

SERVICE AGREEMENT

This Service Agreement (this "Agreement") is entered into on April 14, 2015 (the "Effective Date") by and between Fort Bend Grand Parkway Toll Road Authority, a body politic and a political subdivision of the State of Texas, an instrumentality of the State of Texas under Subchapter D of the Texas Transportation Corporation Act, Tex. Transp. Code Ann. §431 et seq., and the Texas Non-Profit Corporation Act, Tex Civ. State Art 1396-1.01 et seq., as amended (the "Owner"), and Property Acquisition Services, LLC. (the "Contractor").

RECITALS

WHEREAS, the Owner has determined it is in the Owner's best interest to engage a professional service provider for the services described herein; and

WHEREAS, Owner and Contractor (collectively, the "Parties") have read and understood the terms and provisions set forth in this Agreement and have been afforded a reasonable opportunity to review this Agreement with their respective legal counsel;

NOW, THEREFORE, in consideration of the premises, mutual promises, covenants, obligations and benefits herein contained, the Owner and Contractor agree as follows:

I.

SERVICES

Section 1.01. Services. Contractor shall perform certain services (the "Services") for the Owner from time to time as approved in writing by the Board of Directors (the "Board"), and Contractor shall be compensated for such services as approved by the Board. Contractor may not deviate from approved Services without the prior written consent of the Board. Approval of Services shall be evidenced by a written proposal or service order, which shall include the service to be performed, the location and the fees. Currently approved proposals and service orders are attached hereto as **Exhibit A**. All fees described in the proposal or service order shall include charges for labor, materials, insurance, equipment and any other items required to perform the work in the Services. During the term of this Agreement, if Contractor and Owner determine certain additions or changes to the Services are needed, this Agreement will be terminated and a new Service Agreement, dated the date of approval by the Owner, will be entered into.

II.

COMPENSATION

Section 2.01. Payment for Services. Contractor shall submit a detailed monthly invoice (together with any back-up documentation requested by the Owner) indicating the Services performed for that month under the terms of this Agreement. Contractor shall submit detailed invoices to the Owner's bookkeeper and Owner's manager:

Owner's Bookkeeper
Ms. Pamela Logsdon
Avanta Services
5635 Northwest Central Drive, Suite 104E
Houston, Texas 77092
Phone: (713) 934-9107
Email: pmlogsdon@sbcglobal.net

Owner's Manager
Mr. Michael Stone
Mike Stone & Associates
19875 Southwest Freeway Suite 270
Sugar Land, Texas 77479
Phone: (281) 343-0712
mikestone@mikestoneassociates.com

Payment shall be made within forty-five (45) days of the approval of Contractor's invoice by the Owner. Interest shall not be paid on service invoices.

Contractor may request a price adjustment not more than once a year. The Owner's Manager may approve any requested price adjustment that does not exceed the change in the Consumer Price Index (CPI-U, Houston).

Contractor agrees that upon completion of the work called for hereunder, it will furnish the Owner with proof, satisfactory to the Owner, that all labor, material and equipment for which Contractor has been paid, have been satisfied and paid, unless the Owner waives such proof. Upon furnishing such proof, or waiver thereof, the amount billed by Contractor will be reviewed by the Owner for approval and all undisputed amounts shall be paid to Contractor in accordance with this Section.

III. GENERAL CONDITIONS

Section 3.01. Contractor's Duties. Contractor covenants with the Owner to furnish its best skill and judgment in performing the Services for the Owner. Contractor agrees to furnish efficient business administration and superintendence and to use its best efforts to furnish at all times an adequate supply of workmen, materials and equipment and to perform the Services in the most expeditious and economical manner. Contractor agrees to exercise reasonable diligence in performing the Services, using the degree of care and skill that a prudent person in the same or similar profession would use.

Section 3.02. Relationship of Owner and Contractor. Contractor has been retained by the Owner for the sole purpose and to the extent set forth in this Agreement. It is understood and agreed that all work so done by Contractor shall meet with Owner approval, but that the detailed manner and method of performing the Services shall be under the control of Contractor. Contractor's relationship to the Owner during the term of this Agreement is that of an independent contractor. The relationship between the Owner and Contractor is not exclusive.

