

COASTAL WATER AUTHORITY

REQUEST FOR PROPOSAL

SECURITY GUARD SERVICES

The Coastal Water Authority (“CWA”) is issuing a Request for Proposal (RFP) to firms who can adequately demonstrate they have the resources, experience, and qualifications to provide CWA with quality security guard services.

Sealed Proposals: Vendor will deliver one (1) original and one (1) extra copy of the proposal and Official Bid Form to:

**Coastal Water Authority
1801 Main St. Suite 800
Houston, TX 77002
Attn: Executive Director**

BY 10:00 AM local time, Friday, August 20, 2021

Proposals received after the above-stated time will be considered late and returned unopened, and may be deemed non-responsive.

- Please mark your envelope clearly as follows: “SEALED BID, SECURITY GUARD SERVICES.”
- Please direct questions concerning this RFP in writing to the Coastal Water Authority Contract Administrator Jonathon Jung at jjung@coastalwaterauthority.org.

Bid Opening:

Bids will be opened in public by the Executive Director of the Coastal Water Authority, or his designated representative, at the time, date and place stated above. Bidders, interested parties, and the general public are allowed but not required to attend the Bid Opening. At the Bid Opening, the Bidder’s name and amount of each bid will be read aloud and recorded. No decisions relating to the award of the Contract will be made at the Bid Opening. The Authority reserves the right to reject in whole or in part any or all bids, or to accept any bid, in whole or in part, or any combination of bids it deems most advantageous to the Authority and that will, in the judgment of the Authority, result in the best and most economical completion of the Authority’s work. The Authority also reserves the right to waive any technicalities or formalities in bids or the Bid Documents in the best interest of the Authority.

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Note: The successful bidder and CWA will execute the Security Guard Services Agreement.

COASTAL WATER AUTHORITY

PART I SECURITY GUARD SERVICES AGREEMENT

(To be executed only with the successful bidder.)

This Security Guard Services Agreement (the "Agreement") is made and entered into as of the _____ day of _____ (the "Effective Date"), by and between the Coastal Water Authority ("CWA") and _____ (The "Contractor"). CWA and Contractor are sometimes referred to herein as the "Parties," or individually as a "Party."

1.0 WORK:

- 1.1 Contractor shall complete all Work as provided in and reasonably inferable from the Contract Documents, including without limitation, the Scope of Work.

2.0 CONTRACT PERIOD:

- 2.1 The Contract shall commence at 6:00 AM within thirty (30) days after the Effective Date, and will be in effect for a period of one year (52 weeks) from the Effective Date, expiring at midnight on the last day, unless the Contract is extended in accordance with Section 2.3 of this Agreement.
- 2.2 Notwithstanding any termination or expiration of the Contract, the obligations of the Contractor which are intended by their nature to survive such expiration or termination, including without limitation those set forth in Section 9 (INDEMNIFICATION AND RELEASE BY CONTRACTOR); Section 10 (Limitation on CWA's Liability); Section 11 (Waiver); Section 17 (Severability) of the Service Terms and Conditions and this Section 2.2, shall survive for the maximum duration of time allowed by law.
- 2.3 CWA and Contractor shall have the option to extend the Contract in writing by amendment for each of the two years following the expiration of the initial one-year (52 week) Contract period. Unit prices in such an amendment shall not increase more than three percent (3%) per year. All extensions and rate increases discussed in this Section 2.3 shall be subject to CWA board approval.

3.0 CONTRACT PRICE:

- 3.1 Contractor shall be entitled to payment for the Work completed in accordance with the Contract Documents in current funds in the amounts/rates as set forth on the Official Bid Form and on Exhibit A to the Agreement to be executed with the successful bidder.

4.0 TAXES:

4.1 CWA is exempt from payment of Texas sales, excise, and use taxes under the Texas Tax Code Section 151.309 and is a political subdivision of the State of Texas. Unless the Official Bid Form or Instructions to Bidders specifically indicate otherwise, the Total Bid Amount must be exclusive of taxes and will be so construed.

5.0 CONTRACT DOCUMENTS:

5.1 The Contracts Documents consist of the following and each of the following are hereby incorporated by reference:

- Part I The Agreement;
- Part II Scope of Work;
- Part III Services Terms and Conditions
- Any addendums

5.2 The Contract consists of the Contract Documents.

6.0 CONFLICT IN TERMS:

6.1 In the event of any conflict in or between any Contract Documents, the terms and provisions incorporated in the Scope of Work shall control over the terms and provisions of the Service Terms and Conditions; provided, however, to the maximum extent possible all terms and provisions of the Contract Documents shall be construed as supplementing, and not conflicting with each other.

(For signature/execution only with the successful bidder.)

CWA:

CONTRACTOR:

COASTAL WATER AUTHORITY

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

Information for Notices to Owner:

ATTN: Security Manager
Coastal Water Authority
908 Independence Parkway N.
Baytown, TX 77520
Phone: 281-838-1160
Fax: 281-424-3992

Information for Notices to Contractor:

ATTN:
Address: _____

Phone: _____
Fax: _____

COASTAL WATER AUTHORITY

REQUEST FOR PROPOSAL OFFICIAL BID FORM

SECURITY GUARD SERVICES

TO: Coastal Water Authority, 1801 Main Street, Suite 800, Houston, TX 77002;
Attention: Executive Director

Contract Period: One (1) year, (52 weeks)

PRICE SHEET

Item	Description of material and/or services	Employee Position	Quantity	Unit	Unit Price	Extended Price
1.	For Lynchburg Pump Station ; Unit price to provide materials, labor, tools, equipment and supervision to perform the Work per CWA's specifications	Security Supervisor	2080	Per Hour	\$	\$
		Security Officer	6656	Per Hour	\$	\$
		Subtotal Bid Item 1				
2.	For Lake Houston Dam ; Unit price to provide materials, labor, tools, equipment and supervision to perform the Work per CWA's specifications	Security Supervisor	2080	Per Hour	\$	\$
		Security Officer	6656	Per Hour	\$	\$
		Subtotal Bid Item 2				
2.	For Bayport Pump Station ; Unit price to provide materials, labor, tools, equipment and supervision to perform the Work per CWA's specifications	Security Supervisor	2080	Per Hour	\$	\$
		Security Officer	6656	Per Hour	\$	\$
		Subtotal Bid Item 3				

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Bidder Company Name: _____

**Page 2, Coastal Water Authority, Official Bid Form – RFP
Security Guard Service**

PRICE SHEET						
Item	Description of material and/or services	Employee Position	Quantity	Unit	Unit Price	Extended Price
4.	For Caper's Ridge Pump Station ; Unit price to provide materials, labor, tools, equipment and supervision to perform the Work per CWA's specifications A) Unit price to provide (1) vehicle for patrol at Caper's Ridge Pump Station per CWA's specifications. See (PART II Scope of Work, Paragraph 8.3 & 8.4).	Security Supervisor	2080	Per Hour	\$	\$
		Security Officer	6656	Per Hour	\$	\$
		N/A	12	Per Month	\$	\$
		Subtotal Bid Item 4 \$				
*5.	For Canal Maintenance Facility ; Unit price to provide materials, labor, tools, equipment and supervision to perform the Work per CWA's specifications	Security Supervisor	2080	Per Hour	\$	\$
		Security Officer	4576	Per Hour	\$	\$
		Subtotal Bid Item 5 \$				
6.	Unit price to provide supplemental security services per CWA's specifications, if/when requested by CWA. (Part II Scope of Work, Paragraph 1.8)	Security Supervisor	200	Per Hour	\$	\$
		Security Officer	640	Per Hour	\$	\$
		Subtotal Bid Item 6 \$				
Total Bid Amount				\$		

Minimum hourly rate paid direct to Security Supervisors & Officers shall be in accordance with Paragraph 22.0 of Part II, Scope of Work.

Number of Hours in 52 Week Annual Period 8,736 Hrs. (7 x 24 x 52).

*Requesting afternoon & night shift on weekdays and 24-Hr. Weekends. See **1.2.5 of Scope of Service**.

Bidder Company Name: _____

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Security Guard Service

Contractor's above quote is good for 90 days from the date of Contractor's signature on the Agreement. Rates are firm for one year from start of service. Rates do not include sales tax.

The undersigned ("Bidder") hereby offers to perform the Work for the bid amount and upon the terms herein stated and in strict accordance with the Request For Proposal, Abbreviated Terms & Conditions, and any addenda, all of which are incorporated by reference and made a part of this offer. Bidder, by making a bid, represents that Bidder has read and understood the RFP.

Bidder understands that CWA may accept the bid offer by issuance of an Award Letter or Purchase Order signed by CWA to the successful Bidder at any time on or before the sixtieth (60th) day after the day of the Bid Due Date. Bidder's offer shall be irrevocable by Bidder for sixty (60) days after the Bid Due Date, but this period may be extended by written agreement of CWA and the Bidder. Bidder further understands that if CWA accepts the bid, upon issuance of an Award Letter or Purchase Order signed by CWA, the Bidder will be bound by the Award Letter or Purchase Order without any further action on the part of Bidder.

Bidder certifies that the only person or parties interested in this proposal as principals are those named herein. Bidder has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken action to restrain the competitiveness of the bidding for the award.

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Bidder Company Name: _____

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Security Guard Service**

NOTE: BID MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE BIDDER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM UNDER THE PURCHASE ORDER IF AWARDED.

