of trips included in Article IIE for periodic site visits, coordination meetings, or contract completion activities. Providing services made necessary because of unforeseen, concealed, or differing site conditions or due to the presence of hazardous substances in any form. Providing services to review or evaluate construction contractor(s) claim(s), provided said claims are supported by causes not within the control of FNI. Providing value engineering studies or reviews of cost savings proposed by construction contractors after bids have been submitted. Provide follow-up professional services during Contractor's warranty period.
- L. Investigations involving consideration of operation, maintenance and overhead expenses, and the preparation of rate schedules, earnings and expense statements, feasibility studies, appraisals, evaluations, assessment schedules, and material audits or inventories required for certification of force account construction performed by Owner.
- M. Preparing applications and supporting documents for government grants, loans, or planning advances and providing data for detailed applications.
- N. Providing shop, mill, field or laboratory inspection of materials and equipment. Observe factory tests of equipment at any site remote to the project or observing tests required as a result of equipment failing the initial test.
- O. Conducting pilot plant studies or tests.
- P. Preparing Operation and Maintenance (O&M) Manuals or conducting operator training. O&M manuals and training will be provided by the Contractor or Vendor as specified and reviewed by the Engineer.
- Q. Preparing data and reports for assistance to Owner in preparation for hearings before regulatory agencies, courts, arbitration panels or any mediator, giving testimony, personally or by deposition, and preparations therefore before any regulatory agency, court, arbitration panel or mediator.
- R. If Owner provides personnel to support the activities of the General Representative who is FNI or FNI's agent or employee, the duties, responsibilities and limitations of authority of such personnel will be set forth in an Attachment attached to and made a part of this Agreement before the services of such personnel are begun. It is understood and agreed that such personnel will work under the direction of and be responsible to the General Representative. Owner agrees that whenever FNI informs him in writing that any such personnel provided by the Owner are, in his opinion, incompetent, unfaithful or disorderly, such personnel shall be replaced.
- S. Furnishing Special Inspections required under chapter 17 of the International Building Code. These Special Inspections are often continuous, requiring an inspector dedicated to inspection of the

individual work item, and they are in addition to General Representation and Construction Phase services noted elsewhere in the contract. These continuous inspection services can be provided by FNI as an Additional Service.

- T. Furnishing Inspections and Commissioning Reports required by International Energy Efficiency Code (IECC).
- U. Assisting Owner in preparing for, or appearing at litigation, mediation, arbitration, dispute review boards, or other legal and/or administrative proceedings in the defense or prosecution of claims disputes with Contractor(s).
- V. Performing investigations, studies and analyses of substitutions of equipment and/or materials or deviations from the drawings and specifications.
- W. Assisting Owner in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this Agreement. Such services, if any, shall be furnished by FNI on a fee basis negotiated by the respective parties outside of and in addition to this Agreement.
- X. Providing environmental support services including the design and implementation of ecological baseline studies, environmental monitoring, impact assessment and analyses, permitting assistance, and other assistance required to address environmental issues.
- Y. Design, contract modifications, studies or analysis required to comply with local, State, Federal or other regulatory agencies that become effective after the date of this agreement.
- Z. Services required to resolve bid protests or to rebid the projects for any for any reason not the fault of the Engineer.
- AA. Providing Basic Services or Additional Services on an accelerated time schedule. The scope of this service include cost for overtime wages of employees and consultants, inefficiencies in work sequence and plotting or reproduction costs directly attributable to an accelerated time schedule directed by the Owner.
- BB. Asset Management services to prepare asset inventory or other database for use by Owner in populating CMMS or other asset management system.

#### **ARTICLE V TIME OF COMPLETION:**

FNI is authorized to commence work on the Project upon execution of this Agreement and agrees to complete the services in 300 days from Notice to Proceed.

If FNI's services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in Owner or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this Agreement and in Attachment CO.

#### **ARTICLE VI RESPONSIBILITIES OF OWNER**

Owner shall perform the following in a timely manner so as not to delay the services of FNI:

- A. Owner recognizes and expects that certain Change Orders may be required. Unless noted otherwise, the Owner shall budget a minimum of 5% for new construction and a minimum of 10% for construction that includes refurbishing existing structures.

