

NOTICE OF PUBLIC HEARING
THE FREEPORT CITY COUNCIL
MONDAY, AUGUST 3, 2015, 6:00 P.M.
FREEPORT MUNICIPAL COURT ROOM
FREEPORT POLICE DEPARTMENT, 430 NORTH BRAZOSPORT BLVD.
FREEPORT, TEXAS
AGENDA
FORMAL SESSION

1. Call to order.
2. Invocation.
3. Pledge of Allegiance.
4. Consideration of approving the July 20, 2015 Council Minutes. Pg. 549-550
5. Attending citizens and their business.
6. Presentation: Financial audit report ending September 30, 2014 by Kennemer Masters & Lundford, Certified Public Accountants.
7. Reconsideration of approving Ordinance No. 2015-2092 denying proposed rate increase of CenterPoint Energy Resources Corp., d/b/a CenterPoint Entex and CenterPoint Energy Texas Gas ("CenterPoint") and approving a settlement that includes an increase that is \$2.3 million less than proposed by Centerpoint. Pg. 551-571
8. Reconsideration of awarding the bid for the "Emergency Power and Monitoring Systems authorizing the City Manager or his designee to negotiate a contract with the successful bidder and authorizing the Mayor and the City Secretary, respectively to executive and attest such contract. Pg. 572-594
9. Consideration of advertising and setting a bid date for reconstructing of boat ramp, and piers located on the Old Brazos River behind the Freeport Community House. Pg. 595-601
10. Consideration of the approval of any action to be taken as a result of closed executive session.

Work Session:

- A. Community budget input workshop.
- B. Scheduling August 11 & 12, 2015 budget workshop dates.

Executive Session:

Section 551.071, Government Code

Consultation with City Attorney concerning pending or contemplated litigation, settlement offers or other matter in which his duty to the City Council under the Texas Disciplinary Rules of Professional Conduct of the state Bar of Texas clearly conflicts with Chapter 551, Government Code, to wit:

- Veolia Contract
- Centerpoint Entex
- Club, 127 W. 2nd Street

Items not necessary discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

In compliance with the Americans with Disabilities Act, the City of Freeport will provide for reasonable accommodations for persons attending City Council Meetings. Request should be received 48 hours prior to the meeting. Please contact the City Secretary office at 979-233-3526.

I, Delia Munoz City Secretary for the City of Freeport, Texas certify that this agenda was posted on the official bulletin board/glass door of City Hall, facing the rear parking lot of the building, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, July 31, 2015 at or before 5:00 p.m.

Delia Munoz - City Secretary
City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the Freeport City Council met for a Special Call Meeting on Monday, July 27, 2015 at 6:00 p.m., at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council: Mayor Norma Moreno Garcia
Councilman Larry L. McDonald
Councilman Fred Bolton
Councilwoman Sandra Barbree
Councilwoman Sandra Loeza

Staff: Gilbert Arispe, Assistant City Manager
Delia Munoz, City Secretary
Wallace Shaw, City Attorney
Nat Hickey, Property Manager

Visitors: Annette Sanford

Call to order.

Mayor Norma Moreno Garcia called the meeting to order at 6:00 p.m.

Invocation.

Mr. Wallace Shaw offered the invocation.

Pledge of Allegiance.

Mayor Norma Moreno Garcia led the Pledge.

Consideration of approving the July 20, 2015 Council Minutes.

On a motion by Councilman McDonald, seconded by Councilman Bolton, with all present voting "Aye", Council unanimously approved the July 20, 2015 Council Minutes.

Consideration of approving Ordinance No. 2015-2092 denying proposed rate increase of CenterPoint Energy Resources Corp., d/b/a CenterPoint Entex and CenterPoint Energy Texas Gas ("CenterPoint") and approving a settlement that includes an increase that is \$2.3 million less than proposed by Centerpoint.

On a motion by Councilman Bolton, seconded by Councilman McDonald, with all present "Aye", Council unanimously denied Ordinance No. 2015-2092 denying proposed rate increase of CenterPoint Energy Resources Corp., d/b/a CenterPoint Entex and CenterPoint Energy Texas Gas ("CenterPoint") and approving a settlement that includes an increase that is \$2.3 million less than proposed by Centerpoint.

Adjourn

On a motion by Councilman McDonald, seconded by Councilwoman Barbree, with all present voting "Aye", Mayor Norma M. Garcia adjourned the meeting at 6:12 p.m.

Mayor Norma Moreno Garcia
City of Freeport, Texas

Delia Munoz, City Secretary
City of Freeport, Texas

AGENDA INFORMATION SHEET
ITEM NO. 7

DENIAL OF CENTERPOINT ENERGY'S PROPOSED INCREASE IN RATES FILED ON ABOUT MARCH 27, 2015 AND APPROVING A SETTLEMENT, WHICH INCLUDES AN INCREASE OF \$4.9 MILLION COMPARED TO CENTERPOINT'S REQUESTED INCREASE IN RATES OF \$7.2 MILLION AND RESOLVES LITIGATION OF PENDING APPEALS

BACKGROUND

This agenda item presents a Settlement Agreement of the rate case CenterPoint Energy Resources Corp., d/b/a CenterPoint Entex and CenterPoint Energy Texas Gas ("CenterPoint" or "Company") submitted to the City on about March 27, 2015, as well as four (4) other rate cases submitted by CenterPoint from 2008 – 2011. Thus, the Settlement Agreement resolves 5 rate cases:

1. CenterPoint's rate case filed with the Railroad Commission of Texas ("Commission") and the City on about March 27, 2015, which the City suspended in April, 2015; the Commission assigned Gas Utilities Docket (GUD) No. 10432 to CenterPoint's application
2. GUD No. 9791 (2008); GUD 9791 is the seminal case in which the Commission approved a "cost of service adjustment" ("COSA");
3. GUD 9910 (2009);
4. GUD 10007 (2010); and
5. GUD 10097 (2011).

The City participated in these proceedings as part of Texas Coast Utilities Coalition (TCUC) of cities. The Cities of Angleton, Baytown, Clute, Freeport, League City, Pearland, Shoreacres, West Columbia, and Wharton are members in TCUC.

MARCH 27, 2015 RATE CASE (GUD No. 10432):

CenterPoint sought an increase of \$7.2 million, which represents an increase of about 11.3%. TCUC's Special Counsel (Herrera & Boyle, PLLC – Alfred R. Herrera) and TCUC's consultant (NewGen Strategies & Solutions, LLC - Ms. Constance Carnady) recommend that the City approve the Settlement Agreement that increases rates by \$4.9 million in annual revenue, an increase of about 9.8%, and resolves appeals of the Railroad Commission's final orders in 4 prior rate cases.

Table I compares the change in a customer's average monthly bill at current rates to: (1) CenterPoint's proposed increase at \$7.2 million; and (2) the increase at the settlement amount of \$4.9 million:

TABLE I			
	Increase in Average Bill at \$7.2 million	Increase in Average Bill at \$4.9 million	Difference
Residential	\$2.54	\$1.60	\$0.94
Sm. General	\$6.07	\$5.38	\$0.69
Large General	-\$49.45	-\$48.10	\$1.35

The Settlement Agreement limits the increase in the customer charge for the Residential class to 13¢, going from \$14.77 to \$15.00. CenterPoint also agreed to reimburse the cities' rate case expenses, which would add about 6¢ per month to a customer's bill.

GUD NO. 9791 – THE COMMISSION'S "COSA" TARIFF, AND GUD NOS. 9910, 10007, AND 10097:

Remand of GUD No. 9791: The Settlement Agreement provides consideration for resolution of GUD No. 9791, the seminal case in which the Railroad Commission first approved a COSA tariff for CenterPoint. Ultimately the Texas Supreme Court concluded that the Commission had the authority to adopt a COSA tariff but remanded the case back to the Commission because of the Commission's failure to properly address affiliate expenses recovered through rates. The Commission held a hearing in the remand of GUD 9791 on June 11, 2015 to address affiliate expenses, and pending approval of the Settlement Agreement, the parties have agreed to abate the schedule in that proceeding.

GUD Nos. 9910, 10007, and 10097: From 2009 – 2001 the Railroad Commission, in GUD Nos. 9910, 10007, and 10097, approved changes in CenterPoint's rates under the COSA tariff. These cases stem from GUD 9791, the seminal case in which the Commission first approved a COSA tariff. The TCUC cities appealed to Travis County District Court, not only the validity of the COSA tariff, but also the change in rates the Commission approved under the COSA tariff, and in particular, the lack of evidence to support the rates the Commission approved. Given the Texas Supreme Court's ruling regarding the validity of the COSA tariff, the remaining issues on appeal challenge the Commission's lack of evidence to support the rates it approved, including the lack of support for recovery of affiliate expenses.

Settlement of CenterPoint's March 27th rate application also provides consideration for resolution of these appeals through a lesser increase in the pending rate case filed on March 27, 2015, and avoids years of continued and protracted litigation and the accompanying expense to prosecute those cases.

ACTION: DENY CENTERPOINT'S PROPOSED RATE INCREASE OF \$7.2 MILLION, AND APPROVE A SETTLEMENT INCREASING CENTERPOINT'S ANNUAL REVENUE BY \$4.9 MILLION

The City has three options with regard to the action it may take regarding CenterPoint's application to increase rates:

1. Take no action, and on August 21, 2015, CenterPoint's proposed rates go into effect;
2. Deny CenterPoint's proposed increase in rates, in which case CenterPoint would file an appeal to the Railroad Commission;
3. Approve the proposed Settlement Agreement, which provides CenterPoint an increase in rates of \$4.9 million for rates, services, and operations within the City and ends the litigation related to GUD No. 9791, GUD 9910, and GUD No. 10007, and GUD 10097..

RECOMMENDATION

TCUC's Special Counsel and consultant recommend that the City deny CenterPoint's proposed increase of \$7.2 million but approve the proposed Settlement, which increases CenterPoint's annual revenue by \$4.9 million and resolves the cases pending on appeal in GUD Nos. 9791, 9910, 10007, and 10097.