Respectfully Submitted:

Bidder: _____
(Print or type name of Bidder-Full Company Name)

Employer Identification Number: _____

By: _____
(Signature of Authorized Officer or Agent)

Name: _____

Title: _____

Date: _____

Address (Street or P.O. Box)

City-State-Zip Code

City and State of principal place of business
(if different from above)

Telephone: (____) _____

Fax: (____) _____

E-Mail: _____

COASTAL WATER AUTHORITY

PART II SCOPE OF WORK

SECURITY GUARD SERVICES

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**COASTAL WATER AUTHORITY
PART II
SCOPE OF WORK**

SECURITY GUARD SERVICES

1.0 Scope of Services

1.1 Contractor shall provide all qualified personnel, supervision, uniforms, labor, equipment, forms, materials, and licenses to provide security services for the protection of all personnel, property, and information now or hereafter owned, leased or possessed by the Coastal Water Authority (CWA) at five (5) different facilities delineated as follows:

1.1.1 Lynchburg Pump Station, 908 Independence Parkway North, Baytown, Texas, 77520.

1.1.2 Lake Houston Pump Station/Dam, 13501 Aqueduct Lane, Houston, Texas, 77015.

1.1.3 Bayport Pump Station, 8821½ South Red Bluff, Pasadena, TX 77507.

1.1.4 Caper's Ridge Pump Station 879 CR 2317, Dayton, TX 77535.

1.1.5 Canal Maintenance Facility, 10750 State Hwy 321 Dayton, TX 77535.

1.2 Posts and shifts for the five (5) different facilities:

1.2.1 Lynchburg Pump Station Hours:

7:00 a.m. to 3:00 p.m. Sunday through Saturday	8 hours
3:00 p.m. to 11:00 p.m. Sunday through Saturday	8 hours
11:00 p.m. to 7:00 a.m. Sunday through Saturday	<u>8 hours</u>
Total per week:	168 hours

1.2.2 Lake Houston Pump Station/Dam Hours:

6:00 a.m. to 2:00 p.m. Sunday through Saturday	8 hours
2:00 p.m. to 10:00 p.m. Sunday through Saturday	8 hours
10:00 p.m. to 6:00 a.m. Sunday through Saturday	<u>8 hours</u>
Total per week:	168 hours

1.2.3 Bayport Pump Station Hours:

7:00 a.m. to 3:00 p.m. Sunday through Saturday	8 hours
3:00 p.m. to 11:00 p.m. Sunday through Saturday	8 hours
11:00 p.m. to 7:00 a.m. Sunday through Saturday	<u>8 hours</u>
Total per week:	168 hours

1.2.4 Caper's Ridge Pump Station Hours:

7:00 a.m. to 3:00 p.m. Sunday through Saturday	8 hours
3:00 p.m. to 11:00 p.m. Sunday through Saturday	8 hours
11:00 p.m. to 7:00 a.m. Sunday through Saturday	<u>8 hours</u>
Total per week:	168 hours

1.2.5 Canal Maintenance Facility Hours:

7:00 a.m. to 3:00 p.m. Sunday & Saturday	8 hours
3:00 p.m. to 11:00 p.m. Sunday through Saturday	8 hours
11:00 p.m. to 7:00 a.m. Sunday through Saturday	<u>8 hours</u>
Total per week:	128 hours

1.2 Definitions:

1.2.1 "CWA's Security Manager" means the individual employed by CWA as the Security Manager.

1.2.2 "Operator on Duty" means the individual employed by CWA as the operator on duty at the pump stations listed in Section 1.1.

1.2.3 "Security Supervisor(s)" means the individual(s) provided by the Contractor to perform the work of a Security Officer and is authorized by the Texas Department of Public Safety Private Security Bureau to carry a firearm. Security Supervisors having the additional duties of:

1.2.3.1 Supervising the performance of security activities;

1.2.3.2 Scheduling Security Officers to work assigned shifts at their assigned site.

- 1.2.3.3 Obtaining relief Security Officers in the event a scheduled Non-Commission Security Officer is absent;
- 1.2.4 “Security Officer(s) means the individual(s) provided by the Contractor to perform the security work and is authorized by the Texas Department of Public Safety, Private Security Bureau to carry a firearm.
- 1.3 The purpose of the security services delineated in this contract provide protection against espionage, vandalism, theft, trespass, fire, and any other events detrimental to the facility. Such security services shall be as hereinafter described in detail. The specific number of Security Supervisors and Security Officers, the principal assignments, and hours of duty shall be agreed on between CWA and the Contractor as provided for in the Contract.
- 1.4 The Contractor shall provide competent, fully qualified and Security Officers and Security Supervisors necessary to provide high quality security services at the designated facilities.
- 1.5 The Contractor shall make periodic oral and or written reports and recommendations to the CWA Security Manager regarding conditions, transactions, situations or circumstances encountered by the Contractor relating to the security services to be performed under this contract and attend meetings determined to be necessary by the CWA Security Manager. The Contractor shall provide approved security reports to the CWA Security Manager in a timely manner.
 - 1.5.1 The Contractor shall provide an Account Manager to be responsible for the performance of the contract is satisfactory. This Account Manager shall provide an evaluation form to the CWA Security Manager to be filled out during the monthly meeting and counter signed by the CWA Security Manager and the Account Manager to document the performance of the Contractor.
- 1.6 Prior to the commencement of the contract, the Contractor shall provide the following:
 - 1.6.1 A complete company profile; and
 - 1.6.2 A copy of its written procedures that regulate its prompt and proper response to incidents, emergency contingencies, and contacting supervisors; and
 - 1.6.3 A copy of company’s current State of Texas Security License; and
 - 1.6.4 A roster identifying company Officers, Directors, and Executive Personnel as well as the management personnel the contractor intends to initially assign to service this contract, and a roster of Security Officers and Security Supervisors the Contractor intends to initially post at CWA facilities. These rosters should include identifying information such as dates of birth, Texas driver license numbers or Texas identification (ID) Card numbers. Whenever personnel changes are made, deleting or adding personnel to the roster, the Contractor shall notify the CWA Security Manager within one working day,

providing the name and identifiers of whoever is being deleted from, or added to the roster. The Contractor shall be responsible for conducting an annual background check on all Security Officers and Security Supervisors assigned to this contract. The contractor shall be responsible for all costs associated with the background checks. The background checks shall be performed every January and the results forwarded to the CWA Security Manager no later than February 15th of each calendar year.

- 1.7 Furthermore, Contractor shall provide CWA Security Manager with a copy of the Contractor's e-verify Memorandum of Understanding ("MOU") showing the Contractor's name and the Contractor's e-verify registration number as proof of confirming the Contractor is e-verify compliant. If the Contractor is not an e-verify registrant, the Contractor shall provide a copy of the employee's I-9 as proof of employment eligibility. Contractor shall remain in compliance with the MOU, or provide I-9 Forms during the entire term of the contract.
- 1.8 Any estimated quantities specified are not a guarantee of actual quantities, as CWA does not guarantee any particular quantity of services during the term of this Contract. The quantities may vary depending upon the actual needs of the CWA. The quantities specified are good faith estimates of usage during the term of this contract. Therefore, CWA shall not be liable for any contractual agreements or obligations the Contractor enters into based on the CWA purchasing all the quantities specified. In addition to the regular security guard service described in this Scope of Work, Contractor will be available to provide additional short-term supplemental services requested by CWA. These will be additional Security Supervisors and Security Officers as needed and requested by CWA and will be over and above the normal security service.

2.0 General Requirements

- 2.1 Contractor agrees to furnish Security Officers to provide such protection service, completely outfitted with all uniforms and necessary equipment.
- 2.2 Security Officers will be employees of the Contractor, and the Contractor will pay all salaries and expenses of, and all taxes relating to such employees.
- 2.3 Without limiting responsibility of the Contractor for the proper conduct of its employees and the protection of the specified CWA assets, the conduct of Security Supervisors and Security Officers shall be guided by in the General and Special Orders as agreed upon between CWA Security Manager and the Contractor and such other special written instructions applicable to the security services as may be issued by CWA from time to time through CWA's Security Manager.
- 2.4 Security Supervisor and Security Officer duties shall consist of routine foot patrol duties as described in the General and Special Orders. Security Officers on duty at the security guard house are responsible for monitoring cameras, monitoring alarm systems, receiving incoming telephone calls, controlling access, and performing other

administrative tasks associated with security operations. The primary duties of Security Officers include keeping a watch for security incidents and promptly notifying CWA's Security Manager to initiate the appropriate response necessary to handle the incident. The primary duty of Security Supervisors and Security Officers shall be to OBSERVE and REPORT to the CWA Security Manager. This notification shall consist of a phone call in the short run and a complete written report in the long run.

2.5 The Contractor shall write orders and ensure Security Officers are thoroughly knowledgeable in their content. Generally, the orders shall address requirements for the conduct of duties as follows:

2.5.1 General Orders – establish general operating standards of performance for all Security Officers.

2.5.2 Special Orders – set forth the duties for individual assignments and prescribe courses of action required of the Security Officer and Security Officer assigned to the post.

2.5.3 Special Instructions – cover special events (i.e. use of force, inspections, tours, etc.) and are issued in memorandum form.