Section 3.03. Insurance and Indemnification. Before commencing any work hereunder, Contractor shall furnish certificates of its insurance and copies of any required endorsements to the Owner evidencing the following insurance coverage, which coverage shall be maintained throughout the term of this Agreement. Certified copies of each policy shall be furnished to the Owner upon the Owner's request. Contractor shall not violate or knowingly permit to be violated any condition of the insurance policies required by this Agreement. Nothing contained in this Section shall limit or waive Contractor's legal or contractual responsibilities to the Owner or others. Cancellation or

expiration of any of said insurance policies shall not preclude the Owner from recovery thereunder for any liability arising under this Agreement.

Contractor shall obtain the following insurance from companies having a Best's rating of B+/VII or better and licensed to transact business in the State of Texas:

- A. Workers' Compensation Insurance covering liability arising out of Contractor's employment of workers and anyone for whom the employer may be liable for workers' compensation claims at limits as imposed by statute. Workers' compensation insurance is required, and no alternative forms of insurance shall be permitted.
- B. Employer's Liability Insurance Limitations with limits of not less than \$500,000.
- C. Commercial General Liability Insurance with limits not less than:
 - a. Each occurrence - \$1,000,000
 - b. General aggregate - \$2,000,000
 - c. Products-Completed Operations Aggregate - \$2,000,000
 - d. Personal & Advertising Injury - \$1,000,000
- D. Comprehensive Automobile Liability Insurance with limits not less than \$1,000,000 (combined)
- E. Excess Liability: \$2,000,000/\$2,000,000.

Contractor's insurance shall include the following endorsements:

- A. The Owner and the Owner's agents and employees shall be added as additional insureds to all coverage required under this Agreement for all liability arising out of Contractor's work under this Agreement, except for workers' compensation insurance, as to the full limits of liability provided by each insurance policy (including limits greater than the minimum limits required herein).
- B. All required insurance shall be endorsed to provide that coverages afforded under the policy will not be canceled or modified without at least seven days prior written notice to the Owner. Renewal certificates shall be provided at least 30 days prior to the termination date of the current certificates of insurance during the term of this Agreement.
- C. Inasmuch as Owner and Contractor intend that all of Contractor's insured loss and liabilities fall upon Contractor's insurers, without recourse against Owner, Contractor agrees to cause all of its policies of insurance maintained in force or procured by Contractor to provide, if necessary by endorsement, that each such insurer fully waives subrogation against the Owner and its agents and employees.
- D. All of the aforesaid policies shall be endorsed to provide that the coverage provided to the Owner as an additional insured will be on a primary basis, and not in excess of other insurance coverage available to the Owner, and that neither Contractor nor its insurer will seek contribution or recovery from the Owner or such other insurance available to the Owner.
- E. Contractor shall cause its subcontractors, including all persons hired by Contractor who are not Contractor's employees, who perform any part of the work hereunder, to be added as additional insureds to all coverage required under this Agreement, as to the full limits of liability provided by each insurance policy (including limits greater than the minimum limits required herein).

TO THE FULLEST EXTENT PERMITTED BY LAW, THE CONTRACTOR, FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS, AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE OWNER AND ITS OFFICERS, DIRECTORS, REPRESENTATIVES, AND AGENTS, FROM EVERY LOSS, DAMAGE, INJURY, COST, EXPENSE, CLAIM, JUDGMENT, OR LIABILITY OF EVERY KIND OR CHARACTER (INCLUDING SPECIFICALLY ATTORNEYS' FEES, COURT COSTS AND OTHER EXPENSES INCURRED IN ENFORCING THIS INDEMNITY PROVISION), WHETHER IN CONTRACT, TORT, OR OTHERWISE, WHICH ARISES DIRECTLY OR INDIRECTLY FROM THE CONTRACTOR'S WILLFUL, INTENTIONAL, RECKLESS OR NEGLIGENT (WHETHER ACTIVE, PASSIVE, OR GROSS) ACTS OR OMISSIONS RELATED TO OR ARISING FROM THIS AGREEMENT. THIS INDEMNITY AND HOLD HARMLESS PROVISION WILL APPLY WHETHER SUCH ACTS OR OMISSIONS ARE CONDUCTED BY THE CONTRACTOR OR ANY SUBCONTRACTOR OR AGENT OF THE CONTRACTOR.