- B. Further, Owner recognizes and expects that certain Change Orders may be required to be issued as the result in whole or part of imprecision, incompleteness, errors, omission, ambiguities, or inconsistencies in the Drawings, Specifications, and other design documentation furnished by Engineer or in the other professional services performed or furnished by Engineer under this Agreement ("Covered Change Orders"). Accordingly, Owner agrees to pay for Change Orders and otherwise to make no claim directly or indirectly against Engineer on the basis of professional negligence, breach of contract, or otherwise with respect to the costs of approved Covered Change Orders unless the aggregate costs of all such approved Covered Change Orders exceed 2% for new construction and 4% for reconstruction. Any responsibility of Engineer for the costs of Covered Changed Orders in excess of such percentage will be determined on the basis of applicable contractual obligations and professional liability standards. For purposes of this paragraph, the cost of Covered Change Orders will not include:

- Any costs that Owner would have incurred if the Covered Change Order work had been included originally in the Contract Documents and without any other error or omission of Engineer related thereto,
- Any costs that are due to unforeseen site conditions, or
- Any costs that are due to changes made by the Owner.
- Any costs that are due to the Contractor.

Nothing in this provision creates a presumption that, or changes the professional liability standard for determining if, Engineer is liable for the cost of Covered Change Orders in excess of the percent of Construction Cost stated above or for any other Change Order. Wherever used in this document, the term Engineer includes Engineer's officers, directors, partners, employees, agents, and Engineers Consultants.

- C. Designate in writing a person to act as Owner's representative with respect to the services to be rendered under this Agreement. Such person shall have contract authority to transmit instructions, receive information, interpret and define Owner's policies and decisions with respect to FNI's services for the Project.
- D. Provide all criteria and full information as to Owner's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which Owner will require to be included in the drawings and specifications.
- E. Assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project.
- F. Arrange for access to and make all provisions for FNI to enter upon public and private property as required for FNI to perform services under this Agreement.
- G. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by FNI, obtain advice of an attorney, insurance counselor and other consultants as Owner deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of FNI.
- H. Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project. Pay all fees for permit applications.

- I. Owner shall make or arrange to have made all subsurface investigations, including but not limited to borings, test pits, soil resistivity surveys, and other subsurface explorations. Owner shall also make or arrange to have made the interpretations of data and reports resulting from such investigations. All costs associated with such investigations shall be paid by Owner.
- J. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as Owner may require or FNI may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by Contractor(s), such auditing service as Owner may require to ascertain how or for what purpose any Contractor has used the moneys paid under the construction contract, and such inspection services as Owner may require to ascertain that Contractor(s) are complying with any law, rule, regulation, ordinance, code or order applicable to their furnishing and performing the work.
- K. Owner shall determine, prior to receipt of construction bid, if FNI is to furnish Resident Project Representative service so the Bidders can be informed.
- L. If Owner designates a person to serve in the capacity of Resident Project Representative who is not FNI or FNI's agent or employee, the duties, responsibilities and limitations of authority of such Resident Project Representative(s) will be set forth in an Attachment attached to and made a part of this Agreement before the Construction Phase of the Project begins. Said attachment shall also set forth appropriate modifications of the Construction Phase services as defined in Attachment SC, Article I, together with such adjustment of compensation as appropriate.
- M. Attend the pre-bid conference, bid opening, preconstruction conferences, construction progress and other job related meetings and substantial completion inspections and final payment inspections.
- N. Give prompt written notice to FNI whenever Owner observes or otherwise becomes aware of any development that affects the scope or timing of FNI's services, or any defect or nonconformance of the work of any Contractor.
- O. Furnish, or direct FNI to provide, Additional Services as stipulated in Attachment SC, Article III of this Agreement or other services as required.
- P. Bear all costs incident to compliance with the requirements of this Article VI.