2.5.4 The orders shall at a minimum address the following subjects:

2.5.4.1 Responsibilities.

2.5.4.1.1 Professional attitude.

2.5.4.1.2 Habits.

2.5.4.1.3 Discipline.

2.5.4.1.4 Appearance and personal hygiene.

2.5.4.1.5 Uniform and equipment.

2.5.4.1.6 Cleanliness of work station.

2.5.4.1.7 Public relations.

2.5.4.1.8 Telephone communications.

2.5.4.1.9 Patrol responsibilities.

2.5.4.2 Duties:

2.5.4.2.1 General.

2.5.4.2.2 Performance of duties.

2.5.4.2.3 Familiarization of patrol area.

2.5.4.2.4 Routine duties.

2.5.4.2.5 Patrol duties.

2.5.4.2.6 Theft, fire, and accident duties.

2.5.4.2.7 Attention to duties.

- 2.6 Contractor is responsible for conducting its own labor relations with any labor organization either representing or seeking representation among the Contractor's employees and shall negotiate or seek to adjust all disputes that may arise. In turn CWA agrees that, except as otherwise provided herein, the Contractor may freely enter into any contract with any labor organization lawfully representing or seeking representation among Security Supervisors and Security Officers performing duties described hereunder. No provision under such a contract or any existing contract shall obligate CWA to employees of the Contractor or to any union representing employees of the Contractor at any time, including without limitation upon the termination of this contract. In the event that the Contractor has knowledge that an actual or potential labor dispute may threaten timely performance under this contract, an immediate notice, including all relevant information concerning the dispute, shall be sent to CWA's Security Manager forthwith.
- 2.7 Contractor agrees to provide continuity of service and accepts the responsibility of providing service for the protection of the facility, property, equipment, material, information, and personnel during any strike, threatened strike, work stoppage, or other interference with normal facility operations. Security Officers will continue to report for duty, remain at their assignments until property relieved and discharge their duties in the regular manner. In addition, Security Supervisors and Security Officer will perform such other protection duties as determined necessary and proper under the circumstances by the CWA Security Manager. If Contractor fails to provide continuity of security services, then CWA may hire security officers from another contractor for the duration of the failure to provide protection continuity. Any additional costs incurred by CWA as a result of such action will be billed to the Contractor, who will be responsible for reimbursing CWA for such additional costs or CWA may withhold such additional costs from any monies due to the Contractor.
- 2.8 The Contractor agrees that the security services provided under this contract shall be performed by qualified, diligent, careful and efficient employees of the Contractor in the strictest conformity with best practices in the industry, and in accordance with such additional standards as may be prescribed from time to time by CWA Security Manager. The Contractor further agrees that, upon CWA Security Manager's request, with or without cause, the Contractor will remove from service hereunder any employee(s) who, in the CWA Security Manager's opinion, may be guilty of improper conduct or is not qualified to perform the work assigned. It is further

agreed that the Contractor shall immediately replace any of its employees so removed if directed to do so by CWA Security Manager.

- 2.9 Security Supervisors and Security Officers will operate electronic security systems and computers in security guard houses provided and maintained by CWA. These systems and computers are for the exclusive propose of detecting and responding to security threats and incidents and recording their occurrence(s). CWA Security systems and computers may not be used for any other purpose(s) what so ever. Tampering with these security systems including disabling devices, removing data, introducing data, changing data, introducing media (i.e. via external hard drives, thumb drives, or any other devices) is NOT authorized. Using CWA's security systems and/or computers for any other purposes will be prosecuted under Texas Penal Code Title 7 entitled "Offenses Against Property" Chapter 33 entitled "Computer Crimes." According to the Texas Penal Code this offense is classified as a felony.
- 2.10 Unannounced daily inspections of the Security Supervisors and Security Officers shall be conducted by the Contractor's designated supervisor at least twice, once during the day and once during the night. A report documenting these inspections shall be submitted to CWA's Security Manager after each inspection. Furthermore, the Contractor's designated supervisor conducting the daily inspection will make a notation of the inspect on the Daily Activity Report in red ink to document the inspection. More frequent inspections by Contractor's supervisor are encouraged. Contractor's designated supervisor, who conducts the unannounced daily inspection, may not enter CWA property beyond the security guard house for the purpose of inspection without the prior authorization of CWA's Security Manager, except in a bona fide emergency.
- 2.11 Each Security Supervisor or Security Officer must submit a completed original Daily Activity Report documenting his/her activities during their assigned shift to CWA's Security Manager prior to being relieved. In the event significant security incident(s) occur, the Security Supervisor or Security Officer on duty at the CWA facility must submit an original Special Incident Report for each significant security incident that occurs during their shift to the CWA Security Manager prior to departing their facility at the end of their shift. CWA is a political subdivision of the State of Texas. It is important to know that Daily Activity Reports and Significant Incident Reports submitted to the CWA Security Manager become an official "government record" as defined by the Texas Penal Code Title 8 entitled "Offenses Against Public Administration" Chapter 37 entitled "Perjury and other Falsification." A report containing false information are prosecuted under Texas Penal Code Title 8, Chapter 37.
- 2.12 Security Supervisors and/or Security Officers shall NOT make arrests or detentions. Security Officers shall not sign a complaint on behalf of CWA and any request for a signed complaint by a law enforcement agency must be referred to CWA's Security Manager to make a determination as to how to proceed. The primary responsibility of Security Supervisors and Security Officers is to OBSERVE and REPORT

significant security incidents to the CWA Security Manager and the Operator on Duty if an operator is on duty at that facility.

- 2.13 Contractor agrees to prepare and submit work shift schedules for each facility to CWA's Security Manager at least five (5) working days before the effective date of implementation of such schedules. Changes or substitutions in the work shift schedule will not be made without prior notification to CWA's Security Manager except in an bona fide emergency.
- 2.14 Contractor agrees that all Security Supervisors and Security Officers assigned to CWA facilities will have a clear understanding that leaving their post without relief, unauthorized use of CWA computers, telephones, fax machines, and all other equipment without permission of the CWA Security Manager will result in termination with the EXCEPTION of the security systems and computers provided for their use in the performance of their authorized duties. Furthermore, the Contractor will ensure that Security Supervisors and Security Officers make their rounds and report security incidents quickly to the CWA Security Manager and Operator on Duty if the CWA facility has an operator.
- 2.15 The Contractor shall maintain an accurate and up-to-date list of the Contractor's representative, who are available to be contacted by CWA's Security Manager on a 24/7 basis and respond to an affected CWA facility in the event there is a security problem that cannot be handled by the Security Supervisors and Security Officers assigned to the CWA facility.
- 2.16 The Contractor shall provide each Security Supervisor and Security Officer with forty (40) hours of vacation each year after completion of one (1) year of satisfactory service.

3.0 Contractor's Phase-In Period

- 3.1 The Contractor must be prepared to accomplish a smooth and successful transition of operations and services and shall have up to a thirty (30) day phase-in period. The Contractor's Phase-In Period shall begin upon receipt of a Start Phase-In Notice (such notice not to be construed as an official Notice to Proceed but being anticipatory of phase-in only) and shall last approximately thirty (30) days preceding the receipt of Notice to Proceed. The incumbent Contractor shall be responsible for performing the duties and services listed in its contract during Contractor's Phase-In Period. During the Phase-in Period, the Contractor shall arrange to have necessary supervisory, technical, and other personnel on site to observe the operation of the security services. The Contractor may use this Phase-In Period to recruit and transfer personnel, train personnel, arrange for security contractor identification badging, establish management procedures, set up records, ensure adequate equipment is in place for security operations, and otherwise prepare for the assumption of control without disruption of operations. During the Phase-In Period, it shall be the responsibility of the Contractor to develop and implement a full project schedule detailing the responsibilities of assigned personnel and submit it to the CWA Security Manager for

approval. The Contractor shall have no responsibilities for operating or maintaining the Security Officer Services during the Phase-In Period. The Phase-In Period shall end on the date set forth in the official Notice to Proceed, at which time Contractor shall assume full responsibility for the operations of the Security Officer Services.

4.0 Post Orders

- 4.1 Post Orders include a “checklist” and more “detailed instructions.” The checklist should be read and adhered to on every shift by each Security Supervisor and Security Officer, and the detailed instructions must be reviewed periodically for updates and/or corrections. Each Security Supervisor and Security Officer, who works this post, is responsible for being fully familiar with and responsive to the Post Orders.
- 4.2 The Post Orders shall remain in effect until altered by the CWA Security Manager. The CWA Security Manager may alter or amend all or any part of the existing Post Orders by notifying the Contractor in writing. Amended Post Orders shall take effect at 8:00 a.m. on the second day following their delivery by the CWA Security Manager or at such earlier or later date as mutually agreed upon by the CWA Security Manager and the Contractor. The CWA Security Manager may alter the Post Orders at any time during the term of the contract.
- 4.3 The Post Orders shall not vary the terms of this contract.
- 4.4 Post Orders, at a minimum, must include:
 - 4.4.1 Detailed access control instructions for employees and visitors
 - 4.4.2 Detailed emergency procedures by post for all applicable emergency situations including but not limited to fire alarm, medical emergency, weather emergency, civil disturbance (lock down), intruders, bomb threat, suspicious packages, and power outage.
 - 4.4.3 An emergency call-down list for notifications/authorizations.