If the City denies CenterPoint any increase, CenterPoint would appeal that denial to the Railroad Commission of Texas and consolidate it with the rate case CenterPoint filed at the Commission (GUD No. 10432). Denial of the rate increase would end the City's original jurisdiction over CenterPoint's application.

In conformance with the Settlement Agreement, the City must take action no later than July 30, 2015.

AN ORDINANCE OF THE CITY OF FREEPORT
APPROVING A SETTLEMENT AGREEMENT BETWEEN THE
TEXAS COAST UTILITIES COALITION OF CITIES AND
CENTERPOINT ENERGY RESOURCES CORP., D/B/A
CENTERPOINT ENTEX AND CENTERPOINT ENERGY TEXAS
GAS REGARDING THE COMPANY'S STATEMENT OF INTENT
TO CHANGE GAS UTILITY RATES IN ITS TEXAS COAST
DIVISION; DECLARING EXISTING RATES TO BE
UNREASONABLE; DENYING CENTERPOINT'S PROPOSED
INCREASE; ADOPTING TARIFFS THAT REFLECT RATE
ADJUSTMENTS CONSISTENT WITH THE SETTLEMENT
AGREEMENT AND FINDING THE RATES TO BE SET BY THE
ATTACHED TARIFFS TO BE JUST AND REASONABLE;
FINDING THE CITY'S RATE CASE EXPENSES REASONABLE;
DIRECTING CENTERPOINT TO REIMBURSE THE CITY ITS
REASONABLE RATE CASE EXPENSES; DETERMINING THAT
THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE
REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT;
DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR
RESOLUTIONS OR ORDINANCES INCONSISTENT WITH THIS
ORDINANCE AND REQUIRING DELIVERY OF THIS
ORDINANCE TO THE COMPANY AND LEGAL COUNSEL

WHEREAS, the City of Freeport, Texas ("City") has
exclusive original jurisdiction as a regulatory authority over CenterPoint Energy
Resources Corp., d/b/a CenterPoint Entex and CenterPoint Energy Texas Gas
("CenterPoint" or "Company") rates, operations, and services within the City; and

WHEREAS, the City is also a gas utility customer of CenterPoint, and has an
interest in CenterPoint's rates and charges; and

WHEREAS, CenterPoint filed a Statement of Intent with the City on or about
March 27, 2015 ("*March 27th Application*") to increase its annual revenue requirement by
approximately \$6.8 million in the Company's Texas Coast Division, with a proposed
effective date of May 1, 2015, which represents an increase in base revenue of
approximately 11%; and

WHEREAS, CenterPoint on March 27, 2015, filed its Statement of Intent with
the Railroad Commission of Texas to increase its annual revenue requirement by
approximately \$6.8 million in the Company's Texas Coast Division, with a proposed

effective date of May 1, 2015, which represents an increase in base revenue of approximately 11%, and subsequently modified its request to seek an increase of about \$7.2 million, which represents an increase of about 12% in non-gas revenue; and

WHEREAS, the City took action to suspend the effective date and to coordinate a response to CenterPoint's filing with other similarly situated municipalities (such participating cities are referred to herein as the Texas Coast Utilities Coalition of cities ("TCUC")); and

WHEREAS, the City took action on or before May 1, 2015 to suspend CenterPoint's proposed effective date; and

WHEREAS, one of TCUC's goals is to minimize rate-case expenses to the extent reasonable, that otherwise would result from lengthy, contested rate-case proceedings before the Railroad Commission of Texas and through the appellate process in the courts for the pending rate case; and

WHEREAS, TCUC authorized its attorneys and experts to formulate and review reasonable settlement positions to resolve CenterPoint's pending request to increase rates; and other rate proceedings related to Gas Utilities Docket Nos. 9791, 9910, 10007, and 10097; and

WHEREAS, TCUC's attorneys met numerous times with the Company to negotiate a Settlement Agreement resolving the issues raised by the Company's Statement of Intent filing; and

WHEREAS, after extensive review and analysis, TCUC's attorneys and experts found that CenterPoint's initially proposed increase in revenue and its initially proposed rates are unreasonable; and

WHEREAS, TCUC's attorneys and experts have evaluated what a likely outcome from a fully-litigated proceeding would be and are of the opinion that the increase of approximately \$4.9 million noted in the negotiated Settlement Agreement compares favorably with a likely outcome from a fully-litigated proceeding; and

WHEREAS, after extensive review and analysis, TCUC's attorneys and experts found that the lower increase of approximately \$4.9 million instead of the \$7.2 million increase initially proposed by CenterPoint is reasonable; and

WHEREAS, TCUC's attorneys and experts and TCUC, based on the advice of its attorneys and experts, recommend that TCUC members approve the negotiated Settlement Agreement and attached tariffs; and

WHEREAS, under the Gas Utility Regulatory Act, the City has a right to reimbursement of its reasonable rate-case expenses and CenterPoint has an obligation to reimburse the City's reasonable rate-case expenses; and

WHEREAS, the attached tariffs implementing new rates are consistent with the Settlement Agreement and are just, reasonable, and in the public interest; and

WHEREAS, the Settlement Agreements regarding CenterPoint's *March 27th Application* and Gas Utilities Docket Nos. 9791, 9910, 10007, and 10097, as a whole are in the public interest;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS HEREBY ORDAINS:

Section 1. That the findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. That the City Council finds that the Settlement Agreement regarding CenterPoint's *March 27th Application*, attached hereto as Attachment A, and including Exhibits A through Exhibits E of that Settlement Agreement, and the Agreement regarding Gas Utilities Docket Nos. 9791, 9910, 10007, and 10097, appended hereto as Attachment B, all incorporated herein, are in the public interest and are hereby endorsed in all respects.

Section 3. That CenterPoint's existing rates are found unreasonable and the rates set forth in the Settlement Agreement are just and reasonable.

Section 4. That the revenue and resulting rates set forth in the Settlement Agreement and schedule of rates and tariffs for gas-utility service provided by CenterPoint, and the reimbursement of rate case expenses, which are attached as Exhibit A to the Settlement Agreement appended to this Ordinance in Attachment A, are just and reasonable, and are hereby adopted for service rendered on and after August 21, 2015.

Section 5. That the rates under the Settlement Agreement shall be effective for service rendered on and after August 21, 2015.

Section 6. That CenterPoint shall submit to the City annually, reports by no later than September 30 of each year detailing the amount of rate case expenses CenterPoint has collected through rates as of August 30 of each year and showing the balance remaining to be collected.

Section 7. That the CenterPoint's and TCUC's rate-case expenses incurred in CenterPoint's *March 27th Application*, and TCUC's rate-case expenses incurred in Railroad Commission of Texas Gas Utilities Docket Nos. 9791, 9910, 10007, and 10097, are reasonable; and the amounts shown in the Settlement Agreement for plant-in-service balances; the base-year level amounts for tracking changes in pension-related and other post-employment benefits; and the factors shown for capital structure; return on equity; and the factors related to Interim Rate Adjustments, are appropriate for future ratemaking proceedings submitted by CenterPoint.

Section 8. That CenterPoint is ordered to reimburse TCUC's total rate case expenses incurred in CenterPoint's *March 27th Application* and in incurred by TCUC related to Railroad Commission of Texas Gas Utilities Docket Nos. 9791, 9910, 10007, and 10097, within thirty (30) days from the effective date of this Ordinance.

Section 9. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 10. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 11. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provision of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

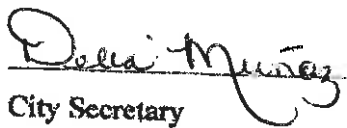
Section 12. That this Ordinance shall become effective from and after its passage.

Section 13. The City Secretary or other appropriate city official shall notify CenterPoint of this Ordinance by sending a copy of the Ordinance to Mr. Thomas Stevens, Director of Regulatory Affairs, CenterPoint Energy, P.O. Box 2628, Houston, Texas 77252-2628, and TCUC shall be notified by sending a copy of this Ordinance to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Ave., Suite 1250, Austin, Texas 8701, by fax to 512-474-2507.

PASSED AND APPROVED this _____ day of _____, 2015.

Mayor

ATTEST:



City Secretary

ATTACHMENT A

CenterPoint's March 27, 2015 Statement of Intent

Stipulation and Settlement Agreement

- Exhibit A – Rates & Tariffs**
- Exhibit B - Proof of Revenues**
- Exhibit C – Net Investment &
Depreciation Rates**
- Exhibit D – Rate Case Expense
Affidavits**
- Exhibit E – Cities & Customers
Affected**

STATEMENT OF INTENT OF
CENTERPOINT ENERGY RESOURCES
CORP., D/B/A CENTERPOINT ENERGY
ENTEX AND CENTERPOINT ENERGY
TEXAS GAS TO INCREASE RATES ON
A DIVISION-WIDE BASIS IN THE
TEXAS COAST DIVISION

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BEFORE THE
RAILROAD COMMISSION
OF TEXAS

UNANIMOUS SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas ("CenterPoint" or the "Company"); the Texas Coast Utilities Coalition whose members include the Cities of Angleton, Baytown, Clute, Freeport, League City, Pearland, Shoreacres, West Columbia, and Wharton, Texas (collectively, "TCUC Cities"); the Gulf Coast Coalition of Cities ("GCCC") whose members include the Cities of Alvin, Brookshire, Clear Lake Shores, Dickinson, Friendswood, Fulshear, Kemah, Lake Jackson, La Marque, Manvel, Mont Belvieu, Morgan's Point, Rosenberg, Santa Fe, Seabrook, Sugar Land, Taylor Lake Village, Texas City, Webster, and Weston Lakes, Texas (collectively "GCCC Cities"); and the Staff of the Railroad Commission of Texas ("Staff"), (collectively, the "Signatories").