THIS INDEMNITY AGREEMENT IS INTENDED TO MEET THE TEXAS "EXPRESS NEGLIGENCE RULE" BECAUSE CONTRACTOR AGREES THAT IT APPLIES AND IS ENFORCEABLE EVEN AS TO LOSSES, DAMAGES, INJURIES, EXPENSES, CLAIMS, CAUSES OF ACTION, JUDGMENTS OR LIABILITIES JOINTLY OR CONCURRENTLY CAUSED BY THE NEGLIGENCE OR OTHER FAULT OF THE OWNER. THE TERM "FAULT" IN THE PREVIOUS SENTENCE INCLUDES THE VIOLATION OR BREACH BY THE OWNER OF ANY COMMON LAW DUTY, ANY TERM OF THIS CONTRACT, OR ANY STATUTE OR REGULATION.

THIS INDEMNIFICATION OBLIGATION IS IN ADDITION TO ALL OTHER LEGAL, EQUITABLE, OR INDEMNIFICATION REMEDIES AVAILABLE TO THE OWNER. THIS INDEMNIFICATION OBLIGATION SURVIVES THE TERMINATION OR EXPIRATION OF THIS CONTRACT.

CONTRACTOR DOES HEREBY WAIVE, RELEASE AND FOREVER RELINQUISH AND DISCHARGE THE OWNER FROM ALL OF CONTRACTOR'S CAUSES OF ACTION ARISING FROM BODILY INJURY OR DEATH OR DAMAGE TO ANY PROPERTY ARISING OUT OF THE WORK, REGARDLESS OF WHETHER THE INJURY OR DAMAGE IS CAUSED IN FULL OR IN PART BY THE NEGLIGENCE OR OTHER FAULT OF THE OWNER.

Section 3.04. Term and Termination. Either party may terminate this Agreement at any time, without cause, upon thirty (30) days written notice to the other party. Contractor shall not be entitled to any payment or further payment other than for work performed or material, equipment, or supplies furnished prior to such termination. The Owner does not waive any other remedy allowed under Texas law.

Section 3.05. Agreement Controls. To the extent that there is any inconsistency between the provisions of this Agreement and any attachments or exhibits hereto, the terms of this Agreement shall control.

Section 3.06. Regulatory Requirements. All work will be done in strict compliance with all applicable city, county, state and federal rules, regulations and laws and any codes which may apply

to the Services being provided. Contractor will obtain all permits and licenses required to perform the Services and will be responsible for securing inspections and approvals of its work from any authority having jurisdiction over Contractor's Services.

Section 3.07. Safety and Health Standards. Contractor shall observe and comply with all applicable federal, state and local health and safety laws and regulations.

Section 3.08. Inspection. The Owner and its duly authorized representatives shall have the right to inspect all Services being performed hereunder at any time. Contractor agrees to maintain adequate books, payrolls and records satisfactory to the Owner in connection with any and all Services performed hereunder and to maintain such books, payrolls and records for at least four years. The Owner and its duly authorized representatives shall have the right to audit such books, payrolls and records at any reasonable time or times.

Section 3.09. Warranty. In addition to other common law and statutory warranties, whether implied or express, Contractor's warranty applies to materials, parts, labor and workmanship for one year from the date of completion of the Project. Contractor shall transfer all manufacturers' warranties to the Owner.

Section 3.10. Assignability. Contractor shall not assign its rights or obligations or any sum that may accrue to it hereunder without the written consent of the Owner, which shall be granted or denied in the Owner's sole discretion.

Section 3.11. Modifications. This Agreement shall be subject to amendment, change or modification only with the prior mutual written consent of the Owner and Contractor.

Section 3.12. Owner Manager. The Owner shall notify Contractor in writing of the Owner's Manager and any changes thereto of the Owner Manager.