5.0 Personnel Qualifications

- 5.1 Security Officers and Security Supervisors employed by the Contractor to provide security services under this contract shall meet the following qualifications criteria unless approved or authorized by the CWA Security Manager:
 - 5.1.1 Is 21 years of age or older;
 - 5.1.2 Is a high school graduate or must have obtained a General Equivalency Diploma (GED);

- 5.1.3 Is able to effectively communicate (i.e. speak, understand, read and write the English language). Security Officers shall be dismissed from at working at CWA facilities and immediately replaced if there are communication problems at no additional cost to CWA;
- 5.1.5 Have not been convicted of a felony in any jurisdiction unless a full pardon has been granted;
- 5.1.6 Have not been convicted in any jurisdiction of any Class A or B misdemeanor within the last 10 years;
- 5.1.7 Have not been convicted in any jurisdiction of a misdemeanor involving a crime of moral turpitude during the 10-year period preceding the date of application unless a full pardon has been granted for the conviction;
- 5.1.8 Not have any pending, unresolved, or unadjudicated felony or Class A or B misdemeanor charges or indictments in this or any other jurisdiction, and not be on probation or parole for any felony or Class A or B misdemeanor;
- 5.1.9 Are not required to register in this or any other state as a sex offender;
- 5.1.10 Are not the subject of any protective order;
- 5.1.11 Have no outstanding warrants;
- 5.1.12 Have not been declared by any court of competent jurisdiction, incompetent by reason of mental defect or disease without having been restored;
- 5.1.13 Are not abusing any substances (i.e. alcohol, drugs, narcotics, etc.);
- 5.1.14 Have not been discharged from the armed services of the United States under other than honorable conditions;
- 5.1.15 Have not been convicted by a court martial while serving in the armed services of the United States
- 5.1.16 Are skilled in effectively and tactfully communicating with a wide variety of people in sensitive situations, and skilled in establishing and maintaining effective working relationships with CWA employees and the general public;
- 5.1.17 Have successfully completed a minimum of 6 months providing or Officer service;
- 5.1.18 Are fully trained to provide security officer services;
- 5.1.19 Are knowledgeable of facility protection (i.e. locations of exits, restrooms, fire hydrants, fire extinguishers, evacuation procedures, and similar aspects;

- 5.1.20 Must successfully complete a minimum of eight (8) hours of site specific training per the requirements outlined in Section 5.0 below at the expense of the Contractor;
- 5.1.21 Security Officers and Supervisors must be currently commissioned by the Private Security Bureau of the Texas Department of Public Safety. The Contractor shall provide proof of the current commissions at the request of the CWA Security Manager;
- 5.1.22 Any additional licensing or training required under state or local regulations;

6.0 Job Specific, On-Site Training

- 6.1 Security Officers and Security Supervisors shall undergo a minimum of eight (8) hours of facility specific training, with a person designated by the CWA Security Manager prior to the assumption of security services responsibilities and at the Contractor's expense. This training shall be documented in each person's individual training record. This facility specific training documentation shall be signed off by the individual receiving the training and supervisor conducting the training. This documentation shall be available for inspection by the CWA Security Manager upon request. The CWA Security Manager reserves the right to review all training documentation without prior notice.
- 6.2 Training documentation shall consist of, at a minimum, comprehensive written tests, which all Security Supervisors Security Officers must complete with a passing score of at least 90%. The Contractor shall organize and prepare information relative to the required training classes. The Contractor shall send copies of all training information to the CWA Security Manager for approval prior to Contractor implementation. The Contractor shall implement changes to the information provided in the training classes as the CWA Security Manager directs.
- 6.3 The Contractor shall ensure that all security personnel have satisfactorily completed the training specified herein prior to reporting for work on any post at a CWA facility. Contractor shall notify the CWA Security Manager of date, time, and place of scheduled training sessions. The CWA Security Manager may monitor training sessions.
- 6.4 In addition, the Contractor shall ensure that all Project Managers, Security Supervisors, and Security Officers are thoroughly familiar with all applicable rules, regulations, and procedures before they are allowed to staff any post in the facility. All personnel shall be properly trained in security operations at the facilities and shall adhere to the facility post orders without exception.
- 6.5 All Security Supervisors and Security Officers shall receive Contractor provided training comprehensive enough to effectively deal with:
 - 6.4.1 Customer service and courtesy;

- 6.4.2 Security situations to include emergencies of fire, bomb threat, flood, shelter in place, and evacuation procedures;
 - 6.4.3 First aid and medical emergencies; and
 - 6.4.4 Assisting disabled persons in a sensitive and helpful manner.
- 6.5 Additionally, Contractor shall provide forty (40) hours of in-service training annually to be conducted by an instructor licensed by the PSB, TXDPS as an instructor for the duration of this contract after completion of the first year of the contract to all of its Security Supervisors and Security Officers working at the designated CWA facilities at no additional charge to the CWA. This training shall include first aid, adult cardiopulmonary resuscitation (CPR), adult automated external defibrillator (AED), active shooter response, intruder response, and recognizing and preventing terrorism. Any Security Supervisor or Security Officer, who has not completed this required training annually, will be removed and not allowed to work at any CWA facility. In-service training DOES NOT consist of “hanging around” a Security Supervisor for any part or all of this forty (40) hours. Submission of false completion certification of the annual in-service training to the CWA Security Manager will be cause for termination of this contract.

7.0 Limitations on Security Officers' Hours

- 7.1 The Contractor shall not assign any full-time Security Supervisor or Security Officer authorized to work at CWA facilities to perform services under this contract if such assignment would require that them to work more than 16 hours in a 24-hour period, or more than 60 hours in a single 7-day period, unless the Contractor obtains the prior written approval of the CWA Security Manager. The contractor shall have sufficient numbers of Security Supervisors and Security Officers, who are trained and qualified in order to fulfill the shift assignments. This is to ensure that a speedy and correct response is performed in the event of an emergency or life-threatening situation that could occur at CWA facilities.
- 7.2 The Contractor shall not require any full-time Security Supervisors or Security Officers dedicated and qualified to work at CWA to work at any facilities outside of CWA.

8.0 Security Officer's Uniform and Equipment

- 8.1 The Contractor shall, at its expense and **not at its employees' expense**, equip each Security Supervisor and Security Officer with a distinctive security uniform, all security insignia; basic security officer supplies including black leather shoes, a whistle, and a cell phone for use while on duty at CWA facilities. Security Supervisors and Security Officers shall be supplied with boots, winter jackets and raincoats (bearing the Contractor's name and insignia). The use of any CWA insignia used on these uniforms is prohibited.

- 8.2 The Contractor shall, at its expense and **not at its employees' expense**, equip all Security Supervisors and Security Officers with a name tag (silver for Security Officers and gold for Security Supervisors) shall be worn on the security uniform at all times while on duty.
- 8.3 The Contractor shall provide a vehicle for Security Officers to patrol Caper's Ridge Pump Station and its Access Road. The vehicle shall be clearly marked as a security vehicle. It should also be in safe operating conditions and maintained solely by the Contractor.
- 8.4 The Contractor will invoice the lease cost of the vehicle as monthly billing. Unit Price should include fees associated with the lease, gas, and mileage of the vehicle. All other expenses such as (maintenance, registration, insurance, etc.) will be the Contractor's responsibility. Any safety requirements to operate the vehicle shall be the responsibility of the Contractor. Vehicle shall be present on the first day of commencement and each day after until the contract period has expired.

9.0 Supervision

- 9.1 Contractor shall have sole responsibility for supervising the Security Supervisors and Security Officers performing security services under this contract. Supervision shall consist of that level of management, leadership, and administrative activities necessary to ensure that each Security Supervisor and Security Officer is performing their duties in a safe and efficient manner. The CWA Security Manager shall have no obligation to exercise any supervisory authority over any Security Supervisor and/or Security Officer performing services under this contract but reserves the right to address conformity with established Post Orders or as necessary in an emergency situation. To this end the Contractor's manager will meet with the CWA Security Manager once a month to complete a security operations performance evaluation form. At the conclusion of this meeting, the completed evaluation form will be signed by the CWA Security Manager and the Contractor's manager. The CWA Security Manager will retain a copy and the original will be provided to the Contractor's Manager. The Contractor is expected to take action to fill the gaps identified in the security operations evaluation form and report on the corrective actions taken to fill the gaps during the next meeting.
- 9.2 The Contractor shall have a representative on duty twenty-four (24) hours per day, seven (7) days per week to provide direct supervision to all of the Security Officers assigned to CWA's facilities when the regular supervisor assigned that facility is off-duty. Upon receiving a call from the CWA Security Manager, the Contractor's representative shall respond within ten (10) minutes via telephone and shall arrive on site at the CWA facility within forty-five (45) minutes to provide direct supervision of the Security Officer on duty at that facility.
- 9.4 A Contractor's representative shall make unannounced inspections of the security posts at the five (5) designated CWA facilities on various shifts. A minimum of two (2) visits shall be conducted at each of the CWA designated facilities each day with

one during the day and the other during the night. The Contractor's representative conducting the unannounced inspection of the security post(s) will make an entry documenting the inspection which includes time of the inspection, the inspecting manager's name, and the manager's signature on the Daily Activity Report.

- 9.3 The Contractor shall maintain a local office managed by a licensed branch manager that is open for business during normal hours where full time personnel conduct normal security guard administration activities (i.e. human resources, scheduling, training, and records retention, etc.).