WHEREAS, on March 27, 2015, CenterPoint filed its Statement of Intent to Increase Rates with the Railroad Commission of Texas ("Commission") and each of the cities in the Texas Coast Division retaining original jurisdiction; and

WHEREAS, the Commission docketed the rate request as GUD No. 10432; and

WHEREAS, the GCCC Cities, TCUC Cities, and Commission Staff sought intervention and were granted party status in GUD No. 10432; and

WHEREAS, the GCCC Cities have denied the Company's rate request, which denials were subsequently appealed to the Commission; and

WHEREAS, certain TCUC Cities denied the Company's rate request, which denials were subsequently appealed to the Commission and certain TCUC Cities have currently suspended the implementation of the Company's rate request; and

WHEREAS, the Company has sought the consolidation of all other municipal appeals with GUD No. 10432; and

WHEREAS, CenterPoint has filed direct testimony and an errata to its Statement of Intent; and

WHEREAS, direct testimony by GCCC and TCUC was initially due on June 24, 2015, and Commission Staff direct testimony on July 1, 2015, but GCCC, TCUC, and Commission Staff did not file direct testimony in reliance on this Unanimous Settlement Agreement; and

WHEREAS, the parties have engaged in significant discovery regarding the issues in dispute; and

WHEREAS, the Signatories agree that resolution of this docket by settlement agreement will significantly reduce the amount of reimbursable rate case expenses associated with this docket;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to and recommend for approval by the Commission the following Settlement Terms as a means of concluding the above-referenced docket filed by CenterPoint on behalf of its Texas Coast Division without the need for prolonged litigation:

Settlement Terms

1. The Signatories agree to the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A. The tariffs attached as Exhibit A replace and supersede those tariffs currently in effect in the Texas Coast Division. These tariffs are premised on an increase of an additional \$4.9 million in annual revenues as illustrated in the proof of revenues attached as part of Exhibit B to this Settlement Agreement in CenterPoint's Texas Coast Division. Except as specifically provided herein, the Signatories agree that the \$4.9 million revenue increase is a "black box" figure and is not tied to any specific expense in CenterPoint's Texas Coast Division's underlying cost of service. The Signatories further agree that the rates, terms and conditions reflected in Exhibit A to this Settlement Agreement comply with the rate-setting requirements of Chapter 104 of the Texas Utilities Code. The gas rates, terms and conditions established by this Settlement Agreement shall be effective upon approval by the Commission.
2. The Signatories agree to the following customer charges and volumetric rates. These rates are reflected in the rate schedules attached as Exhibit A.

	Customer Charge	Commodity Charge
Residential	\$15.00	\$0.0746 per Ccf
General Service - Small	\$15.50	\$0.0671 per Ccf
General Service - Large Volume	\$45.00	\$0.0440 per Ccf

3. The Signatories agree to the following capital structure and weighted cost of capital, including the pre-tax return, as shown below:

	Capital Structure	Debt/Equity Cost	Weighted Cost of Capital	Pre-Tax Return
Long-Term Debt	45.5%	6.1141%	2.78%	2.78%
Common Equity	54.5%	10.0%	5.45%	8.38%
Rate of Return	100%		8.23%	11.17%

4. The Signatories agree that any Interim Rate Adjustment ("IRA") filing in the Texas Coast Division pursuant to Texas Utilities Code § 104.301 shall use the following factors until changed by a subsequent general rate proceeding:

- The capital structure and related components as shown above in item 3.
- For any initial IRA filing, the Net Investment, which includes detail of Plant in Service amounts by Fixed Capital Account ("FCA") along with the associated depreciation rate for each account as shown on Exhibit C.
- For any initial IRA filing, the beginning amount of ad valorem taxes at the Texas Coast Division level is \$2,238,994 and the standard sales service amount is \$2,179,217. Margin tax will be calculated using a .75% factor until or unless changed by statute.
- For any initial IRA filing, the rate base amount for standard sales service is \$132,920,321 for purposes of calculating the federal income tax on related schedules in the IRA filing. This amount is derived based on settlement and should not be considered precedential for purposes of regulatory assets or liabilities associated with pensions, retirement plans, and deferred benefits requested in this case.
- For any initial IRA filing, the customer charges as noted in item 2 above will be the starting rates to apply to any IRA adjustment.
- The base rate revenue allocation factors to spread any change in IRA increase/decrease to the appropriate customer classes is as follows:

Residential	Small	Large
92.5131%	6.3790%	1.1079%

5. CenterPoint may pursue a deferred benefit regulatory asset or liability pursuant to Texas Utilities Code § 104.059 in a future filing. The Signatories identify the following amounts as the base year level to track changes in pension-related and other post-employment benefits:

Description	Total
Pension	\$1,666,822
Benefit Restoration Plan	\$290,207
Post Employment	\$138,363
Post Retirement	\$469,733

6. CenterPoint, GCCC, and TCUC represent that their reasonable rate case expenses incurred through May 2015, and estimated rate case expenses incurred through completion of this case, are as follows:

	Actual Invoices Received	Invoices Due and Est. to Completion	TOTAL
CenterPoint	\$459,887.57	\$160,000.00	\$619,887.57
GCCC	\$81,458.94	\$5,000.00	\$86,458.94
TCUC	\$71,290.29	\$4,550	\$75,840.29

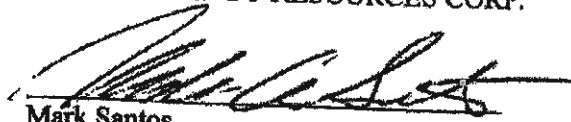
7. CenterPoint, GCCC, and TCUC attach as Exhibit D affidavits and invoices in support of these amounts, and will supplement with additional invoices as they are processed. CenterPoint, GCCC and TCUC agree that the amounts represented above are reasonable and recoverable pursuant to Texas Utilities Code § 103.022. CenterPoint, GCCC, and TCUC agree that the recovery period for the applicable surcharge to recover rate-case expenses shall be thirty-six months. CenterPoint agrees to reimburse GCCC and TCUC the amount of rate case expenses set forth above within 30 days of the issuance of an order authorizing recovery of those expenses. The parties intend and advocate that the Commission authorize recovery of the rate case expenses recited above in the same proceeding and at the same time as it approves this Unanimous Settlement Agreement.
8. As part of this Unanimous Settlement Agreement, TCUC agrees to withdraw its pending appeal in the Remand of GUD No. 9791 and its appeals of GUD Nos. 9910, 10007 and 10097, which are currently pending in Travis County District Courts (docketed as D-1-GN-10-001189, D-1-GN-11-001472, D-1-GN-12-000930, D-1-GN-12-000931, and D-1-GN-12-000932).
9. As part of this Unanimous Settlement Agreement, and in consideration for the increase in rates agreed to in Paragraph No. 1 and the agreements set forth in Paragraph No. 8, above, the TCUC Cities of Angleton, Baytown, League City, Pearland, West Columbia, and Wharton agree to adopt the tariffs and rate schedules attached to this Unanimous Settlement Agreement by municipal ordinance, on or before July 31, 2015, so as to effect the implementation of system wide rates. In the event that the aforementioned Cities fail to approve the Unanimous Settlement Agreement by July 31, 2015, these Cities agree that the municipal decisions shall be appealed to the Commission and that the rates agreed to pursuant to this Unanimous Settlement Agreement should be adopted by the Commission as just and reasonable rates within those municipalities.
10. The signatories agree that the affiliate expenses included in the black box amount above are recoverable consistent with the provisions in Section 104.055 of the Gas Utility Regulatory Act. This agreement with respect to requested affiliate expenses is derived based on settlement and should not be considered precedential.
11. The classes and number of customers affected by this Unanimous Settlement Agreement are identified on a city-by-city and unincorporated-area basis in Exhibit E.

12. The Signatories agree to support and seek Commission approval of this Unanimous Settlement Agreement. The Signatories further agree to make all efforts to present the Commission with this Unanimous Settlement Agreement at Conference scheduled for July 14, 2015 or as soon as possible thereafter.
13. The Signatories agree that all negotiations, discussions, and conferences related to the Unanimous Settlement Agreement are privileged, inadmissible, and not relevant to prove any issues associated with the Statement of Intent to Increase Rates in the Texas Coast Division filed on March 27, 2015.
14. The Signatories agree that neither this Unanimous Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the entry by the Commission of an order approving this Settlement Agreement.
15. The Signatories agree that the terms of the Unanimous Settlement Agreement are interdependent and indivisible, and that if the Commission intends to enter an order that is inconsistent with this Settlement Agreement, then any Signatory may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Signatory's entry into the Settlement Agreement or its subsequent withdrawal and further agrees that CenterPoint's application to increase rates will be remanded for hearings.
16. The Signatories agree that this Unanimous Settlement Agreement is binding on each Signatory only for the purpose of settling the issues set forth herein and for no other purposes, and except to the extent the Settlement Agreement governs a Signatory's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Signatory outside this proceeding.
17. The Signatories agree that this Unanimous Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this 2nd day of July, 2015.

CENTERPOINT ENERGY RESOURCES CORP.

By:



Mark Santos

Attorney for CenterPoint Energy Resources Corp.

TEXAS COAST COALITION OF CITIES

By:



Alfred Herrera

Attorney for Texas Coast Coalition of Cities

GULF COAST COALITION OF CITIES

By:




Thomas Brocato

Attorney for Gulf Coast Coalition of Cities

STAFF OF THE RAILROAD COMMISSION OF TEXAS

By:



John Pierce Griffin

Attorney for Staff of the Railroad Commission of Texas

Agreed to this 6th day of July, 2015.

CENTERPOINT ENERGY RESOURCES CORP.

By:

Mark Santos

Attorney for CenterPoint Energy Resources Corp.

TEXAS COAST COALITION OF CITIES

By:



Alfred Herrera

Attorney for Texas Coast Coalition of Cities

GULF COAST COALITION OF CITIES

By:

Thomas Brocato

Attorney for Gulf Coast Coalition of Cities

STAFF OF THE RAILROAD COMMISSION OF TEXAS

By:

John Pierce Griffin

Attorney for Staff of the Railroad Commission of Texas

Agreed to this ___nd day of July, 2015.

CENTERPOINT ENERGY RESOURCES CORP.

By: _____
Mark Santos
Attorney for CenterPoint Energy Resources Corp.