Section 3.13. Force Majeure. In the event either party to this Agreement is rendered unable, wholly or in part, by force majeure including an act of God; strikes; lockouts, or other industrial disturbances; acts of the public enemy; orders of any kind of government of the United States or the State of Texas or any civil or military authority (other than a party to this Agreement); insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; droughts; arrests; civil disturbances; explosions; or other inability similar to those enumerated; to carry out its obligations under this Agreement, it is agreed that party shall give written notice of such act to the other party as soon as possible after the occurrence of the cause relied on and shall, thereafter, be relieved of its obligations, so far as they are affected by such act, during the continuance of any inability so caused, but for no longer.

Section 3.14. Agreement Subject to Applicable Law. This Agreement and the obligations of the Parties hereunder are subject to all rules, regulations and laws which may be applicable by the United States, the State of Texas or any other regulatory agency having jurisdiction.

Section 3.15. Governing Law. This Agreement is governed in accordance with the laws of the State of Texas and shall be enforceable in the county in which the Owner is located.

Section 3.16. Waiver. No waiver or waivers of any breach or default by a party hereto of any term, covenant or condition or liability hereunder of performance by the other party of any duty

or obligation hereunder will be deemed a waiver thereof in the future, nor will any such waiver or waivers be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, character or description, under any circumstances.

Section 3.17. Intended Beneficiaries. This Agreement is for the sole and exclusive benefit of the Owner and Contractor and will not be construed to confer any benefit upon any other party.

Section 3.18. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person or circumstance is ever held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances will not be affected hereby.

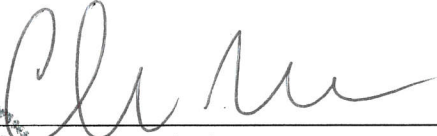
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date set forth on the first page hereof.

[EXECUTION PAGE FOLLOWS]

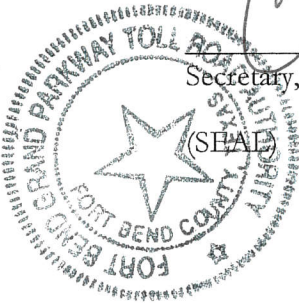
FORT BEND GRAND PARKWAY TOLL
ROAD AUTHORITY


Chairman, Board of Directors

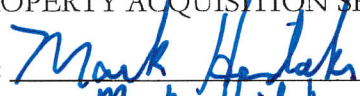
ATTEST:



Secretary, Board of Directors



PROPERTY ACQUISITION SERVICES, LLC

By: 
Name: Mark Heidaker
Title: President



Always There.®



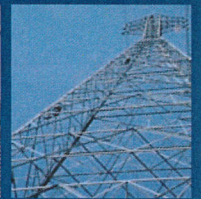
PROPERTY ACQUISITION SERVICES, LLC

Right of Way... Done The Right Way

REQUEST FOR PROPOSAL

April 8, 2015

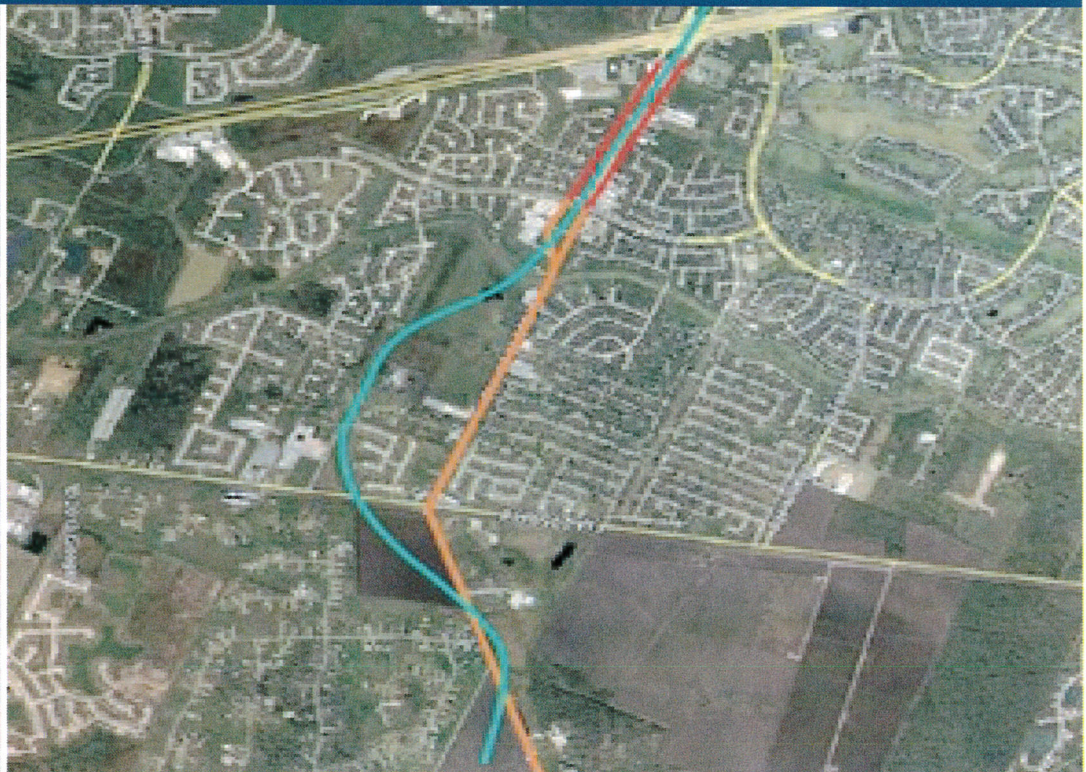
LAND RIGHTS ACQUISITIONS



*Right of Way...
Done The Right Way*



Property Acquisition Services, LLC
 9855 Southwest Freeway
 Suite 200
 Sugar Land, TX 77479
 Main: 281.343.7171
 Fax: 281.343.8181
 www.pascorp.net





Right-of-Way
and
Acquisition Services
Proposal

for

Fort Bend Grand Parkway Toll
Road Authority

Segment C

Property Acquisition Services, LLC
19855 Southwest Freeway, Suite 200
Sugar Land, TX 77479
281-343-7171 office
281-343-8181 fax



April 8, 2015

Fort Bend Grand Parkway Toll Road Authority
Mr. Richard Muller
The Muller Law Group, PLLC
16555 Southwest Freeway, Suite 200
Sugar Land, TX 77479

Re: Proposal to provide right-of-way acquisition and relocation services in conjunction with Segment C of the Grand Parkway in Fort Bend County, Texas.

Dear Mr. Muller:

Property Acquisition Services, L.L.C. (PAS) hereby submits this proposal per your request for the purpose of providing right-of-way acquisition and relocation services to the Fort Bend Grand Parkway Toll Authority (FBGPTA) under the terms of a Professional Services Agreement. We appreciate the opportunity to work with FBGPTA on this project.

The following pages detail our pricing structure for the project as well as a scope of services. If you have any questions or concerns, please do not hesitate to contact me.

Again, we appreciate the opportunity and look forward to working with FBGPTA.

Sincerely,

Mark Heidaker
President



Fort Bend Grand Parkway Toll Road Authority Acquisition Fees

Acquisition Fee Billing (\$4,000/parcel)

Initial Offer	40% per parcel price
Submission of Deed or Final Offer Letter	40% per parcel price
Closing Package or Submission of Condemnation Package	20% per parcel price

Relocation Fee Billing (\$5,000/parcel)

Delivery of 90 Day Notice	40% per parcel price
Submission of First Payment Submission	40% per parcel price
Closing of File	20% per parcel price

Administrative Fees

Fees for Condemnation Support services, meetings with surveyors, engineers, title companies, land owners and with the Toll Road Authority will be billed hourly as set forth below.

Expenses

Expenses for recording fees, travel, supplies and other costs specifically related to the project will be billed at actual cost. Mileage will be billed at the current IRS rate.

Hourly Rates

Project Management	\$125.00 per hour
Acquisition Specialist	\$ 95.00 per hour
Administrative Support	\$ 50.00 per hour



SCOPE OF SERVICES

- I. **Pre-Negotiation**
 - A. Contact Property Owners
 - 1. Verify the owner's information and obtain preliminary information
 - 2. Informational Notice to Owners
 - 3. Mail information letters and Bill of Rights to all property owners

- II. **Title**
 - A. Open Title Certificate
 - 1. Send metes and bounds to title company
 - B. Receive and Review Title Certificate
 - 1. Make copies of certificate and all documents and create a file system
 - 2. Review ownership, Legal, Easement, and Lien items