10.0 Response to Incidents

- 10.1 The primary responsibilities of the Security Supervisors and the Security Officers assigned to CWA facilities are to OBSERVE and REPORT to the CWA Security Manager and to the Operator on Duty if the CWA facility has one. Routine security related activities and occurrences are recorded on their Daily Activity Report in chronological order and reported to the CWA Security Manager when he reviews the Daily Activity Report. Unusual occurrences are briefly referred to in the Daily Activity Report and are reported on in detail on the Security Incident Report. Unusual occurrences require a phone call to the CWA Security Manager shortly after they occur. The Security Supervisor or Security Officer completing the Daily Activity Report and/or Special Investigative Report will record the fact that the CWA Security Manager and/or the Operator on Duty were notified of the security incident with the date/time of the notification.
- 10.2 Security Supervisors and Security Officers are prohibited from:
 - 10.2.1 Taking any action that might cause them to be injured.
 - 10.2.2 Pursue perpetrators, make arrests or detentions.
 - 10.2.3 Initiate criminal complaints with law enforcement agencies on behalf of CWA.
- 10.3 Any significant security incident shall be reported in writing on a Security Incident Report to the CWA Security Manager by close of the Security Officer's shift immediately following the incident. Security Supervisors and Security Officers covered under this contract shall not subdue or pursue any suspected perpetrators.

11.0 Performance Standards for Officers

- 11.1 Maintain a neat and well-groomed appearance at **all** times.
- 11.2 Have the ability to exercise good judgment.
- 11.3 Have the ability to interact with people in a positive manner.

- 11.4 Have the ability to maintain a high level of performance.
- 11.5 Have the physical ability to make walking patrols around the CWA facility for a minimum of eight (8) hours and a maximum of sixteen (16) hours during a twenty-four (24) period.
- 11.6 Have the ability to remain attentive to their surroundings during the duration of their assigned shift.
- 11.7 Have the ability to remain at their assigned security post until properly relieved by an authorized Security Supervisor or Security Officer. Prior to their being relieved, the Security Supervisor or Security Officer will conduct a thorough briefing of their relief.
- 11.8 Have the ability to protect the security equipment (i.e. security system, computer(s), keys, flashlights, bullhorn, etc.) assigned to the security post.

12.0 Reassignment or Removal of Security Supervisors and Security Officers

- 12.1 Contractor shall remove particular Security Supervisors and Security Officers from assignment at the CWA facilities upon receipt of a written or oral request from the CWA Security Manager to do so. The written or oral request shall specify the name of the Security Supervisor or Security Officer whose assignment or removal is desired.

13.0 Mandatory Post Coverage

- 13.1 Security Supervisors and Security Officers shall not leave their duty post unattended at any time, unless relief is provided.
- 13.2 A mandatory daily "Open Post Report" shall be forwarded to the CWA Security Manager electronically by 12:00 noon of each business day, which shall include open posts not covered on the previous scheduled work day. The Open Post Report shall name the assigned post, name the absent Security Supervisor or Security Officer, and show the respective time periods not covered.

14.0 Public Relations

- 14.1 The Contractor agrees that its employees shall NOT issue or make any statements on behalf of CWA with respect to any incident occurring at any facility. The Contractor, or their employees shall NOT (1) publicly discuss or issue or provide any statements, written or oral, paper or electronic, of any nature that references this contract, any policy, procedure, post order, or security alert, or (2) release any report, tape, recording, image, document or record related to the services provided under this contract.

14.2 Typically requests for information are processed by the Public Information Officer at the City of Houston.

15.0 Absence Reports

15.1 The Contractor shall orally report the absence of any Security Supervisor or Security Officer from an assigned post or position to the CWA Security Manager. This report shall not be made later than five minutes after the start of the reporting time for the post or position. The report shall include the name of the absent Security Supervisor or Security Officer, the post or position affected and Contractor's efforts to fill the post at the CWA facility. A relief Security Supervisor or Security Officer shall immediately fill the vacancy until other arrangements are made.

16.0 Access Control

16.1 The Contractor shall ensure that unauthorized persons do not enter the facility. In the event that someone does enter without prior authorization, the Security Supervisor or Security Officer will immediately notify the CWA Security Manager to facilitate removal of that unauthorized person.

16.2 Contractor shall ensure that all persons entering a CWA facility signs in with the Security Officer. Everyone entering a site must have an escort who is a CWA employee after signing in.

17.0 Identification Card Requirements

17.1 All Security Supervisors and Security Officers assigned to a CWA facility will be issued a CWA identification card prior to working at the facility. The Security Supervisors and Security Officers are required to clearly display their CWA issued security contract photo identification (ID) card when entering a CWA facility. This card will include the Security Supervisor's or Security Officer's first and last name, their recent photograph, and the Emergency Responder tab.

17.2 In accordance with CWA's Access Control Procedure, the Security Officer or Supervisor will display this identification card to enter gates. Upon termination of their access to CWA's facility, the Security Supervisor or Officer will surrender their CWA identification card to the CWA Security Manager for deactivation.

17.3 In the event the Security Supervisor or Security Officer loses the identification card, they are to notify the CWA Security Manager so that the lost identification card can be deactivated. The fee for replacing a lost identification card is \$5.00 each.

18.0 Liquidated Damages

- 18.1 Understanding – The Contractor agrees that the Security Services should be provided in an effective and efficient manner to ensure the security services provided to CWA are satisfactorily achieved. To accomplish this, CWA has established strict performance standards and requirements, which must be met by the Contractor. The Contractor agrees that in the event the requirements of this contract are not complied with, CWA may assess liquidated damages for non-compliance, and the amount of any such liquidated damages may be deducted from payments otherwise due to the Contractor. The parties agree that the amount of actual damages resulting from Contractor's non-compliance may be difficult to ascertain and both parties agree that the liquidated damages assessed are reasonable and are not a penalty.
- 18.2 If the parties cannot agree on the amount of liquidated damages, the matter shall be referred to the CWA's Chief Financial Officer whose decision shall be final and binding for both parties.
- 18.3 Under no circumstances shall liquidated damages assessed against the Contractor exceed **\$350,000.00** in any given contract Year or Renewal Year. Nothing contained herein shall limit or affect the CWA's rights of termination.
- 18.4 Concept - Failure to comply with the requirements of this contract may result in two types of conditions: correctable and non-correctable.
- 18.4.1 Correctable incidents of non-compliance are those of a nature that the non-compliance requires correction and CWA have suffered no monetary loss. In these cases, the Contractor shall receive written notice of the details of non-compliance. The Contractor shall have twenty-four (24) hours in which to correct the unsatisfactory condition (or initiate action to have the unsatisfactory condition corrected if it is unreasonable to expect correction within twenty-four (24) hours and respond to the CWA Security Manager in writing of the corrective action taken. In the event the unsatisfactory condition is not corrected (or action initiated where appropriate), the liquidated damages shall be applied. The twenty-four (24) hour notice period shall begin when written notice is delivered to the Contractor's appropriate employee.
- 18.4.2 Repeat Conditions – Upon the third and each additional instance of a repeated non-compliance with a correctable condition within a rolling ninety (90) day period, the Contractor shall pay the liquidated damages with no opportunity to correct the unsatisfactory condition.
- 18.4.3 The non-correctable condition is one in which the result of the condition cannot be corrected (e.g., scheduled Security Officers and Supervisors not reporting for duty). In those instances, the Contractor shall be notified in writing of the details of non-compliance and allowed an opportunity to respond. The applicable liquidated damages shall be applied at the discretion of the CWA Security Manager.

18.5 Inspection Rights – The CWA Security Manager reserves the right to inspect facilities, procedures, personnel performance, and compliance with any requirement of this contract an unlimited number of times and assign multiple liquidated damage assessments for non-compliance if not corrected as stipulated herein. Such liquidated damage assessments to accrue for each twenty-four (24) hour period the condition continues to exist.

18.6 Correctable Conditions include but are not limited to:

18.6.1 Failure to submit all training materials to the CWA Security Manager for approval.

Liquidated Damages – one thousand dollars (\$1,000.00) per occurrence.

18.6.2 Allowing Security Supervisor or Security Officer, who has not completed the required training to work without supervision.

Liquidated Damages - one hundred dollars (\$ 100.00) per employee per day

18.6.3 Failure of employees to be in the proper uniform or to be lacking essential equipment (e.g., cell phone, identification badge).

Liquidated Damages - Seventy-Five dollars (\$75.00) per occurrence.

18.6.4 Lack of familiarity with Post Orders, or facility layout, amenities or services.

Liquidated Damages - Seventy-Five dollars (\$75.00) per occurrence.

18.6.5 Failure to provide written Daily Activity Report for each shift for each day.

Liquidated Damages - Seventy-Five dollars (\$75.00) per occurrence.

18.6.6 Failure to provide a written Security Incident Report for each significant security incident.

Liquidated Damages - Seventy-Five dollars (\$75.00) per occurrence.

18.6.6 Failure to provide weekly work schedule on time.

Liquidated Damages - Seventy-Five dollars (\$75.00) per occurrence.

18.6.7 Assignment of Personnel under this contract that do not meet the Personnel Qualifications as defined in 4.0 of the Scope of Services without written authorization from the CWA Security Manager.

Liquidated Damages - \$200.00 per occurrence for day and forfeiture of payment for hours billed for unqualified personnel.

18.6.8 Failure to Notify the CWA Security Manager of a significant security incident.

Liquidated Damages - one hundred dollars (\$100.00) per event.

Notice to Contractor of non-receipt of any required report may be made by telephone or orally.