TEXAS COAST COALITION OF CITIES

By: _____
Alfred Herrera
Attorney for Texas Coast Coalition of Cities

GULF COAST COALITION OF CITIES

By: _____

Thomas Brocato
Attorney for Gulf Coast Coalition of Cities

STAFF OF THE RAILROAD COMMISSION OF TEXAS

By: _____
John Pierce Griffin
Attorney for Staff of the Railroad Commission of Texas

Agreed to this ___nd day of July, 2015.

CENTERPOINT ENERGY RESOURCES CORP.

By:

Mark Santos
Attorney for CenterPoint Energy Resources Corp.

TEXAS COAST COALITION OF CITIES

By:

Alfred Herrera
Attorney for Texas Coast Coalition of Cities

GULF COAST COALITION OF CITIES

By:

Thomas Brocato
Attorney for Gulf Coast Coalition of Cities

STAFF OF THE RAILROAD COMMISSION OF TEXAS

By:



John Pierce Griffin
Attorney for Staff of the Railroad Commission of Texas

ATTACHMENT B

*CenterPoint and Texas Coast
Utilities Coalition of Cities*

Rule 11 Agreement

*GUD Nos. 9791, 9910, 10007, and
10097*

Parsley Coffin Renner

A Limited Liability Partnership

Post Office Box 13366
Austin, Texas 78711
Telephone (512) 879-0900
Fax (512) 879-0912

July 2, 2015

Alfred R. Herrera
Attorney for Texas Coast Coalition of Cities
816 Congress Avenue, Suite 1250
Austin, Texas 78701

Re: GUD 10432; *Statement of Intent of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas to Increase Rates on a Division-wide Basis in the Texas Coast Division*

Mr. Herrera:

This letter confirms our agreement regarding the disposition of certain cases described below and also referenced in the Unanimous Settlement Agreement signed by CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas ("CenterPoint" or the "Company") and the Texas Coast Utilities Coalition ("TCUC") in Gas Utilities Docket ("GUD") No. 10432.

Pursuant to Rule 11 of the Texas Rules of Civil Procedure, TCUC and CenterPoint agree to the following:

1. As part of the Unanimous Settlement Agreement in GUD No. 10432, and within twenty days from the Railroad Commission's approval of that Agreement, TCUC agrees to withdraw its pending appeal in the Remand of GUD No. 9791 and its appeals of GUD Nos. 9910, 10007 and 10097, which are currently pending in Travis County District Courts (docketed as D-1-GN-10-001189, D-1-GN-11-001472, D-1-GN-12-000930, D-1-GN-12-000931, and D-1-GN-12-000932).
2. Within thirty (30) days from all TCUC cities having issued an ordinance or resolution approving the Unanimous Settlement Agreement in GUD No. 10432, approving the rate case expense tariff attached to this agreement, and TCUC having provided an invoice for actual amounts incurred and yet to be reimbursed, CenterPoint shall reimburse TCUC its expenses related to GUD No. 9791 and to GUD Nos. 9910, 10007 and 10097, including related appeals, in the amount of \$405,000 and CenterPoint shall recover TCUC's unreimbursed expenses associated with these proceedings through a surcharge in the Cities of Angleton, Baytown, Clute, Freeport, League City, Pearland, Shoreacres, West Columbia, and Wharton, Texas (collectively, "TCUC Cities") and the Company agrees not to seek recovery of its expenses associated with these appeals. The recovery period for the applicable

98 San Jacinto Boulevard, Suite 1450, Austin, Texas 78701

surcharge in the TCUC Cities shall be thirty-six months and the surcharge shall be computed and applied based on the volume of gas sold by CenterPoint in the TCUC Cities.

Invoices will be sent to the following address for processing:

Thomas Stevens
Director of Regulatory Affairs
CenterPoint Energy
P.O. Box 2628
Houston, Texas 77252-2628

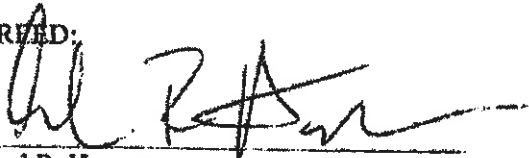
Please sign below to indicate your agreement to these terms

Best regards,



Mark Santos
Attorney for CenterPoint

AGREED:



Alfred R. Herrera
Attorney for Texas Coast Coalition of Cities



11821 East Freeway
Suite 360
Houston, Texas 77030
Tel: 281-450-1300
Phone 713 450 1300
Fax 713 450 1300
www.ljaengineering.com

July 16, 2015

Honorable Mayor and City Council
City of Freeport
City Hall
200 W. 2nd Street
Freeport, Texas 77541

RE: Bid Tabulation and Recommendation for Award for Construction of
Emergency Power and Monitoring Systems (2nd Bidding)
LJA Project No. E217-0010

Honorable Mayor and Council,

Bids for construction of the reference project were received at 9:00 A.M., Tuesday, July 13, 2015 at the City of Freeport City Hall 2nd Floor Conference Room and subsequently read in public. Two (2) contracting firms submitted bids for the project. Arithmetic errors were found in both bids but it did not change the status of the bids..

The bidders from low to high and the correct total amounts bid are as follows:

<u>Contractor</u>	<u>Location</u>	<u>Contract Amount</u>
McDonald Municipal & Industrial A Div. of C.F. McDonald Electric, Inc.	Houston, TX	\$1,160,669.01
Total Energy Solutions Co., LLC	Houston, TX	\$1,231,587.00

A copy of the Bid Tabulation is attached.

The bidding documents of the bidders were examined and found to be in order. A Qualification Statement of the low bidder is submitted for your review.

Mayor and City Council
City of Freeport
July 16, 2015
Page 2
LJA Project No. E217-0010

Our investigation of McDonald Municipal and Industrial A Div. of C.F. McDonald Electric, Inc. of Houston, Texas included a review of their Surety, references of previous projects and present and past work experience with LJA Engineering, Inc.. Based on our investigation, we recommend awarding a contract to the low bidder, McDonald Municipal and Industrial A Div. of C.F. McDonald Electric, Inc. The total amount bid by the low bidder was \$1,160,669.01 and is within available grant funds. Total Energy Solutions submitted an alternate for radio communication controlled SCADA systems that was above grant funds. Total Energy Solutions also submitted an alternate for cellular communication controlled SCADA systems that was more expensive than the originally specified system.

If you have any questions or need additional information, please contact me direct at 713-657-6014.

Sincerely,



Mark Havran, P.E.
Project Manager

Attachment

cc: Mr. Bob Welch, City of Freeport
Mr. Jeff Pynes, City Manager
Ms. Delia Munoz, City Secretary
Mr. Gilbert Arispe, City of Freeport
Ms. Cristal Funderburk, Community Development Project Mgr.
Mr. Jim Valenzuela, P.E., Area Manager
Mr. Wallace Trochesset, P.E., LJA
Ms. Laura Hedden, LJA
Construction File 16.6

Bid Tabulation - Bid Opening, Monday, July 13, 2015 @ 2:00 P.M. Page 1
 CITY OF FREEPORT
 EMERGENCY POWER AND MONITORING SYSTEMS (2nd BIDDING)
 LJA PROJECT NO. E217-0010
 FRN F-1386

McDonal Municipal & Industrial, Inc.
 5044 Timber Creek
 Houston, TX 77017
 PH: 713-921-1388
 Wayneb@mcdonaldinc.com
 Wayne Berkenmeier, VP Special Projects

Total Energy Solutions Co., LLC
 15811 Tuckerton Rd.
 Houston, TX 77095
 PH: 281-861-1284
 tomm@totalenergysolutions.net
 Tom McCroskey, General Manager

ITEM NO.	DESCRIPTION	EST. QTY.	UNITS	UNIT PRICE	TOTAL PRICE PER ITEM	UNIT PRICE	TOTAL PRICE PER ITEM
1	Riverside Lift Station Emergency Generator (80kw, Natural Gas Fuel) Including Automatic Transfer Switch, Concrete Pads, and Natural Gas Connection, Complete in Place.	1	LS	\$67,000.00	\$67,000.00	\$53,982.00	\$53,982.00
2	Avenue F Water Plant Emergency Generator (150kw, Natural Gas Fuel) Including Automatic Transfer Switch, Concrete Pads, and Natural Gas Connection, Complete in Place.	1	LS	\$92,000.00	\$92,000.00	\$71,073.00	\$71,073.00
3	8th Street Water Plant Emergency Generator (150kw, Natural Gas Fuel) Including Automatic Transfer Switch, Concrete Pads, and Natural Gas Connection, Complete in Place.	1	LS	\$92,000.00	\$92,000.00	\$75,844.00	\$75,844.00
4	South Avenue A (Kouches) Storm Water Pump Station Emergency Generator (150kw, Natural Gas Fuel) Including Automatic Transfer Switch, Concrete Pads, and Natural Gas Connection, Complete in Place.	1	LS	\$102,000.00	\$102,000.00	\$92,915.00	\$92,915.00
5	West Brazos (Underpass) Storm Water Pump Station Emergency Generator (100kw, Natural Gas Fuel) Including Automatic Transfer Switch, Concrete Pads, and Natural Gas Connection, Complete in Place.	1	LS	\$71,000.00	\$71,000.00	\$83,116.00	\$83,116.00
6	SCADA Installations, Complete in Place.	29	EA	\$16,781.69	\$486,669.01	\$19,177.00	\$556,133.00
7	Central SCADA Monitoring System (Main WWTP), Complete in Place.	1	LS	\$35,000.00	\$35,000.00	\$37,560.00	\$37,560.00
8	Generator Quick Connects, Complete in Place.	27	EA	\$4,600.00	\$124,200.00	\$7,732.00	\$208,764.00
TOTAL AMOUNT BASE ITEMS (Items 1 thru 8)					\$1,069,869.01		\$1,179,387.00

ALTERNATE BID ITEM		EST. QTY.	UNITS	UNIT PRICE	TOTAL PRICE PER ITEM	UNIT PRICE	TOTAL PRICE PER ITEM
9	SCADA Installations, Complete in Place.	4	EA	\$16,000.00	\$64,000.00	\$6,350.00	\$25,400.00
SUPPLEMENTARY ITEMS							
10	Obstruction Removal by Excavation, As Directed by Owner's Representative, Complete in Place.	5	EA	\$300.00	\$1,500.00	\$300.00	\$1,500.00

