



BERG ♦ OLIVER ASSOCIATES, INC.

Environmental Science & Land Use Consultants
14701 St. Mary's Lane, Suite 400, Houston, Texas 77079
(281) 589-0898 fax: (281) 589-0007
Houston ♦ Dallas/ Fort Worth ♦ WDBE/HUB ♦ www.bergoliver.com

MEMORANDUM

TO: Ms. Amy Conner

FROM: Chris Thayer

NO. OF PAGES: 14 (incl. cover)

VIA EMAIL: amy@mullerlawgroup.com

DATE: July 15, 2015

SUBJECT: Environmental Services Proposal

Dear Ms. Conner,

Attached is our proposal/agreement for environmental services for the site discussed with our firm. Please review the proposal/agreement and, if acceptable, execute the agreement and return to us by fax at (281) 589-0007.

We look forward to working with you and Fort Bend County Toll Road Authority on this project. Thank you for considering Berg ♦ Oliver Associates, Inc. to assist you with your environmental planning.

Sincerely,

Chris Thayer
Senior Associate



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July 15, 2015
(Revised July 16, 2015)

Ms. Amy Conner
Fort Bend County Toll Road Authority
c/o The Muller Law Group, PLLC
16555 Southwest Freeway
Suite 200
Sugar Land, Texas 77479

Via email: amy@mullerlawgroup.com

Re: Proposal for a Phase I Environmental Site Assessment for 0.3289 acres, located at State Highway 6, in Fort Bend County, Texas
BOA Proposal No. 9948H-P1

Dear Ms. Conner:

The following proposal is provided to Fort Bend County Toll Road Authority for environmental services for 0.3289 acres, located at State Highway 6, in Fort Bend County, Texas. Berg ♦ Oliver Associates, Inc. (Berg ♦ Oliver) will provide special attention to complete the work in a timely and professional manner. We will begin the assessment upon your acceptance and execution of the proposal.

Berg ♦ Oliver is proposing to provide the following service: Task I) Phase I Environmental Site Assessment. Attachment A describes the scope in detail.

The Client will need to furnish Berg ♦ Oliver with the following items in order to begin the Phase I ESA process:

- **A survey map of the site;**
- **Metes and bounds or legal description; and**
- **Contact name of the current owner or owner's representative to complete an owner/occupant inquiry.**

These items should show or describe the exact location of the subject property to be assessed.

The objective of the Phase I is to identify, to the extent feasible under the processes prescribed in ASTM E 1527-2013, the potential for recognized environmental conditions; that is, the presence or likely presence of any hazardous substances or petroleum products on the property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into the ground, groundwater, or surface water of the property. The Phase I will have four components, described as follows:

Berg ♦ Oliver Associates, Inc.
BOA project number 9948H-P1
July 15, 2015

1. **Records Review:** Obtain and review records that will help identify recognized environmental conditions in connection with the property. Some records will pertain to properties within an additional approximate search distance in order to help assess the likelihood of potential problems from migrating substances.
2. **Site Reconnaissance:** Visually and physically inspect the property and adjoining properties, to the extent not obstructed by bodies of water, adjacent buildings, or other obstacles, for evidence of hazardous substances or petroleum products
3. **Interviews:** a) Interview owners and occupants, or their designated representatives, to obtain information regarding current and historical uses of the property that may be related to environmental conditions. b) Conduct inquiries of local agency (e.g. fire department, health department) officials or staff members that may have knowledge or records of environmental conditions or incidents related to the property or the surrounding area. Interviews may in the form of personal contact, telephone contact, or written correspondence.
4. **Evaluation and Report Preparation:** The information gathered from the previous tasks will be evaluated, and the findings will be presented in a report that describes, at minimum, site and vicinity descriptions, current and past uses of the property and adjoining properties, information from records reviews, information from site reconnaissance and interviews, conclusions and opinions of impacts, if any, of recognized environmental conditions. The report will also describe the methodologies used, and will include appropriate documentation and exhibits of information used to conduct the assessment. Recommendations for further study, if any, will be provided in a separate document.