- III. **Appraisal (If Needed)**
 - A. Send metes and bounds to an agreed upon appraiser.
 - B. Review appraisal report

- IV. **Negotiation**
 - A. Written Offer
 - 1. Prepare offer and present offer to property owner. (**Offer gives 30 days to negotiate**)
 - B. Negotiation, Contacts, and Reports
 - 1. Meet with property owners to discuss concerns, review information supplied by owners and review easement document and survey, if necessary
 - 2. Prepare negotiator logs and maintain files on the acquisition process and progress, documenting all pertinent information
 - C. Receive Counter Offers
 - 1. Review contents of counter for correct information; prepare forms for counter offer outlining CLIENT's offer and property owner's request
 - D. Submit Counter to CLIENT for Approval
 - 1. Send packet to CLIENT requesting a review of the counter information
 - 2. CLIENT will review the information provided and recommend or deny
 - E. Receive and Send Out Counter Approval Letter and Memorandum of Agreement, if necessary
 - F. If the counter has been denied, prepare the denial of counter offer letter, along with final offer letter and deliver to property owner
 - G. Final Offer
 - 1. During the **14 days of waiting** for the final offer to expire, start gathering information needed to proceed to condemnation



V. **Condemnation (If Needed)**

A. Once negotiations have reached a point of impasse and the property must be condemned for either title deficiencies or other unforeseen reasons, the acquisition agent will gather all information pertinent to the file and produce a final package for condemnation and present to the legal team. During the process of eminent domain, the agent will be available to assist the CLIENT with obtaining information requested to help expedite the process.

B. **Funding**

A. Request Updated Title

1. Cure all title and encumbrances affecting title to property

B. Submit required information to CLIENT for submission of check

C. Receive funds

1. Prepare all documents for closing with Title Company

2. Coordinate closing with title company and property owner

D. Record instrument of conveyance

VII. **Closing**

A. Compile all documents and submit closing package to CLIENT

1. Review all files and compile all documentation and present the final file to CLIENT in the format required to close out the parcel

VIII. **Relocation**

A. Perform initial interview with owner/tenant to research the needs for each business and residence affected by the acquisition

B. Explain Relocation Benefits Package/Advisory Services and Coordinate Move

1. Meet with the Displacee and discuss the advisory services & benefits they are eligible to receive

C. 90-Day Notice to Displacee

1. Prepare 90 Day Notice and send to displacee affected by the acquisition along with the relocation booklet for Business Relocation

2. Find Comparables, Calculate Rent Supplement or Replacement Housing Payment, prepare 90 Day Notice and send to Displacee affected by the acquisition along with the relocation booklet for Residential Relocation.

D. Issue 30-day notice

1. Once the property is acquired, it is the relocation agent's responsibility to notify the owner on the parcel

2. The agent will prepare and send a 30-day notice to vacate the displacement property to each of the displacees

3. The relocation agent will also confirm that the owner/business owner has also

been issued a 30-day notice, through the acquisition department

4. Once the 30-day has been issued the displacees will start finalizing their plans for moving and the agent will be responsible for monitoring each individual move
- E. Moving and Monitoring the Move
1. Obtain moving estimates on moving the personal property of each business or residence
 2. Monitor each move and the circumstance under which the business chooses to move (actual cost move or negotiated self-move) or in the case of a residential relocation (actual cost move or room count move)
 3. Receive and verify reestablishment expenses for each of the businesses
 4. Submit the expenses for reimbursement
- F. Submit Vacate Form to the Client
1. Verify vacancy and send the proper form to the client on each of the displacees and the owner when they have each individually vacated the parcel
- G. Process Moving Reimbursement
1. Agent will process the paperwork necessary to reimburse the displacee for any moving and reestablishment benefits to which they are entitled
 2. Once the checks are received from the client, the relocation agent will deliver the check to the displacee and obtain a signed receipt
- H. Searching Expense/Incidental Expense
1. Prepare & submit the Business Searching Expense, or prepare and submit the Incidental Expenses for the Residential move.
 2. Deliver check to displacee and obtain a signed receipt
- I. Deliver Check Receipt to the client
1. Clean and close the Relocation file. Submit closed file to the client