Bid Tabulation - Bid Opening, Monday, July 13, 2015 @ 2:00 P.M. Page 2
 CITY OF FREEPORT
 EMERGENCY POWER AND MONITORING SYSTEMS (2nd BIDDING)
 LJA PROJECT NO. E217-0010
 FRN F-1386

McDonal Municipal & Industrial, Inc.
 5044 Timber Creek
 Houston, TX 77017
 PH: 713-921-1368
 Wayneb@mcdonaldinc.com
 Wayne Berkenmeier, VP Special Projects

Total Energy Solutions Co., LLC
 15811 Tuckerton Rd.
 Houston, TX 77095
 PH: 281-861-1284
 tomm@totalenergysolutions.net
 Tom McCroskey, General Manager

ITEM NO.	DESCRIPTION	EST QTY	UNITS	UNIT PRICE	TOTAL PRICE PER ITEM	UNIT PRICE	TOTAL PRICE PER ITEM
11	Trench Safety System, As Directed by Owner's Representative, Complete in Place.	100	LF	\$2.00	\$200.00	\$2.00	\$200.00
12	"Extra" Class A Concrete, As Directed by Owner's Representative, Complete in Place.	100	CY	\$100.00	\$10,000.00	\$100.00	\$10,000.00
13	Well Point Dewatering System Installed, Operated and Removed, As Directed by Owner's Representative, Complete in Place.	100	LF	\$75.00	\$7,500.00	\$75.00	\$7,500.00
14	"Extra" Bank Sand, As Directed by Owner's Representative, Complete in Place.	100	CY	\$10.00	\$1,000.00	\$10.00	\$1,000.00
15	"Extra" Crushed Limestone, As Directed by Owner's Representative, Complete in Place.	100	CY	\$30.00	\$3,000.00	\$30.00	\$3,000.00
16	"Extra" Reinforcing Steel, As Directed by Owner's Representative, Complete in Place.	100	LB	\$1.00	\$100.00	\$1.00	\$100.00
17	"Extra" Cement Stabilized Sand, As Directed by Owner's Representative, Complete in Place.	100	TON	\$35.00	\$3,500.00	\$35.00	\$3,500.00

TOTAL AMOUNT ALTERNATE AND SUPPLEMENTARY ITEMS (Items 9 thru 17) \$90,800.00

\$52,200.00

TOTAL AMOUNT BID (Items 1 thru 17)

\$1,160,669.01

\$1,231,587.00

QUALIFICATION STATEMENT

To: City of Freeport LJA Job No. E217-0010

For Construction of Emergency Power and Monitoring Systems

List of projects bidder has successfully completed within the past two (2) years:

Amount of Contract	Type of Work	Date Accepted	Name and Address Of Owner
1. Please see attached.			
2.			
3.			
4.			
5.			
6.			
7.			

List of projects bidder is now engaged in completing:

Amount of Contract	Work Symbol)*	Order Date	Completion Date	Percent Complete	Name & Address of Owner
1. Please see attached.					
2.					
3.					
4.					
5.					
6.					
7.					

* UG = Underground Utilities (Water, Sewer, Telephone, etc)
 PW = Major Plant Work
 PD = Paving, Drainage
 SA = Structural, Architectural (Bridges, Buildings, etc)
 SD = Subdivision Construction
 E = Major Electrical
 A = Airports

Portion of work bidder proposes to sublet in case of award of Contract; including amount and type.
(Subcontractors must be approved.)

Type of work	Amount of Subcontract	Name and address of Proposed Subcontractor
SCADA	\$ 400,000.00	Hahn Equipment 5636 Kansas Houston, TX 77007

If awarded this Contract our on-site project superintendent will be Sam Helweg
who has had 39 years experience in supervising this type of work.

If awarded this Contract our Administrative Manager will be Wayne Berkenmeier
who has had 25 years experience in management of construction of this type work.

Dated this 13 day of July, 2015.
McDonald Municipal and Industrial
Company: A Division of C. F. McDonald Electric, Inc.
By: [Signature]
Title: Wayne Berkenmeier, Vice President Special Projects
Mailing Address: 5044 Timber Creek Houston, TX 77017
Physical Address: Same
Phone No.: 713-921-1368
Fax No.: 713-921-5109
E-MAIL IF AVAILABLE: wayneb@mcdonaldinc.com

ATTEST:

[Signature]

Diana Dollar, Secretary/Treasurer

QS *** 3/3



**McDONALD
ELECTRIC**

CONTRACTORS • ENGINEERS

5044 TIMBER CREEK
HOUSTON, TX 77017
(713) 821-1388 PH.
(713) 828-2589 FAX

July 13, 2015

To Whom It May Concern:

RE: References for Lift Station Projects & Generator Installations

Thank you for considering McDonald Municipal and Industrial for award of your upcoming project. Please let this letter serve as an introduction to McDonald Municipal and Industrial – A Division of C. F. McDonald Electric, Inc. We are an electrical and general contractor located in Houston, Texas and have been in business for over 50 years. We currently have approximately 150 electricians, 12 estimator/project managers, and a professional engineer on staff.

We have built more than 20 Lift Stations from ground up and several rehabilitations and lift station improvements in Harris County, Fort Bend County, Montgomery County and throughout the Houston area.

We have furnished and installed approximately 200 generators ranging in size from 20KW to 2000KW on many different projects.

MacDonald has acted as the general contractor on all of the projects listed below and we completed 100% of the work in most of them. The most recent projects (within the last 3 years) include but are not limited to the following. Please feel free to call anyone listed below for a reference.

Recently completed Lift Station Projects:

Project - Description – Owner's rep. - telephone number – contact person

- West Harris County MUD 9 - Rehabilitation of Dude Road Lift Station - Paul Anderson, PE. Tel. (713)-784-4500 ext. 2226
- Kings Manor Lift Station No. 1 & 2 Rehabilitation- Jones & Carter Engineers- Kenneth Eickelberg, PE –(281)-363-4039
- City of Jamaica Beach Construction of Lift Station and Sewage Treatment Plant- (8) Lift Station Improvements- John Mercer, PE- (409)-741-8500
- Shadow Lakes Lift Station – Kirk Williamson- 713-784-4500
- Texas GLO – City Of Hitchcock Lift Stations 9, 12, 14 and 15 – (4) Sanitary Lift Stations, Water Line, Force Main and Sanitary Sewer Influent Line Installations - Llarance Turner, PE – (281) 341-0808
- Intercontinental Crossing - Construction of Lift Station 1- Jones & Carter Engineers -Greg Baird, PE- Tel: 713-777-5337

- City of League City- Veranda Townhomes Lift Station- Dannenbaum Engineering- Jason W. Schultz, P.E- 713-520-9570
(More references will be provided upon request)

Recently completed Emergency Generators Projects:

Project - Description – Owner’s rep. - telephone number – contact person

HC Annex 18 – (1) 2000KW – Jacobs Engineering – 281-776-2546 – Gary Andrews
 WCID#114 – (1) 450KW bifuel – AEI Engineering -281-350-7027- Ross Crawford
 FWSD#6 – (2) generators – LJA Engineering – 713-450-1300 –Ronnie McKinney
 UT Medical – (1) 725KW – Shah Smith – 713-780-7563 – Doug Belisle, P.E.
 San Jacinto College – 300KW – ACR Engineering – 512-440-8333 – R. Truncoso
 Magnolia ISD – (2) generators – JSE Engineers – 281-945-4545 – George Stanton
 HC MUD 189 – (1) 500KW - VanDeWeilie Eng. - 7-782-0042 – Eric Windsor
 Palmer MUD – (1) 500KW – LJA Engineering - 7-953-5061- Greg Hann
 Northwest Park MUD – (1) 185KW - EHR & Assoc. – 713-784-4500 -- Kirk Williamson
 Shasia PUD – (1) 50KW – Brown & Gay – 281-558-8700 – Melissa Fitzgerald
 CCISD Technology – (1) 400KW – PBK Engineers – 713-965-0608 – Brian Hood
 Butler Lift Station – (1) 150KW -- City of League City - 281-554-1320 – Jody Hooks
 Fort Bend County- (3) generators – Fort Bend County - 281-682-8361 – George Beran
 University of Houston – (1) 800KW – U of H- 281-283-2250 – Pam Groves
 Fort Bend MUD 124 – (1) 800KW – Brown & Gay – 281-558-8700 – Lindsey Pierce
 WCID #3: (1) 150KW – PBK Architects – 713-9650608 – Jason Hull
 MUD 151: (4) generators - Turner Collie & Braden – 713-780-4100 – Bruce Baumel
 WH MUD 10: 500KW – EHR & Assoc. – 713-784-4500 – Jim Russ
 TDCJ Byrd Unit: (1) 300KW -- State of Texas – 936-437-7352 – TJ Wallace

(More references will be provided upon request)

Thank you for the opportunity to provide this information about our company. If you have any questions or need any additional information do not hesitate to call. We look forward to hearing from you soon.