PROJECT SCHEDULE

The scope of work involved in this environmental service proposal is anticipated to be complete within thirty (30) calendar days of the receipt of an executed proposal and boundary survey/plat, or other suitable boundary map by Berg ♦ Oliver. The project completion schedule is the goal of all parties; it does not, however, reflect unusual delays due to forces beyond the control of Berg ♦ Oliver and/or modifications to the scope of work based upon actual findings or additional requests by Fort Bend County Toll Road Authority, its agents, or governmental agency.

RIGHT OF ENTRY

To date the Fort Bend County Toll Road Authority does not have a Right of Entry. Once the Right of Entry is received, a site visit will be conducted.

BASIC COMPENSATION AND METHOD OF PAYMENT

The work described below includes standard tasks that are usually required to complete the scope of the project. If a specific task is not necessary, as determined by Berg ♦ Oliver in consultation with the client and/or regulatory agency, it may not be performed in order to reduce charges to the client.

Berg ♦ Oliver proposes to provide the environmental services described in Attachment A to Fort Bend County Toll Road Authority for the following lump sum amount:

Two Thousand Seven Hundred and Fifty Dollars (\$2,750.00) *

** If the client requires completion of the report in less than thirty days, a rush charge of 20% will be added to the cost of the project. Additionally, some standard information sources may not be available for review. Costs associated with obtaining and reviewing information for the purposes of completing Task #3 of Task I in Attachment A will be invoiced at cost plus twenty percent (20%), plus project management review time according to the attached Personnel Rate Sheet (Attachment B) with the exception of specific oil or gas well site information which will be provided for a research fee of one hundred twenty five dollars (\$125.00) per site. In addition, if it is necessary to investigate any structures on the site, there will be an additional charge of \$125.00 per structure. This estimate includes 22 hours of project management/mapping time. Extraordinary circumstances, such as regulatory agency reviews based upon recent policy changes, may require additional tasks or further detailed analysis not covered in the present scope of work. If the project requires more than a total of 22 hours of project management/mapping time, the extra hours will be billed hourly as additional services, based on the attached rate schedule, but will not exceed 10% (\$275.00) without written approval from the client.*

If additional tasks require more than a 10% overage (as described above), Berg ♦ Oliver will provide the client with an appropriate change order.

This cost estimate is valid for a period of six (6) months beyond the date shown below. After six (6) months, cost estimates may change due to fluctuations in fuel, subcontractors, and other sources required completing the project.

Berg ♦ Oliver will begin the work described herein upon the execution of this proposal by the client. Invoices for each lump sum amount will be invoiced upon completion of the task or upon 50%, 75%, and 100% completion if the project takes longer than thirty (30) days to complete.

Payment of all invoices is expected within thirty (30) days of the client's receipt of the invoice submitted by Berg ♦ Oliver. If invoice is not paid in full in thirty (30) days, interest will accrue at 1.5% per month (18% per annum). An electronic version (PDF) of the report will be provided to the client. If report copies are requested, they will be provided at a cost of seventy-five dollars (\$75.00) each, or cost plus twenty percent (20%), whichever is greater.

CONFIDENTIALITY OF ASSESSMENT

The assessment and all related work and services of Berg ♦ Oliver Associates, Inc. are confidential. Berg ♦ Oliver Associates, Inc. is hereby employed by Fort Bend County Toll Road Authority pursuant to this contract. Under such contract relationship, all correspondence, written or oral, which relates to the findings of this study are, to the extent permitted by law, strictly confidential between the parties hereto, unless Berg ♦ Oliver Associates, Inc. receives a written request from the client to offer the results of this study to a third party not a part of this agreement/proposal. Environmental assessments may occasionally uncover extremely sensitive findings. It is the responsibility of Berg ♦ Oliver Associates, Inc. to report these findings to the authorizing client and to no other party.

PROPOSAL ACCEPTANCE AND EXECUTION


Acceptance of this proposal, including the “General Conditions for Services” found in Attachment C, will be indicated by the signatures below and will serve as authorization to proceed with the work proposed herein. The signatory below also represents that the client has, or has secured, the authority to grant permission for Berg ♦ Oliver Associates, Inc. personnel to enter the subject property as necessary to conduct these assessments and that such permission is granted to Berg ♦ Oliver Associates, Inc. by the execution of this agreement/proposal. If the client is a Corporation or a Partnership, then the signature below will also represent the personal guarantee of the individual signing on behalf of the Client.