**ARTICLE VI**

**DESIGNATED REPRESENTATIVES:** FNI and Owner designate the following representatives:

**Owner's Designated Representative – Scott Hartl, P.E.**

**Owner's Accounting Representative –**

**FNI's Designated Representative – Jason Ward, PE**

**FNI's Accounting Representative – Kristina Isaac**

**Exhibit B**  
**Engineers Fee Summary Design and Construction Management**

<b>Fee Summary</b>	
<b>Basic Services</b>	
Project Management	\$ 67,000
Preliminary Design	\$ 131,500
Design Phase	\$ 262,000
Bid Phase	\$ 27,000
Construction Phase (CM & EOR)	\$ 200,000
<b>Basic Services Total</b>	<b>\$ 687,500</b>
<b>Special Services</b>	
3D Photogrammetry	\$ 4,500
<b>Special Services Total</b>	<b>\$ 4,500</b>
<b>Project Total</b>	<b>\$ 692,000</b>



West Delivery System Pump Station Expansion  
Design, Bid, and Construction Phase Services  
TASK AUTHORIZATION #2026-3

<b>Client:</b> Lavaca-Navidad River Authority P.O. Box 429 Edna, TX 77957-0429 Attn: Pat Brzozowski, P.E.	<b>FNI Project No.:</b> LVA25XXX
	<b>Phase/Task/Dept. No.:</b>
	<b>Date:</b> September 30, 2025
This authorization is in accordance with the terms and conditions outlined in the Master Agreement executed on February 16, 2022.	
<b>Project Description:</b> West Delivery System Pump Station Expansion	
<b>Description of Services:</b> See attached Scope of Work	
<b>Deliverables:</b> See attached Scope of Work	
Compensation shall be as follows: a Lump Sum amount of SIX HUNDRED EIGHTY-SEVEN THOUSAND, FIVE HUNDRED DOLLARS and a Not to Exceed amount of FOUR THOUSAND FIVE HUNDRED DOLLARS.	
	<b>Amount of this Authorization</b> <b>\$692,000</b>
<b>Schedule:</b> See Article V	

*The above described services shall proceed upon return of this Task Authorization. Services will be billed as they are done. All other provisions, terms, and conditions of the agreement for services which are not expressly amended shall remain in full force and effect.*

- ☐ A contract modification will be submitted.  
☒ This Task Authorization will serve as notice to proceed.

**FREESE AND NICHOLS, INC.:**

BY: 

Jason Ward, P.E.  
Print or Type Name

TITLE: Principal in Charge

DATE: 9/30/2025

**LAVACA-NAVIDAD RIVER AUTHORITY:**

BY: 

Patrick Brzozowski, P.E.  
Print or Type Name

TITLE: General Manager

DATE: 11/20/2025



**Exhibit C**  
**Engineers Conceptual Opinion of Probable Construction Cost**



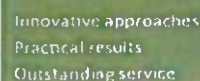
Innovative approaches  
Practical results  
Outstanding service

## OPINION OF PROBABLE CONSTRUCTION COST

PROJECT NAME	WDS Expansion	DATE	8/12/2025
CLIENT	LNRA	GROUP	1150
% SUBMITTAL	Master Plan / Feasibility Study	PM	Lewis Bernard