Sincerely,

Wayne Berkenmeier

Wayne Berkenmeier
 Vice President Special Projects
 McDonald Municipal & Industrial (MM&I)
 Tel 713-921-1368
 Fax 713-928-2569 Cell 713-202-4887
wayneb@mcdonaldinc.com

JOBS IN PROGRESS 01/01/15

Job #	Project	Description	Contract \$	Percent Complete	Est. Date	Owner/Rep	Phone #
14888	ALUD	Rosenberg Distribution Facility	\$6,534,525	0%	7/15	Eric Perkins	480-895-5885
12166	Coast Guard	Galveston Base Repair Project	\$3,261,663	97%	3/15	Brian Midyett	907-301-5998
15175	Shell Westshore	New Generator and Transfer Switches	\$420,800	85%	3/15	Azk Mabeita	713-458-0582
13662	NASA Building 24	Upgrade Central Heating and Cooling Plant	\$2,444,483	80%	3/15	Grant Graylock	713-587-7400
14780	NASA Johnson Space Center	High Voltage Electrical Feeders	\$2,481,982	70%	3/15	Kyle Crowley	512-937-0888
15348	AT&T Westbay	1st Floor Renovations	\$300,804	35%	7/15	Melissa Males	713-587-7916
14278	AT&T Westbay	6th Floor NTC Center	\$19,084,368	15%	3/15	Yael Jue	713-587-8495
13813	NASA Building 48	Electrical Infrastructure Replacement	\$3,875,375	80%	4/15	Monica Maria	713-587-7916
13262	City Of Houston	Repair Chilled Water System Emergency/Power Plant	\$2,741,486	60%	2/15	Joah Leam	210-488-3508
13529	City Of Houston	Generator Relocation From SW WWTP to NW	\$872,859	85%	3/15	Fred Saudeghian	832-395-2304
14291	City Of Houston	69th St WWTP Redundant Outdoor Sulphuric Acid Plant	\$2,413,489	60%	5/15	Nad Iyer	832-395-2500
14401	Bayford MUD	69th Street WWTP Pump Station, Digester, & Thickener	\$11,424,469	20%	6/15	Nad Iyer	832-385-2367
14442	Lynchburg Pump Station	Ground Water Reduction Plant	\$1,386,489	90%	2/19	IDS Engineering	713-467-3178
14515	Voipk Terminal	Replacement Of Two VFDs	\$2,049,989	50%	3/15	Rahim Tazeh	713-622-0120
14755	Intercontinental Crossing	Install Generator and Various Electrical Conducts	\$538,292	98%	1/15	Mike Lal	713-467-8981
14875	City of League City	Construction Of Lift Station 1	\$379,776	90%	1/15	Gary Baird	713-777-5337
14895	Spring West MUD	Emergency Generators at 4 Water Plants	\$1,253,709	90%	1/15	Sean Rooney	713-985-0908
15058	Veranda Townhomes	Spring Phase Lift Station	\$419,479	80%	3/15	Jan Vanderwit	713-783-7798
15080	West Harris County MUD 23	Sanitary Sewer Lift Station & Force Main	\$354,087	87%	1/16	Jason Schultz	713-816-0113
15100	Stenna South Peninsula MUD5	Lift Station For Fallbrook Pines	\$487,308	80%	2/15	Paul Anderson	713-784-4590
15153	Harris County Precinct 2	Construction Of Lift Station Electrical Improvements	\$131,499	95%	3/15	Kenny Eitelberg	281-363-4034
15162	Southside Place City WWTP	Construction Of Lift Station 1	\$506,424	35%	3/15	Chad Hidemski	713-783-7788
15192	Port Of Freeport	Install 2 Generators Sunbelt Harbory Lift Station & Broad St	\$309,489	55%	2/16	Marilyn Ciede	713-274-1557
15197	Spring Meadows MUD	Back Up Generator and Assoc Construction	\$755,489	25%	5/15	Marilyn Ciede	713-274-1557
15200	Harris County	Electrical Power Distribution Pole Replacement	\$263,500	50%	4/15	Jason Hall	832-644-6865
15308	Faulkner/Gully MUD	Lift Stations 1 and 2 Improvements	\$263,500	5%	6/15	Sam Hill	713-782-0042
15314	San Jacinto River Authority	Slinger Park Lift Station Modifications	\$412,147	3%	5/15	Stephen Ray	713-482-3242
15318	Jacinto Health Mental Rehabilitation	Shieldboard Back Up Generators At Water Plant & WWTP	\$401,819	25%	3/15	Marilyn Ciede	713-274-1557
15405	Port Of Houston	WWTP & Louisa Lift Station Rehabilitation	\$698,469	5%	3/15	Jack Flores	713-942-2726
14898	Montgomery County MUD 139	Electrical Upgrades For Water Plant 3 and Wells 23 and 24	\$1,286,000	5%	7/15	Donald Morcan	836-828-3851
14893	Facilities	Back Up Generator and Assoc Construction	\$486,649	5%	3/15	Marilyn Ciede	713-274-1557
14897	Trailglen Scout Camp	Bifacial Generator At Port Coordination Center	\$188,489	10%	3/15	Eric Bunker	281-841-9405
14896	Trailglen Scout Camp	Temporary Lift Station	\$493,827	5%	6/15	Paul Anderson	713-784-4590
18097	UTMB Galveston	Lighting Retrofit	\$5,289,209	60%	5/15	Sean Salehben	73-256-4035
14869	Bender High School	Scout Camp Additions	\$252,251	80%	2/15	Don Farnbach	713-208-0392
		Renovation of 2200 Market Street Bldg	\$290,488	85%	2/15	Angela Cade	281-830-4996
		Building Renovations	\$795,900	85%	1/15	Prasad Narra	832-725-7819

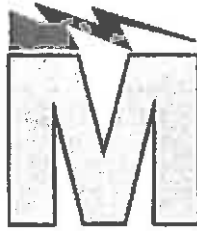
Bond	Date	Obligee	Bond Amount	ECD	Description
<u>TXC607013</u>	6/29/2015	City of LaPorte	165,469		replace water wells 1 & 2 controls
<u>TXC607012</u>	5/28/2015	Reid Road MUD NO. 1	56,300	75 days	Addition of transfer switches to accommodate at mobile generator for the existing lift station to serve Reid Road MUD No. 1
<u>TXC607011</u>	5/26/2015	Harris County MUD No. 188	2,060,170	210 c.d.	Sanitary Sewer Force Main Rehabilitation along State Highway 6
<u>TXC607010</u>	5/12/2015	City of Friendswood Part of	272,858	120 w.d.	SCADA monitoring system
<u>TXC607009</u>	5/8/2015	Houston Authority	1,244,369		Wharf 2 Electrical Pre-Outage Work at Barbours Cut Terminal
<u>TXC607008</u>	4/29/2015	Harris County MUD No. 368	468,430		sanitary sewer lift station to serve Ashford Grove East; Job No. 0456-118-18, Contract No. 1
<u>TXC607007</u>	4/24/2015	City of Sugar Land	1,014,100	unknown	lift stations rehabilitation for Meadowlark (No. 12) Highlands (No. 104) Frontier (No. 119) Austin Parkway (No. 122) & Scotsmoor (No. 128)
<u>TXC607006</u>	4/21/2015	Galveston County WCID No. 12	745,400		Kipp Street Lift Station

<u>TXC607005</u>	4/13/2015	Harris County Improvement District No. 15	389,150	construction of lift station No. 1
<u>TXC607004</u>	3/24/2015	Mayde Creek MUD	278,600	Water Plant No. 1 recoating ground storage tanks, hydro-- pneumatic tank, generator housing and exterior piping; Job No. 0512-067-01, Contract No. 1, Harris County, TX
<u>TXC607003</u>	3/24/2015	City of Houston	4,949,469	IAH Terminal "A" Electrical Vault; Project Number 634 at George Bush Intercontinental Airport
<u>TXC607002</u>	3/16/2015	Lake Forest Plant Advisory Council	316,469	Wastewater Treatment Plant Lift Station Rehabilitation
<u>TXC607001</u>	3/10/2015	MRE, LLC	384,900	Inway Oaks Estates Onsite Lift Station
<u>TXC606202</u>	3/3/2015	City of League City	487,469	construction of Hobbs Road Lift Station & Force Main; TIN No. 74-748969
<u>TXC606201</u>	2/26/2015	Medistar Corporation	962,023	West Harris County MUD No. 5 Wastewater Lift Station & 10- inch force main
<u>TXC606199</u>	2/6/2015	Harris County MUD No. 109	419,400	Kings Lake Estates Lift Station No. 3
<u>TXC606198</u>	1/22/2015	Spring Creek Utility District	639,239	Grand Parkway Commercial Lift Station; Key Map No. 293- B

<u>TXC606196</u>	1/19/2015	Kellogg Brown & Root, LLC	648,751	5/15/2015	TCPN Statewide JOC III-TXMAS- MHMRA 9401 SW Freeway 600 KW Generator - electrical, Master Agreement #D935-04- 003
<u>TXC606197</u>	1/19/2015	Kellogg Brown & Root, LLC	855,007	4/30/2015	TCPN Statewide JOC III-TXMAS- MHMRA 9401 SW Freeway Interior Renovations - electrical
<u>TXC606194</u>	12/22/2014	Fallbrook Utility District	509,219		Water Plant No. 2 Generator Addition
<u>TXC606193</u>	12/18/2014	Rolling Creek Utility District	153,469	180 days	permanent emergency natural gas generators for lift stations to serve Rolling Creek Utility District, City of Houston ETJ
<u>TXC606192</u>	12/10/2014	City of Texas City, Texas Surface	2,693,892		Lift Station Improvements
<u>TXC606188</u>	12/3/2014	Properties Investment Fund IV, LP	309,800	180 days	construction of Reserve at Weston Lakes Lift Station, Fort Bend County, TX
<u>TXC606189</u>	12/2/2014	Pecan Grove MUD	219,950	180 days	construction of lift station No. 2 improvements
<u>TXC606190</u>	11/24/2014	Hardin County	408,469	180 days	Hardin County - 2012 Hurricane like/Dolly Disaster Recovery Round 2.2
<u>TXC606187</u>	11/19/2014	Montgomery County MUD #139	493,027	180 days	temporary lift station

<u>TXC606184</u>	10/27/2014	Fort Bend County WCID No. 2	908,500		construction of lift station emergency operations improvements
<u>TXC606182</u>	10/10/2014	San Jacinto River Authority	1,288,000	1 year	San Jacinto River Authority Electrical upgrades for Water Plant No. 3 and Water Walls No 23 & 24
<u>TXC606179</u>	10/2/2014	Faulkley Gully MUD	698,469	180 days	wastewater treatment plant & Louetta Road Lift Station Rehabilitation
<u>TXC606178</u>	9/24/2014	Harris County MUD No. 499	949,000		Regional Lift Station and Force Main for Harris County MUD No. 499
<u>TXC606176</u>	9/15/2014	Spring Meadows MUD	412,147	180 days	Ginger Park Lift Station Modifications
<u>TXC606174</u>	8/27/2014	Spring West MUD	419,479	9 months	construction of Spring Plaza Drive Lift Station
<u>TXC606169</u>	8/7/2014	Sienna Plantation MUD No. 5	506,424		Construction of Lift Station No. 1 at Sienna South
<u>TXC606157</u>	5/7/2014	Kiewit Building Group, Inc.	2,543,151	mm/dd/yyyy	NASA/Johnson Space Center - high voltage electrical feeders
<u>TXC605184</u>	2/5/2014	Rayford Road MUD	1,398,469	mm/dd/yyyy	San Jacinto River Authority Groundwater Reduction Plan Program Rayford Road MUD Water Plants No. 1 and No. 2 Water Receiving Facilities; Job No. 0711-088-00, Contract No. 1, Montgomery County, TX