18.7 Non-Correctable Conditions include but are not limited to:

- 18.7.1 Failure of Contractor to have a post staffed as scheduled.
Liquidated Damages - Contractor shall be periodically tested by the CWA Security Manager on their performance in this area. Deficiencies may result in, among other things, a charge of seventy-five dollars (\$75.00) per hour for each hour or any portion thereof during which the post remains unmanned, per occurrence.
- 18.7.2 Contractor employee sleeping on duty.
Liquidated Damages - A charge of seventy-five dollars (\$75.00) per hour for each hour or any portion thereof during which the Contractor's employee was found asleep, per instance. Also, Contractor's employees found sleeping on duty shall be replaced immediately.
- 18.7.3 Failure to provide adequate guard sign-in log documentation showing Contractor's employee worked number of hours charged to CWA.
Liquidated Damages - one hundred dollars (\$ 100.00) per occurrence plus refund of the amount charged for undocumented hours.
- 18.7.4 The Contractor shall be responsible to maintain the integrity of any keys, access cards or alarm codes as assigned to perform assigned duties.
Liquidated Damages - If failure to maintain the integrity of assigned equipment by the CWA is found, said deficiencies may result and include, among other things, a charge of seventy-five dollars (\$75.00) per incident plus the associated cost to make the CWA whole.
- 18.7.5 Contractor's representative fails to respond within ten (10) minutes by phone or within thirty (30) minutes at the request of the CWA Security Manager.
Liquidated Damages - Seventy-Five dollars (\$75.00) per occurrence.
- 18.7.6 Failure of contractor to adjust, correct or resolve disputed invoices within 14 days.
Liquidated Damages - One Hundred dollars (\$100.00) per occurrence.

18.8 Adjustments to Invoices for Failure to Provide Required Coverage

- 18.8.1 CWA and the Contractor agree that the CWA shall suffer damages if the Contractor fails to provide the exact number of Security Supervisor(s) or Security Officer(s) at the exact times and locations specified by CWA in accordance with this contract. In the event that the amount of damages shall be difficult or impossible to determine, in order to provide a reasonable mechanism to compensate CWA for its damages, the Contractor shall pay an amount to be calculated monthly in accordance with Section 18.8.2, provided written or oral notice is provided the Contractor as soon as reasonably possible within forty-eight (48) hours and documentation of deduction is provided to the Contractor within ten (10) days of the event causing the deduction.

- 18.8.2 If the Contractor fails to provide required coverage for any shift, the Contractor shall forfeit any and all compensation due it per hourly rate per Security Supervisor or Security Officer per hour therefor. The Contractor shall have deducted the amount of the loss from the invoice(s) and retained by the CWA an amount equal to the number of hours not covered, per hourly rate per Security Supervisor or Security Officer per hour for so long as the post(s) shall remain uncovered. Additionally, the CWA shall charge back to the Contractor or deduct from payment the actual cost incurred for supplying a Security Supervisor or Security Officer to replace the Security Officer who has failed to his or her post.
- 18.8.3 CWA shall determine hours missed by the Contractor by the four following methods: (1) CWA shall conduct on-site inspections to see if posts are filled; (2) CWA shall monitor Daily Activity Reports; (3) CWA shall review Contractor's Field Supervisor reports; and (4) CWA shall review the time records and security videos for those posts requiring clock rounds, if any, and if Security Supervisor or Security Officer fails to read in, CWA shall consider this as evidence that the Security Supervisor or Security Officer was not at their post.

19.0 Causes for Termination of this Contract

- 19.1 Contractor's right to perform services under this Contract may be terminated for the following acts or omissions on the part of Contractor:
- 19.1.1 Failure to provide the number of Security Supervisor or Security Officer required for each assignment and each shift as specified in the Contract.
- 19.1.2 Failure to assign trained substitute Security Officers, per the Scope of Work, as replacements.
- 19.1.3 Allowing a Security Officer to work in excess of twelve (12) hours in any twenty-four (24) hours period or more than forty-eight (48) hours in a work week without the written consent of CWA's Security Manager.
- 19.1.4 Failure to maintain accurate and complete records of all hours worked by each employee of the Contractor assigned to CWA.
- 19.1.5 Failure to provide documentation evidencing the requisite pre-employment medical screening and investigation prior to assignment.
- 19.1.6 Failure to assign correctly uniformed and equipped Security Officers to a Site.
- 19.1.7 Failure to replace any employee assigned to a CWA facility upon request of the CWA's Security Manager.

- 19.1.8 Failure to perform the security training required before assignment to CWA.
 - 19.1.9 Failure to furnish all equipment and material necessary for the performance of the Work.
 - 19.1.10 Failure to provide supervision as specified in the Contract.
 - 19.1.11 Any other failure to comply with the terms of the Contract.
- 19.2 CWA will provide Contractor with written notification of violation of this contract and will give the Contractor an opportunity to remedy the violation within a reasonable period of time, not to exceed seven (7) calendar days

20.0 Addition and Deletion

- 20.1 CWA may add or delete facilities to this agreement and any item or service provided by the Contractor reasonably related to **Part II Scope of Work** by utilizing a written 30-day notice.
- 20.2 Addition of facility, item, or services provided by the Contractor shall be excluded from additional fees and priced at the Contractor's then-current price for such items or services. CWA will not incur any fees associated with the removal of facility, item, or services. The Contractor shall be compensated only for the work performed before the agreed upon date.
- 20.3 In the event of a Severe Weather or Other Emergency Conditions, the Contractor shall provide additional Security Officers at the request of the CWA Security Manager. Security Officer will be compensated at their agreed-upon rate. The Overtime rate will end when the severe weather or emergency subsides, and employees are instructed to return to work.

21.0 Base Wages for Contractor Employees

- 21.1 The Contractor shall provide cost estimates for hours of operation including estimates for business hours, emergency hours, and holidays that Security Supervisors or Security Officers shall be required to remain on-site for the entire eight 8-hour shift(s).
- 21.2 In order to maintain the highest quality level of professional Security Supervisor or Security Officer, the Contractor shall ensure are compensated at the rate indicated in Section 22.0.

22.0 Base Wages to Be Paid to Security Supervisor or Security Officer

- 22.1 Security Supervisors shall be paid a minimum of \$16.00 per hour regular time rate and \$24.00 per hour overtime rate.
- 22.2 Security Officers shall be paid a minimum of \$13.00 per hour regular time rate and \$19.50 per hour overtime rate.
- 22.3 Security Supervisors and Security Officers shall be paid in a timely manner as mutually agreed on by the Contractor and its employees and not any later.

COASTAL WATER AUTHORITY

PART III SERVICE TERMS AND CONDITIONS

These Service Terms and Conditions (these “Terms and Conditions”) may be referenced in contracts entered into by the Coastal Water Authority (“CWA”) for the purchase of various services, goods and other Work. These Terms and Conditions are hereby incorporated by reference into each contract that references them, as if set out fully therein. The “Contract” as used in these Terms and Conditions means the Contract Documents, including the Agreement signed by CWA which incorporates by reference these Terms and Conditions, together with any specifications, attachments, exhibits and other documents incorporated by reference in the Agreement and these Terms and Conditions.

1. Definitions.

“Contractor” means the contractor named in the Agreement.

“Work” means the services required by or reasonably inferable from the Contract, whether commenced or not, or completed or partially completed, and all supervision, labor, goods, materials, equipment and other Work or services provided or to be provided by the Contractor to fulfill the Contractor’s obligations pursuant to the Contract.

2. Contractor’s Standard of Care; General Responsibilities.

Contractor agrees and represents and warrants that (a) all Work shall be performed in a good and workmanlike manner and in the most expeditious and economical manner consistent with the interests of CWA; (b) the Contractor shall exercise the degree of skill, care and diligence in the performance of Work in accordance with the best practices in the industry, all the while utilizing the Contractor’s best professional skill, effort and judgment in furthering the interests of CWA and furnishing efficient business administration and supervision; and (c) all Work will be performed in compliance with all laws, regulations, ordinances, codes, restrictions and requirements of all governmental or public authorities having jurisdiction over the Work or the project (collectively, the Contractor’s “Standard of Care”). Contractor shall furnish all services, supervision, expertise, skill, testing, labor, personnel, materials, supplies, equipment, tools and machinery necessary for the Work. It is understood and agreed that the Work includes any incidental work which can be reasonably inferred as required or necessary to cause the Work to be completed as intended by the Contract.

3. Safety.

Contractor shall maintain and be responsible for creating, implementing, and following Contractor’s own safety program in performing Work and maintaining a safe work place and to comply with Contractor’s Standard of Care and all applicable law bearing upon safety. Consistent therewith, Contractor shall perform Work in a safe and reasonable manner and Contractor shall seek to avoid injury, loss or damage to persons or property by taking reasonable steps to protect:

(a) employees and other persons at the Sites; and (b) materials and equipment stored at the Sites for use in connection with the Work.

4. Invoices, Offset and Withholding.

Invoices shall be delivered or mailed to:

Coastal Water Authority
ATTN: Security Manager
908 Independence Parkway N.
Baytown, TX 77520

Any sums due Contractor under the Contract may be applied by CWA as a set off against any sums owed by Contractor to CWA, or against any claims of third parties against CWA arising from Contractor's performance, whether under this or any other document. Further, CWA shall have the right to withhold from any payment due Contractor an amount to protect CWA from any actual or expected loss arising from: (i) any failure by Contractor to perform the Work in accordance with the requirements of the Contract; (ii) any failure by Contractor to timely perform the Work; or (iii) any failure by Contractor to honor any aspect of these Terms and Conditions, including without limitation any indemnity obligation of these Terms and Conditions.

5. Termination for Convenience of CWA.

CWA has the right to terminate for CWA's convenience, with thirty (30) days prior written notice, all or any part of the Contract or Contractor's right to perform the Work in connection with the Contract. In the event of such termination for convenience, Contractor shall immediately stop all Work hereunder, and shall immediately terminate all related supplier and subcontractor contracts. In the event of such a termination, CWA shall be responsible to compensate Contractor only for that portion of the Work satisfactorily performed to the date of the termination, less any amounts theretofore paid to Contractor. Contractor shall not be paid for any Work performed or obligations Contractor incurs after receipt of the notice of termination.