ESTIMATED BY	QC CHECKED BY	ENR PROJECT NUMBER
Jeff Hensly	Jason Ward	OFF25040

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
<b>ELECTRICAL</b>					
1	2000 HP VFD	1	EA	\$ 693,750.00	\$ 693,750
2	4160V Switchgear	1	EA	\$ 126,000.00	\$ 126,000
3	4160V Bus Duct	1	EA	\$ 28,000.00	\$ 28,000
4	208Y/120V Lighting Panel	1	EA	\$ 10,500.00	\$ 10,500
5	100A, NEMA 4X, 304 Stainless Steel Disconnect Switches	2	EA	\$ 7,700.00	\$ 15,400
6	500kVA 4160V/480V Transformer	1	EA	\$ 65,000.00	\$ 65,000
7	480V Distribution Equipment	1	EA	\$ 60,000.00	\$ 60,000
8	Lightning Protection System	1	LS	\$ 7,500.00	\$ 7,500
9	Cable and Conduit	1	LS	\$ 117,000.00	\$ 117,000
10	Misc. Electrical (Grounding, Lights, Receptacles, etc.)	1	LS	\$ 60,000.00	\$ 60,000
11	SCADA	1	LS	\$ 30,000.00	\$ 30,000
12	Power System Studies	1	LS	\$ 12,500.00	\$ 12,500
13	Start-up and Testing	1	LS	\$ 10,000.00	\$ 10,000
14	Electrical subcontractor OH&P	0.15	PERC	\$ 1,227,950.00	\$ 184,193
<b>PROCESS</b>					
15	24-inch GA ball control valve, incl. actuator and control panel	1	EA	\$ 385,560.00	\$ 385,560
16	24-inch butterfly valve	1	EA	\$ 18,000.00	\$ 18,000
17	24-inch dresser coupling	1	EA	\$ 2,500.00	\$ 2,500
18	24-inch steel pipe, coated	4.5	LF	\$ 1,000.00	\$ 4,500
19	2-inch Dual Body Air/Vacuum valve	1	EA	\$ 3,000.00	\$ 3,000
20	Install Owner-Provided Pump and Motor	1	EA	\$ 20,000.00	\$ 20,000
<b>SITE WORK</b>					
21	Remove Existing Base Material	250	SY	\$ 10.00	\$ 2,500
22	Foundation Excavation	160	CY	\$ 30.00	\$ 4,800
23	Site Grading	1	LS	\$ 25,000.00	\$ 25,000
24	HMAC Access Road Repairs (20' x 50')	4	EA	\$ 7,500.00	\$ 30,000
25	Additional Base Material	500	SY	\$ 40.00	\$ 20,000
<b>HVAC</b>					
26	40-Ton RTU	3	EA	\$ 90,850.00	\$ 272,550
<b>STRUCTURAL</b>					
27	Reinforced Concrete Foundation on Carton Forms	128.0	CY	\$ 1,200.00	\$ 153,600
28	24-inch DIA x 50 ft Long Concrete Drilled Shafts	12	EA	\$ 12,500.00	\$ 150,000
<b>ARCHITECTURAL</b>					
29	Metal Framed building with Steel siding (16' x 108')	1728.0	SF	\$ 120.00	\$ 207,360
30	9'x8' Double Doors	3	EA	\$ 7,000.00	\$ 21,000



### OPINION OF PROBABLE CONSTRUCTION COST

PROJECT NAME	WDS Expansion	DATE	8/12/2025
CLIENT	LNRA	GROUP	1150
% SUBMITTAL	Master Plan / Feasibility Study	PM	Lewis Bernard

ESTIMATED BY	QC CHECKED BY	FNI PROJECT NUMBER
Jeff Hensly	Jason Ward	OFF25040

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
	<b>SUBTOTAL</b>			\$	<b>2,740,213</b>
	CONTINGENCY	30%		\$	822,064
	<b>SUBTOTAL</b>			\$	<b>3,562,276</b>
	MOBILIZATION	5%		\$	178,114
	<b>SUBTOTAL</b>			\$	<b>3,740,390</b>
	CH&P	18%		\$	673,270

PROJECT TOTAL (2025 COSTS)	\$	4,413,660
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<b>COST ESCALATION FACTOR</b>	<b>4.0%</b>	<b>\$</b>	<b>176,546</b>
<b>PROJECT TOTAL (2026 COSTS)</b>		<b>\$</b>	<b>4,590,207</b>

The Engineer has no control over the cost of labor, materials, equipment, or the Contractor's methods of determining prices, nor over competitive bidding or market conditions. Opinions of probable costs provided herein are based on the information known to the Engineer at this time and represent only the Engineer's judgment as a design professional familiar with the construction industry. The Engineer cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from its opinions of probable costs. Additionally, fluctuations in material costs due to tariffs, trade policies, or supply chain disruptions may further impact pricing in ways that are difficult to predict.

**NOTES:**

- 1 FNI OPCC classified as an AACE Class 5 Estimate with accuracy range of -30 to + 50.  
2 FNI OPCC does not include costs associated with engineering fees, permits, surveying, etc.

**Exhibit D**  
**Location Map**



Lake Texana  
Inlet Channel

West Delivery System  
Expansion Project

Navidad  
River

West Delivery System  
Pump Station  
28.8879944, -96.5852548

6  
million  
gallon tank