<u>TXC605181</u>	1/3/2014	City of Houston	11,424,469	600 days	S50-C24671 - 69th Street Wastewater Treatment Plant Pump Station, Digester & Thickener Blower Switchgears, Sub-Station & Starter Replacement for the Public Works & Engineering Dept.
<u>TXC604856</u>	1/17/2013	City of Houston	834,469		generator relocation from Southwest WWTP to Northwest WWTP - BS No. R- 000265-0085-4 rebuild of Base Galveston at US Coast Guard Sector Field Office, Galveston, TX; Prime Contract HSCG47-10-D- 3EFK16; Task Order 47-11-J- A16001
<u>TXC97423</u>	2/13/2012	CH2M Hill Constructors, Inc.	7,988,924	7/31/2012	



**McDONALD
ELECTRIC**
CONTRACTORS • ENGINEERS
5044 TIMBER CREEK
HOUSTON, TX 77017
(713) 921-1368 PH
(713) 928-2589 FAX

July 13, 2015

To Whom It May Concern

RE: Equipment

Please let this letter serve as our list of tools/equipment that we own for possible use on the proposed project. We have the following:

- (50) stocked service trucks
- (1) dump truck
- (1) bucket truck
- (1) backhoe
- (1) mini excavator
- (2) trenching machines
- (50) shovels
- (5) water pumps
- (5) trailers in various lengths and sizes

Please note that this list above is only a portion of the equipment that we own. In addition to everything that we own we have accounts at all of the major equipment rental companies. Whatever we do not own we can easily rent.

Sincerely,

Wayne Berkenmeier
Estimator/Project Manager



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HOUSTON, TX 77017

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July 13, 2015

To Whom It May Concern

Ref: Resume of key employees on the proposed project

Please let this letter serve as a resume for the proposed project manager & project superintendent. The specific persons that will be involved in this project are Wayne Berkenmeier & Sam Helweg. The following is a brief summary of our experience:

Wayne Berkenmeier

Estimator/Project Manager

1998 – Present: McDonald Electric Company – Estimated and project managed hundreds of projects up to \$2.5M.

Outside Salesman – General Electric Supply Company

1997-1998: Distribute electrical material. (GE switchgear specialists)

Estimator/Project Manager – Stuard Electric

1995-1998: Estimated and project managed hundreds of projects up to \$1M.

1990-1995: Estimator/Project Manager – Various electrical contractors

Recent projects include the installation of approximately 100 generators with fuel tanks, work at Universities, Schools, Sports Facilities, Hospitals, Manufacturing Facilities, Car Dealerships, Shopping Malls, TDCJ facilities, Water Plants, and Waste Water Treatment Plants as well as Federal, State, County, and City facilities.

Sam Helweg

Field Superintendent

1991-Present: McDonald Electric Company – Electrical foreman and quality control person on numerous projects. Responsible for up to 40 man crews on projects up to \$1.5M.

1989-1991: Purchasing Manager/Quality Control – Texas Steel Conversions
Purchased products and implemented the quality control program for the manufacturing of oilfield pipe.

1980-1989: Electrical Journeyman – Fisk Electric

1976-1980: Apprentice Electrician – McDonald Electric

Completed the IBEW apprentice program while working on various projects.

Recent projects include the installation of approximately 100 generators with fuel tanks, work in Universities, Schools, Sports Facilities, Hospitals, Manufacturing Facilities, Car Dealerships, Shopping Malls, TDCJ facilities, Water Plants, and Waste Water Treatment Plants as well as Federal, State, County, and City facilities.

Please give me a call if you have any questions or need any additional information regarding our quality control program.

Sincerely,

Wayne Berkenmeier
CF McDonald Electric Inc.
Estimator/Project Manager

NONCOLLUSION AFFIDAVIT OF PRIME BIDDER

State of Texas

County of Harris

Wayne Berkenmeier, being first duly sworn, deposes and says that:
Vice President McDonald Municipal and Industrial

(1) He is Special Projects of A Div of C. F McDonald Electric, the Bidder that has submitted the attached Bid; Inc.

(2) He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;

(3) Such Bid is genuine and is not a collusive or sham Bid;

(4) Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with another Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix an overhead, profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City Of Freeport (Local Public Agency) or any person interested in the proposed Contract; and

(5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

(Signed) [Signature]
Wayne Berkenmeier
Vice President Special Projects
Title

Subscribed and sworn to me this 13 day of July, 2015

By: [Signature]
Notary Public

My commission expires 11/10/18



Table 1 - Cell Phone Telemetry Advantages and Disadvantages

Cell Phone Telemetry	
Advantages	Disadvantages
Low profile, non-directional antenna	Must be in cell phone coverage area (see attached map)
Easy Setup, low maintenance cost (Table 3)	Monthly service fee
Two-way communication	Connection may be dropped during peak usage
Lower capital investment	
No licensing required	
Require no programming for replacement	

Table 2 - Radio Tower Construction Advantages and Disadvantages

Radio Tower Construction	
Advantages	Disadvantages
No monthly service charges	Antennas are usually in debris zone*
Dedicated infrastructure for communications	Maintenance cost to clear line of site and keep towers in good working order
Coverage distance is decided by consumer	Higher capital investment (table 4)
Useful for data acquisition that require high speed and/or large data transfer amounts	Cannot send alarm directly from radio
	Requires federal license

*In debris zone means antenna is low enough that flying debris in high wind conditions is an issue

Table 3 - Cell Phone Monthly Charge

Cell Line Cost Per Month (per site)		
Data Usage	Cost	Provider
5MB	\$7	Verizon
25MB	\$10	Verizon
50MB	\$15	Verizon
100MB	\$18	Verizon
250MB	\$20	Verizon
1GB	\$25	Verizon

Note: The charges above are estimated cost directly provided by Verizon Wireless.

Table 4 - Radio Tower Infrastructure Estimate

Radio Antenna Infrastructure Estimate Per Site	
	Cost
Radio	\$2,000
Licensed Radio	\$1,500
Wooden Pole Installed	\$300
Antenna	\$100
Cable	\$300
Lighting Arrestor	\$100
Total	\$4,300

**Cost estimates are based on using treated wooden poles.*

Table 5 - Central Plant Infrastructure Cost

Radio Tower Infrastructure Estimate At Central Plant	
	Cost
Tower	\$2,000
Radio Path Study	\$5,000
Repeaters	\$5,000
Total	\$12,000

Table 6 – Radio System Total 5 Year Projected Cost

Radio System Total 5 Year Estimate	
	Cost
Central Plant Infrastructure	\$12,000
Individual Site Cost (x36)	\$154,800
Line of sight maintenance allowance(\$7265x5)*	\$36,325
Total	\$203,125

**Note: 5 year maintenance is estimated at \$7,265 a year (approximated 5% of installed cost of \$145,000)*

Table 7 - Cellular System Total 5 Year Projected Cost

Cellular System 5 Year Estimate	
	Cost
Capital Cost (\$800)	\$800
Subscription Cost for Lift Stations (\$10 x 60mo. x 31sites)	\$18,600
Subscription Cost for WP, WWTP, and Pump Stations (\$15 x 60 mo. x 5 sites)	\$4,500
5 Year Maintenance (\$500x5)**	\$2,500
Total	\$26,400

****Note: 5 year maintenance is estimated at \$500 a year**

Note: An issue with radio systems after a storm is repairing antennas that are damaged, misaligned or down in the "debris zone" whereas cellular services like Verizon have tall robust towers and will provide a mobile van with portable antennas for use after a storm. So, recovery time should be much quicker.



Verizon Wireless Printer Friendly Coverage Map

Mapped Coverage
4G Data Coverage

Mapped Location
Freeport, TX



Map Legend

Verizon 4G LTE *

Canada/Mexico 3G

Verizon 4G LTE Extended **

No Service

Verizon 3G

Verizon Store

Extended 3G

INVITATION TO BID

NOTICE IS HEREBY GIVEN that the City of Freeport, Texas, is interested in entering into a contract for the reconstructing of boat ramp and piers located on the Old Brazos River behind the Freeport Community House, 1300 W. 2nd St., Freeport, Texas, according to the below mentioned plans and specifications.

SEALED BIDS addressed to the City Manager by any person, firm or corporation desiring to reconstruct such boat ramp and piers will be received at the office of the City Manager located at 200 W. 2nd St., Freeport, Brazoria County, Texas 77541, during normal business hours until 2:00 o'clock, p.m., on the 8th day of September, 2015, on which day, beginning at 2:00 o'clock, p.m., all such bids will be opened and publicly read aloud. Any bid received after 2:00 p.m. on such date will be returned unopened.

COPIES OF THE PLANS AND SPECIFICATIONS for the reconstruction of such boat ramp and piers are available for public inspection at the Office of the City Manager during normal business hours. A set of such documents may be obtained from such office upon payment of the customary copy charge.

A CASHIER'S OR CERTIFIED CHECK drawn on a bank acceptable to said Board and payable to the order of said City, OR an ACCEPTABLE BID BOND with a corporate surety included on the latest list of surety companies holding certificates of authority from the State Board of Insurance, in the amount of not less than ten (10%) of the total bid or \$250.00, whichever is less, must accompany the bid as guarantee that if awarded the bid the bidder will enter into a contract with said City covering the reconstruction of such boat ramp and piers within ten (10) days from the above date.

The contract will be awarded to the LOWEST RESPONSIBLE BIDDER OR to the BIDDER WHO PROVIDES goods or services at the BEST VALUE for the municipality.

