

LETTER OF AGREEMENT

This is a Letter of Agreement (“Agreement”) between the City of Killeen (“City”) and Rice Inspection, Inc. (“Contractor”); collectively, the “Parties”.

In consideration of the premises and of the mutual covenants and agreements contained in this Agreement, the Parties hereby agree as follows:

Scope of Agreement. The purpose of this Agreement is to enlist the services of the Contractor to:

Provide construction inspection for the Chaparral Road Wastewater Improvements Project. This construction inspection includes performing on-site inspection of various types of construction, making inspection reports, keeping diaries of the project, preparing monthly estimates, communicating with engineers or other employees as designated, checking and interpreting plans and specifications, setting up and inspecting materials installed, overseeing and inspecting the preparation and set up for hydrostatic, purity, and pressure tests, subgrade base, and asphalt gradation and density tests and any other tests that may be required (the “Project”). Refer to attached proposal for scope of services generally to be performed.

Term of Agreement. This Agreement shall become effective on the date that the last required signature is affixed and shall automatically terminate after 240 calendar days.

Consideration. Contractor agrees to provide the services stated above:

_____ at the rate of \$70.00 per hour and \$.60 per mile of construction related driving with a total
 X amount not exceeding \$50,516;
_____ for the lump sum payment not to exceed; or
_____ progress payments in the total amount not to exceed.

Independent Contractor. Contractor shall act as an Independent Contractor. Under no circumstances shall Contractor be deemed an employee or partner of Owner.

Applicable Laws: Contractor shall follow all applicable local, State, and Federal laws, regulations, and requirements for the abatement and disposal of lead, asbestos, and other routinely encountered hazardous substances. If any unusual substances or extraordinary amounts of the aforementioned substances are encountered, the Contractor will contact the City to contact the State and the relevant agency with authority for regulation of the substance.

Standard of Care. The standard of care for all professional engineering and related services performed or furnished by Contractor under this Agreement will be the care and skill ordinarily used by members of the Contractor’s profession practicing under similar circumstances at the same time and in the same locality.

Insurance. Contractor shall procure and maintain insurance in the following amounts:

Worker’s Compensation	Statutory
Automobile Liability	\$500,000 Combined single Limit for each accident (Bodily injury and property damage).
General Liability	\$1,000,000 each occurrence (Bodily injury and property damage).
Professional Liability	\$1,000,000 general aggregate.

On all policies, except Worker's Compensation and Professional Liability, City shall be listed as an additional insured with a full waiver of subrogation. A certificate of coverage shall be provided to the City prior to commencing work on the Project.

Subcontracts and Assignments. Contractor's rights and obligations hereunder are deemed to be personal and may not be transferred or assigned. Any assignments shall be void and of no effect.

Indemnification. To the fullest extent permitted by law, City or Contractor, as applicable, shall indemnify and hold harmless the other party, and the other party's officers, directors, partners and employees from and against any and all costs, losses and damages (including, without limitation, all fees and charges of attorneys and other professionals, and all court or dispute resolutions costs) caused by the negligent acts or omissions of the City or Contractor, as applicable, or their respective officers, directors, partners, employees and consultants with respect to the performance under this Agreement or the Project.

Termination. This Agreement may be terminated by either party for cause upon thirty (30) calendar days' written notice, provided such cause cannot be reasonably cured within such thirty (30) day period. City may terminate this Agreement for convenience effective upon receipt of written notice declaring the same and Contractor shall be compensated for all work completed at that time in accordance with this Agreement.

Texas Law. This Agreement shall be subject to and governed by the laws of the State of Texas. The Parties agree that for venue purposes, any and all lawsuits, disputes, or causes of action shall be in Bell County, Texas.

Severability. If any provision of this Agreement shall, for any reason, be held to violate any applicable law, then the invalidity of such a specific provision in this Agreement shall not be held to invalidate the remaining provisions of this Agreement.

Survival. Any provision of this Agreement providing for indemnity, insurance or a duty that necessarily will not be completed until after the expiration or termination of this Agreement shall continue in full force and effect until such a time as all duties have been fully performed.

Non-waiver. Failure to enforce any provision of this Agreement by either party shall not constitute a waiver of that provision for purposes of the subsequent enforcement of that provision or the remainder of this Agreement.

Contract Verification. Texas law provides that a governmental entity may not enter into contracts over for goods and services valued at \$100,000 or more with a company that employs at least 10 full-time employees unless the company provides written verification regarding aspects of the company's business dealings.

- Texas Government Code, Chapter 2271 – the company must verify that it does not boycott Israel and will not boycott Israel during the term of the contract. Boycott Israel is defined in Government Code Chapter 808.
- Texas Government Code, Chapter 2274 – the company must verify that it does not boycott energy companies and will not boycott energy companies during the term of the contract. Boycott energy company is defined in Government Code Chapter 809.
- Texas Government Code, Chapter 2274 – the company must verify that it does not have a practice, policy, guidance, or directive that discriminates against a

firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association. Verification is not required from a sole source provider. Discriminate, firearm entity and firearm trade association are defined in Government Code Chapter 2274.

Entire Agreement. This Agreement shall represent the entire agreement by and between the Parties and it may not be changed except by written amendment duly executed by all Parties.

SIGNED, ACCEPTED AND AGREED to by the undersigned Parties, on the dates indicated, who acknowledge that they have read and understand this Agreement and that the Agreement is issued in accordance with local, State, and Federal laws, and the undersigned Parties hereby execute this legal document voluntarily and of their own free will.

City

Contractor

Kent Cagle Date
City Manager

Trenton Rice Date
President

Rice Inspection, Inc.

The Brand of Quality & Assurance

P.O. BOX 264
MCGREGOR, TX 76657
PH: (254)722-0118
FAX: (888) 816-8993
www.riceinspectioninc.com

September 20, 2023

Steven L. Kana, P.E.
Director of Water & Sewer
City of Killeen, TX

We would like to thank you for the opportunity to submit a proposal for construction inspection of The Chaparral Wastewater Extension Project. Our proposal includes the following services: to perform on-site inspection of various types of construction, make inspection reports, keep diaries of the project, prepare monthly estimates to you, communicate with any engineers or other employees as designated in this or other documents and check and interpret plans and specifications, set up and inspect materials installed, oversee and inspect the preparation and set up for hydrostatic, purity and pressure tests, sub-grade base, and asphalt gradation and density tests and any other tests that may be required by the particular project described herein. Rice Inspection Inc. will not be responsible for conducting any tests. The goal of Rice Inspection Inc. is to inspect engineered construction as to the quality of the materials and construction, ensure good construction practice, and make sure construction complies with plans and technical specifications.

This proposal for the construction inspection of The Chaparral Wastewater Extension Project is as follows: \$70.00 per hour for up to 40 hours per week, \$105.00 per hour for over 40 hours per week, and \$0.60 per mile of construction related driving. We look forward to being of service to you. If you have any questions, please do not hesitate to call us anytime.

Sincerely,

Trenton Rice

Rice Inspection Inc.

240 days – contract completion, calendar days
173 days – contract completion, workdays
4 hours worked per day
\$70/hr – inspection fee
\$.60/mile – mileage fee
20 miles/day – estimate
173 days X 4 hr/day X \$70/hr = \$48,440
173 days X 20 miles/day X \$.60/mile = \$2,076
\$48,440 + \$2,076 = \$50,516