6. Termination for Cause.

In addition to Section/Paragraph 19.0 of Part II (Scope of Work) of these bid documents, CWA may terminate for cause all or any part of the Contract or Contractor's right to perform the Work in the event of any default by Contractor. Without limiting the generality of the foregoing or applicability of other Contract terms, Contractor's (a) failure to comply with any of the terms or conditions of the Contract; (b) untimely performance of the Work; (c) performance of Work which is defective or which does not conform to the requirements of the Contract; (d) bankruptcy, reorganization, receivership, insolvency, or making an assignment for the benefit of creditors; and (e) failure to provide CWA, upon request, with adequate assurances of future performance, shall each be a default entitling CWA to terminate the Contract for cause. Upon such a termination, Contractor will be liable to and will immediately reimburse CWA for all costs, losses and damages of any nature resulting from Contractor's default.

7. No Damages for Delay.

Notwithstanding anything in the Contract to the contrary, Contractor shall receive no financial compensation for any delay, interference or hindrance by CWA or its representatives or consultants to the performance of the Contract. In no event shall CWA be liable to the Contractor, or any subcontractor of any tier, or supplier, or any other person, or any surety for, or any employee or agent of any of them, for any damages arising out of or associated with any such delay, interference or hindrance, regardless of the source of the delay, interference or hindrance, including events of Force Majeure, AND EVEN IF SUCH DELAY, INTERFERENCE OR HINDRANCE RESULTS FROM, ARISES OUT OF OR IS DUE, IN WHOLE OR IN PART, TO THE NEGLIGENCE, BREACH OF CONTRACT, VIOLATION OF STATUTE OR OTHER FAULT OF ANY INDEMNIFIED PARTY (as defined in Section 9 below). For the purposes of this Section, the term "Force Majeure" means fire, flood, act of God, earthquakes, epidemic, war, riot, civil disturbance, sabotage, terrorism or judicial restraint, but only to the extent such event (i) is beyond the control of and cannot be reasonably anticipated by or the effects alleviated by the Contractor and (ii) prevents the performance of the Contract. Events not specifically listed herein shall not constitute events of Force Majeure. By way of example only, weather which is not abnormal, even if such weather could not be reasonably anticipated and even if such weather prevents the performance of the Work, shall not be an event of Force Majeure.

8. Insurance.

Contractor shall, at all times during the performance of Work under this Contract provide and require all Subcontractors (as defined below) to provide insurance coverage with companies lawfully authorized to do business in Texas and acceptable to the Owner, which coverage will protect the Contractor from claims set forth below which may arise out of or result from the Contractor's operations under the Contract Documents and for which the Contractor may be legally liable, whether such operations are by the Contractor or a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, and meeting not less than the minimum requirements shown below. Such insurance is to be provided at the sole cost of the Contractor and all Subcontractors. To the extent there is any conflict between this Section 8.0 and any other insurance requirement of the Contract Documents, this Section 8.0 shall govern unless, as to any such particular requirement in conflict, this Section 8.0 imposes a less strenuous requirement upon Contractor, in which case the more strenuous requirement shall govern. For the purposes of this Section 8.0, "Subcontractor" means any person having a direct or indirect contract with the Contractor, at any tier, for design or engineering, or for the supply or erection of equipment or materials to be incorporated into or used in connection with the Work, or for the performance of a portion of the Work, in each case forming part of the Work.

Kinds of Claims:

1. claims under workers' or workmen's compensation, disability benefit and other similar employee benefit acts which are applicable to the Contractor's Work to be performed;
2. claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
3. claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;
4. claims for damages insured by usual personal injury liability coverage which are sustained (1) by a person as a result of an offense directly or indirectly related to employment of such person by the Contractor, or (2) by another person;
5. claims for damages because of injury to or destruction of tangible property, including loss of use resulting therefrom;
6. claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;
7. claims involving contractual liability insurance applicable to the Contractor's indemnification obligations under the Contract Documents.

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Minimum Insurance Requirements:

<u>Kinds of Insurance:</u>		<u>Limits of Liability:</u>
A.	Workers' Compensation Texas Operations	Statutory
B.	Employer's Liability	Accident \$1,000,000 Each Accident Disease \$1,000,000 Each Employee Disease \$1,000,000 Policy Limit
C.	Commercial General Liability Including, but not limited to: 1. premises/operations 2. independent contractors' protective 3. products and completed operations 4. personal injury liability with employment exclusion deleted 5. contractual 6. owned, non-owned and hired motor vehicles	\$2,000,000 General Aggregate \$2,000,000 Products/ Completed Operations Aggregate \$1,000,000 Each Occurrence \$1,000,000 Personal and Advertising Injury \$500,000 Fire Damage Liability
D.	Business Automobile Liability including All Owned, Hired and Non-owned Automobiles.	\$1,000,000 Combined Single Limit Per Occurrence
E.	Umbrella Liability	\$5,000,000 Per Occurrence \$5,000,000 Aggregate Bodily Injury and Property Damage

Proof of Insurance By Contractor and Miscellaneous Insurance Provisions:

The Contractor shall furnish, prior to any equipment or personnel being brought on to the site, fully executed insurance forms approved by CWA, which executed forms shall provide for thirty (30) days written notice to CWA concerning any change, alteration, cancellation, non-renewal or expiration in coverage contained in the policies or evidenced by such forms.

The Indemnified Parties shall be additional insureds under each policy except the Worker's Compensation policy.

All policies must provide for waiver of all subrogation rights against the Indemnified Parties. Contractor hereby waives all claims it may have against CWA to the extent any of such claims are covered by insurance required to be furnished by Contractor or any Subcontractors hereunder, and EVEN IF SUCH CLAIMS ARISE OUT OF, RELATE TO OR ARE BASED UPON CWA'S

OWN NEGLIGENCE, BREACH OF CONTRACT, VIOLATION OF STATUTE OR OTHER FAULT.

Upon request, certified copies of original policies shall be furnished to CWA.

Additional requirements regarding Workers' Compensation Insurance are set forth in Appendix – A attached hereto and incorporated herein by reference.

If the Contractor fails to purchase and maintain insurance required under the Contract, CWA may, but is not obligated to, purchase such insurance on behalf of the Contractor and shall be entitled, at CWA's election, to offset the costs thereof from amounts due Contractor or to reimbursement by the Contractor upon demand.

When any required insurance, due to the attainment of a normal expiration date or renewal date, shall expire, the Contractor shall, prior to such expiration, supply CWA with certificates of insurance and amendatory riders or endorsements that clearly evidence the continuation of all coverage in the same manner, limits of protection, and scope of coverage as is required by the Contract Documents. Any renewal or replacement policies shall be in form and substance satisfactory to CWA and written by carriers acceptable to CWA.

If any policy required to be purchased pursuant to the Contract is subject to a deductible, self-insured retention or similar self-insurance mechanism which limits or otherwise reduces coverage, the deductible, self-insured retention or similar self-insurance mechanism shall be the sole responsibility of the Contractor in the event of any loss.

Insurance coverage required to be provided by the Contractor pursuant to the Contract shall be primary for all losses caused by perils covered thereby.

9. INDEMNIFICATION AND RELEASE BY CONTRACTOR.

CONTRACTOR WILL INDEMNIFY, PROTECT, DEFEND, AND HOLD HARMLESS CWA AND ITS ENGINEER AND THE CITY OF HOUSTON AND EACH OF THEIR RESPECTIVE DIRECTORS, OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AND AGENTS (THE "INDEMNIFIED PARTIES"), FROM AND AGAINST ANY AND ALL DEMANDS, LIENS OR OTHER ENCUMBRANCES ON CWA OR ON ITS PROPERTY, CLAIMS, SUITS, CAUSES OF ACTION, LIABILITIES, COSTS, EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND ATTORNEY'S FEES), SETTLEMENTS (VOLUNTARY OR OTHERWISE) AND JUDGMENTS INCURRED IN CONNECTION THEREWITH, WHETHER ARISING IN EQUITY, AT COMMON LAW, OR BY STATUTE (INCLUDING THE TEXAS DECEPTIVE TRADE PRACTICES ACT OR SIMILAR STATUTE OF OTHER JURISDICTIONS), OR UNDER THE LAW OF CONTRACTS, TORTS (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE AND STRICT LIABILITY WITHOUT REGARD TO FAULT) OR PROPERTY, OF EVERY KIND OR CHARACTER, ARISING IN FAVOR OF OR BROUGHT BY ANY OF CONTRACTOR'S EMPLOYEES, AGENTS, SUBCONTRACTORS, OR REPRESENTATIVES, OR BY ANY GOVERNMENTAL AGENCY OR ANY OTHER THIRD PARTY, BASED UPON, IN CONNECTION WITH, RELATING TO OR ARISING OUT OF THIS CONTRACT, THE WORK OR CONTRACTOR'S ACTIONS OR INACTIONS UNDER THIS CONTRACT, ANY