The City RESERVES the right to REJECT ANY AND ALL BIDS, to WAIVE any INFORMALITIES in bidding and, in the case of any AMBIGUITY OR LACK OF CLEARNESS, the City reserves the right to construe the same in a manner most advantageous to the City, or to reject the bid.

BY ORDER OF THE CITY COUNCIL OF THE CITY COUNCIL this 3rd day of August, 2015.

Delia Munoz, City Secretary
City of Freeport, Texas

NOTE: Publish once per week for two consecutive weeks, first publication to be more than 14 days before date of meeting at which bids are to be opened and read aloud.

SPECIFICATIONS

1. CONTRACTOR will commence and complete the project, in a good and workmanlike manner, and for the consideration bid.

2. The CONTRACTOR will furnish at CONTRACTOR'S expense all bonds, permits, licenses, transportation, material, supplies, tools, equipment, machinery, labor and other services necessary for the construction and completion of the PROJECT as described in the CONTRACT DOCUMENTS and any CHANGE ORDERS approved by both parties or their duly authorized representatives.

3. The CONTRACTOR will commence the work necessary to construct and complete the PROJECT in the manner described in the bid ("the WORK") within thirty (30) calendar days after the date of the NOTICE TO PROCEED is sent to CONTRACTOR and will complete the WORK within sixty (60) calendar days thereafter unless the period of completion is extended otherwise by the CONTRACT DOCUMENTS.

4. A CONTRACTOR'S PAYMENT BOND and a CONTRACTOR'S PERFORMANCE BOND as required by Chapter 2253 of the Government Code of Texas have been furnished by CONTRACTOR TO OWNER as required by Chapter 2253 of the Government Code of Texas prior to the execution of this contract or will be furnished before any of the WORK begins or within ten (10) days of the date hereof, whichever event is first. If such bonds are not filed as provided herein, OWNER may terminate this contract.

5. the Contractor hereby waives all rights to interest on retainage as called for in Section 2252(2), Government Code.

6. The CONTRACTOR agrees to perform all of the WORK for the amount shown in the CONTRACTOR'S BID.

7. The parties intend that Contractor, in performing such services, shall act as an independent contractor and shall have control of the work and the manner in which it is performed. Contractor shall be free to contract for similar services to be performed for other persons, firms or corporations and Contractor is not to be considered an agent or employee of Owners and is not entitled to participate in any employee benefits of Owners.

8. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance for the employees of the Contractor.

GENERAL CONDITIONS

ALTERATIONS AND EXTRAS: OWNER reserves the right during the progress of the work to make any changes, additions or deletions to the original plans and specifications. All changes are to be made by written CHANGE ORDERS and accepted by both parties or their duly authorized representatives before proceeding with the work included therein. CHANGE ORDERS shall not invalidate any of the other CONTRACT DOCUMENTS. No bills for extras will be honored unless supported by a written CHANGE ORDER.

INDEPENDENT CONTRACTOR: In the performance of this contract, CONTRACTOR shall be an independent contractor with the sole right to supervise, manage, control and direct the performance of the details of the WORK. OWNER is only interested in the results to be obtained, but the work must meet with the approval of the OWNER whose representatives shall be entitled to make such inspections as may be necessary to assure such results.

INSURANCE: CONTRACTOR agrees to carry adequate Worker's Compensation and Employer's Liability Insurance covering all persons and employees working on the PROJECT in accordance with attached Schedule "A" and also to carry Comprehensive Public Liability Insurance and Automotive Public Liability and Property Damage Insurance naming the OWNER as an additional insured in the amount of at least \$1,000,000.00 to protect against any claims for injuries or death to persons or damage to property sustained in the carrying out of the WORK. Evidence of compliance with this provision sufficient to satisfy OWNER'S attorney shall be furnished by CONTRACTOR prior to the commencement of any portion of the WORK.

RISK OF LOSS: Until written acceptance of the PROJECT by OWNER, all risk of loss, injury or destruction by any cause other than acts or omissions of OWNER, its officer, agents or employees, shall be borne by CONTRACTOR. Responsibility of CONTRACTOR shall extend to materials and equipment supplied for the performance of the WORK.

OPERATIONS: CONTRACTOR shall commence the WORK and prosecute the same diligently and without interruption to completion within the time limits set forth in the contract.

DEFAULTS: Time and quality of work shall be of the essence of this contract. If the CONTRACTOR fails to begin or prosecute the WORK with reasonable diligence, without interruption and in a good and workmanlike manner, OWNER, at OWNER'S option, upon three (3) days' written notice to CONTRACTOR, may terminate the WORK. Without prejudice to any other remedy it may have, OWNER may take control of the WORK for the purpose of completing the same under the terms hereof, either by OWNER'S own employees or by other independent contract(s). If OWNER take control of the WORK, then CONTRACTOR shall be entitled, upon completion of the work, to the difference between the contract price and the reasonable cost and expenses incurred by OWNER in finishing the WORK. If such costs and expenses should exceed the contract price, CONTRACTOR agrees to pay the excess to OWNER at Freeport, in Brazoria County, Texas, within thirty (30) days after being billed therefor by OWNER, as liquidated damages agreed upon by the parties hereto in consideration of the difficulty of ascertaining the actual damages by other means. The provisions of this section shall not apply to any defaults in performance of the incidental covenants of the CONTRACTOR which are not directly related to the continuity and quality of the performance of the WORK.

NOTICES: Notices hereunder shall be sent to the OWNER c/o City Manager, 200 West Second Street, Freeport, Texas 77541 and to CONTRACTOR at --. All notices must be by certified mail, return receipt requested and postage prepaid.

NON-ASSIGNABILITY: This contract shall not be transferred or assigned, directly or collaterally, without the advance written approval of OWNER.

SUBCONTRACTING: CONTRACTOR shall be permitted to subcontract the WORK or any part thereof but subcontracting shall not relieve CONTRACTOR of primary responsibility for the continuity and quality of the performance of the WORK in a timely fashion.

INDEMNITY: CONTRACTOR agrees to protect, indemnify and hold OWNER and OWNER'S officers, agents and employees, free and harmless from and against any and all claims, demands and causes of action of every kind and character (including the amounts of judgments, penalties, interest, court costs and legal fees incurred in the defense of the same) arising in favor of any person, firm, corporation or other legally recognized entity (including the employees of the parties and the employees of any subcontractor) on account of taxes, claims, debts, personal injuries, death or damages to property and, without limitation by enumeration, all other claims or demands of every character occurring or in anywise incident to, in connection with or arising out of the performance of the WORK by CONTRACTOR or any subcontractors of CONTRACTOR or the agents or employees of either of them.

COMPLIANCE WITH AUTHORITY: CONTRACTOR agrees to comply with all laws, orders, rules or regulations of any governmental body, including without limitation, those pertaining to Social Security, safety, health, old age pension and unemployment compensation. Before final payment hereunder, CONTRACTOR shall satisfy OWNER of the payment and release of all debts, taxes, liens, claims, charges and obligations arising by operation of law or otherwise, out of CONTRACTOR'S performance of the WORK. OWNER may withhold funds due CONTRACTOR hereunder or otherwise, without interest, to assure itself of the discharge of all such obligations or to satisfy any provisions of law relating to claims against CONTRACTOR.

PAYMENT: Upon completion of the WORK in accordance with the terms of the CONTRACT DOCUMENTS and after final acceptance of the PROJECT by OWNER or its authorized representative, OWNER AGREES to pay CONTRACTOR in lawful money of the United States the sum specified in the contract (less a retainage of ten (10%) percent). The accumulated retainage shall be paid to the CONTRACTOR by the OWNER upon the expiration of ninety (90) days following the acceptance of the PROJECT by the OWNER unless further withholding is required under the preceding paragraph.

WARRANTY: CONTRACTOR hereby EXPRESSLY WARRANTS that upon completion of the PROJECT, the WORK shall for a period of -- from the date of acceptance by OWNER be FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP and that CONTRACTOR will REPLACE AND REPAIR any such defects occurring within such period at no cost to OWNER.

INTERPRETATION: The CONTRACT DOCUMENTS constitute the entire agreement between the parties and no other conversation, bids, memoranda or other matter shall vary, alter or interpret the terms hereof . The side head captions of these General Conditions are for the convenience of the parties in the identification of the several provision hereof and shall not constitute a part of these General Conditions nor be considered interpretive thereof. Failure of the OWNER to exercise any option, right or privilege hereunder or to demand compliance as to any obligation or covenant of CONTRACTOR shall not constitute a waiver of any such right, privilege or option, or the strict performance hereof unless such waiver is evidenced by a properly executed addendum to this contract.

SPECIFICATIONS AS CONTRACT: Unless otherwise agreed by the parties, upon the award of a bid by the City Council, these specification and any attachments hereto, the Invitation to Bid, the Bid filed by the Contractor and any attachments hereto shall constitute the contract between the parties for the performance of the work for which bids were solicited by the Invitation.

"OWNER"

"CONTRACTOR"

THE CITY OF FREEPORT, TX

(Name Typed or Printed)

BY _____
Norma Moreno Garcia, Mayor

By _____
Its _____

ATTEST:

ATTEST:

Delia Munoz,
City Secretary

Its _____

Second Street Boat Ramp and Piers

Construction shall consist of:

- Handrails along "T" Pier
- 10 inch galvanized cleats
- 8 inch by 8 inch treated poles minimum and cement or grout filled plastic jackets on 10 foot centers
- 2 benches 12 feet long
- 8 rod holders 2 inch by 2 feet long PVC
- Runners 2 inch by 8 inch minimum
- Decked with 2 inch by 8 inch minimum
- Concrete erosion barrier at tide line
- Stainless screws/nails for decking
- Epoxy coated 5/8 inch on 16 inch centers or 1/2 inch on 12 inch centers
- Galvanized hardware minimum 1/2 inch
- 3 inch by 8 inch stringers/batter boards along finger piers and front of "T" Pier to keep boats from going underneath piers/docks
- Existing concrete boat ramp and docks must be removed and disposed of.
- Fill and compact base of ramp prior to framing.

Second Street Boat Ramp and Piers