FAILURE TO COMPLY WITH ANY APPLICABLE LAWS, RULES, REGULATIONS, ORDINANCES, ORDERS, CODES, RESOLUTIONS, OR STANDARDS, AND ANY CLAIMED OR ACTUAL INFRINGEMENT OF ANY THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS (INCLUDING WITHOUT LIMITATION CLAIMED OR ACTUAL INFRINGEMENT OF PATENT OR COPYRIGHTS), AND EVEN IF DUE IN WHOLE OR IN PART TO ANY INDEMNIFIED PARTY'S SOLE OR CONCURRENT NEGLIGENCE OR OTHER FAULT, BREACH OF CONTRACT OR WARRANTY, VIOLATION OF STATUTE OR STRICT LIABILITY WITHOUT REGARD TO FAULT WHETHER THE INDEMNIFIED PARTY IS IMMUNE FROM SUIT OR LIABILITY OR NOT. THE OBLIGATIONS OF THIS SECTION 10.1 SHALL APPLY REGARDLESS OF THE AMOUNT OF INSURANCE COVERAGE HELD BY CONTRACTOR, INCLUDING THAT UNDER ANY WORKER'S COMPENSATION ACT, DISABILITY ACT, OR OTHER ACT OR LAW WHICH WOULD LIMIT THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION, OR BENEFITS PAYABLE BY OR FOR CONTRACTOR, AND SHALL NOT BE LIMITED BY ANY INSURANCE CARRIED OR PROVIDED BY CONTRACTOR IN ACCORDANCE WITH THIS CONTRACT OR OTHERWISE. CONTRACTOR'S OBLIGATIONS UNDER THIS SECTION 10.1 SHALL NOT EXTEND TO ANY CONDUCT FOR WHICH INDEMNIFICATION IS PROHIBITED BY SECTIONS 130.001-005 OF THE TEXAS CIVIL PRACTICE AND REMEDIES CODE.

CONTRACTOR HEREBY RELEASES THE INDEMNIFIED PARTIES FROM ANY AND ALL LOSSES, DAMAGES, DEMANDS, CLAIMS, SUITS, AND CAUSES OF ACTION INCURRED BY CONTRACTOR AND ANY AND ALL LIABILITY, COSTS, EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND ATTORNEY'S FEES), SETTLEMENTS, AND JUDGEMENTS INCURRED IN CONNECTION THEREWITH, WHETHER ARISING IN EQUITY, AT COMMON LAW, OR BY STATUTE, INCLUDING THE TEXAS DECEPTIVE TRADE PRACTICES ACT OR SIMILAR STATUTE OF OTHER JURISDICTIONS, OR UNDER THE LAW OF CONTRACTS, TORTS (INCLUDING WITHOUT LIMITATION, NEGLIGENCE, AND STRICT LIABILITY WITHOUT REGARD TO FAULT) OR PROPERTY, OF EVERY KIND OR CHARACTER, BASED UPON, IN CONNECTION WITH, RELATING TO OR ARISING OUT OF THE NATURE OF THE WORK TO BE DONE, OR FROM THE ACTION OF THE ELEMENTS, OR FROM ANY UNFORESEEN CIRCUMSTANCES IN THE PROSECUTION OF THE WORK, OR FROM ANY UNUSUAL OBSTRUCTIONS OR DIFFICULTIES WHICH MAY BE ENCOUNTERED IN THE PROSECUTION OF THE WORK, AND EVEN IF ANY THEREOF ARISE OUT OF OR RESULT FROM ANY INDEMNIFIED PARTY'S SOLE OR CONCURRENT NEGLIGENCE OR OTHER FAULT, BREACH OF CONTRACT OR WARRANTY, VIOLATION OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT OR STRICT LIABILITY WITHOUT REGARD TO FAULT.

Other provisions in the Contract containing indemnities shall be deemed to be cumulative of and to operate independently of the indemnities provided above such that all indemnities provided in the Contract shall be construed to grant indemnity to the Indemnified Parties to the fullest and broadest extent possible.

10. Limitation on CWA's Liability.

To the maximum extent allowed by law, in no event (including without limitation in connection with any termination) shall CWA be liable for anticipated profits or for any incidental, indirect, exemplary or consequential damages of Contractor (including, without limitation any lost profit, lost business opportunities or lost revenue). CWA's liability for any damages arising out of, connected with or resulting from the Contract or from the performance or breach hereof shall in no case exceed the portion of the Contract price unpaid by CWA for the Work or units thereof which give rise to any such liability, and even if any of such damages arise out of or result from CWA's sole or concurrent negligence or other fault, breach of contract or warranty, violation of statute, or strict liability without regard to fault.

11. Waiver.

CWA's failure to insist on performance of any of the terms or conditions of the Contract shall not preclude CWA from thereafter insisting upon, or relieve Contractor from its responsibilities to strictly comply with, each and every requirement of the Contract. Further, no waiver by CWA of any requirement of the Contract shall be effective unless such waiver is expressly set forth in a writing signed by CWA.

12. Tax Exempt Status of CWA.

Pursuant to Section 151.309 of the Texas Tax Code, CWA is exempt from Texas sales, excise, and use tax. CWA will not be responsible for paying any such taxes associated with the Contract and Contractor will have no right to invoice CWA or to be paid by CWA for any such taxes.

13. Amendments

Any modification or amendment of any provision of this Contract must be made in writing and signed by an authorized representative of each Party.

14. Assignments and Subcontracting.

Contractor shall not in whole or in part assign, delegate, subcontract or otherwise transfer the Contract or any of Contractor's rights or obligations under the Contract, including without limitation any right to payment, without the prior written consent of CWA.

15. Governing Law.

The Contract and any disputes arising out of or related to it shall be governed and construed in accordance with the laws of the State of Texas, without regard to its conflict of law principles.

16. Submission to Jurisdiction, Waiver of Right to Remove and Venue.

Contractor hereby agrees that the Contract is performable in whole or in part in Harris County, Texas, and hereby submits to the jurisdiction of the state courts within such county, and agrees that such jurisdiction shall be exclusive with respect to any legal or equitable proceeding filed by Contractor. Further, Contractor hereby expressly, clearly and unequivocally agrees that CWA has the right to choose the forum in which any legal or equitable proceeding arising out of, relating to or connected with the Contract shall be heard; and, having so agreed, Contractor hereby irrevocably waives its right to remove any such proceeding to any federal court should CWA choose to bring any proceeding in any state court of Harris County, Texas. Furthermore, to the fullest extent permitted by law, Contractor hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any proceeding arising out of, relating to or connected with the Contract in any state court residing in Harris County, Texas. Finally, Contractor hereby irrevocably waives any claim which it may now or hereafter have that any such proceeding brought in any state court in Harris County, Texas, has been brought in an inconvenient forum.

17. Severability.

The invalidity, illegality, or unenforceability of any provision of the Contract, or the occurrence of any event rendering any portion or provision of the Contract void shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any invalid, illegal, unenforceable or void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be invalid, illegal, unenforceable or void. CWA and Contractor further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Section 17 shall not prevent the entire Contract from being void should a provision which is the essence of the Contract be determined to be invalid, illegal, unenforceable or void.

18. Notices.

Notices under the Contract shall be considered received on the date of actual receipt unless sent by certified mail, then upon the earlier of (a) actual receipt or (b) five (5) business days after deposit of such notice in the U.S. mail. Notices under the Contract directed to CWA should be addressed to:

Coastal Water Authority
ATTN: Security Manager
908 Independence Parkway N.
Baytown, TX 77520
Phone: 281-838-1160
Fax: 281-424-3992

Notices directed to Contractor shall be addressed to the street address, phone number, or facsimile number listed on the Agreement.

19. Headings.

Headings are for convenience of reference only and shall not affect the interpretation of any provision.

20. Entire Agreement.

The Contract constitutes the entire agreement between CWA and Contractor and supersedes all prior and contemporaneous conditions, agreements, communications or representations, whether oral or written, relating to the subject matter hereof. Neither Party shall be bound by any condition, obligation, covenant, limitation, understanding, nor representation with respect to the subject matter hereof other than as expressly provided in this Contract or in any properly executed amendment hereto.

APPENDIX – A

Workers' Compensation Insurance Coverage

A. Definitions:

Certificate of coverage (“certificate”)- A copy of a Texas Department of Insurance (TDI) approved certificate of insurance, a certificate of authority to self-insure issued by TDI , or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers’ compensation insurance coverage for the person’s or entity’s employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the Contractor’s/person’s work on the project has been completed and accepted by CWA.

Persons providing services on the project (“subcontractor” in §406.096) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. “Services” include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. “Services” does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.

C. The Contractor must provide a certificate of coverage to CWA prior to being awarded the contract.

D. If the coverage period shown on the Contractor’s current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with CWA showing that coverage has been extended.

E. The Contractor shall obtain from each person providing services on a project, and provide to CWA:

- (1) a certificate of coverage, prior to that person beginning work on the project, so CWA will have on file certificates of coverage showing coverage for all persons providing services on the project; and
- (2) no later than seven days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

G. The Contractor shall notify CWA in writing by certified mail or personal delivery, within 10 days after the Contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.

H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:

- (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
- (2) provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
- (3) provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (4) obtain from each other person with whom it contracts, and provide to the Contractor:
 - (a) a certificate of coverage, prior to the other person beginning work on the project; and
 - (b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- (6) notify CWA in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
- (7) contractually require each person with whom it contracts, to perform as required by paragraphs (1) - (7), with the certificates of coverage to be provided to the person for whom they are providing services.

J. By entering into this Contract or providing or causing to be provided a certificate of coverage, the Contractor is representing to CWA that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor which entitles CWA to declare the contract void if the Contractor does not remedy the breach within ten days after receipt of notice of breach from CWA.