IN WITNESS THEREOF, Fort Bend County Toll Road Authority and Berg ♦ Oliver Associates, Inc. have accepted and executed this proposal for environmental services on this the 19th day of August, 2015.

FORT BEND COUNTY TOLL ROAD AUTHORITY

By: 
Authorized Signature

BERG ♦ OLIVER ASSOCIATES, INC.

By: 
Chris Thayer
Senior Associate

ATTACHMENT A

TASK I PHASE I ENVIRONMENTAL SITE ASSESSMENT SCOPE OF WORK INVESTIGATIVE WORK

Phase I investigative work includes, but may not be limited to, four basic tasks which are each comprised of several components. The details of these tasks are set forth below, listing the standard components of each. The ASTM E 1527-2013 standard prescribes a review of *reasonably ascertainable* information; that is, information that is publicly available, obtainable from its source within reasonable time and cost restraints, and practically reviewable. The availability of information will vary based on the location of a given site. Berg ♦ Oliver will attempt to review as much of the following information as is reasonably ascertainable for this project.

Task 1: Records Review

Standard Environmental Record Sources

Review documented environmental site listings from Federal and State regulatory agency database sources, including the following:

<u>Sources</u>	<u>Minimum Search Distance</u>
1. Federal NPL Facilities/Sites Lists	1.0 Mile Radius
2. Federal NPL-Delisted Sites List	0.5 Mile Radius
3. Federal CERCLIS List	0.5 Mile Radius
4. Federal NFRAP List	0.5 Mile Radius
5. Federal RCRA Corraacts List	1.0 Mile Radius
6. Federal RCRA TSD List	0.5 Mile Radius
7. Federal RCRA Generator List	Adjoining
8. Federal Finds List	0.5 Mile Radius
9. Federal ERNS List	Site Specific
10. State Priority List	1 Mile Radius
11. State IOP List	0.5 Mile Radius
12. State SWLF/CLI List	0.5 Mile Radius
13. State CLI List	0.5 Mile Radius
14. State LPST List	0.5 Mile Radius
15. State Registered UST/AST List	Adjoining
16. State PST List	0.5 Mile Radius
17. State TCEQ VCP List	0.5 Mile Radius
18. State Brownfield List	0.5 Mile Radius
19. Dry Cleaner List	0.5 Mile Radius
20. IHW List	Adjoining
21. Local Hazmat Spills	Site Specific

Documented regulatory agency sites located within the ASTM prescribed minimum search distance will be identified and plotted on a composite site map.

Physical Setting Sources

USGS Topographic Map(s) will be reviewed to determine site topography and surface drainage patterns of the site and the surrounding area. Current and past structures, roads, well installations, and other improvements will be evaluated, as well as other pertinent physical features such as streams or water bodies. **Federal Emergency Management Agency** floodplain map(s) will be evaluated to determine if the subject property lies within a known floodplain. The appropriate **Soil Survey** from the **USDA Natural Resource Conservation Service** will be reviewed to determine the site's soil conditions and general surface geology of the area. General descriptions will be made of the subsurface hydrogeology based on information from **USGS Groundwater Maps** or other sources.

Historical Use Information

Historical Aerial Photographs will be obtained from aerial photography firms having inventory of the subject area. The photographs will be reviewed to evaluate previous land use characteristics for the property and adjacent parcels. The photographs will also be checked for possible oil and gas exploration activities, surficial anomalies associated with waste ponds or dumps, and previous commercial and/or industrial activities. A **Chain of Title** will be reviewed from the Fort Bend County Clerk's records to identify site ownership from 1940 forward. The records will be reviewed to evaluate the potential for industrial or environmentally significant land use activities onsite, based on the identities of previous owners. This task will be subcontracted to a title search company.

Local **City Directories** and **Sanborn Fire Insurance Maps**, if available, will be reviewed for listings of the types of past structures or business operations that may have existed on the property. In addition, **Texas Railroad Commission Records** will be reviewed to determine if oil and/or gas exploration or production has occurred on the site. This information will be obtained from a **Regional Oil and Gas Survey Map** prepared by Tobin Research, Inc.

Task 2: Interviews and Agency Inquiries

Owner/Occupant Inquiry

Inquiries will be made of person(s) who may have knowledge of current or historical conditions associated with the subject property. One or more of the following individuals may be contacted for an interview: 1) **Current Owner** 2) **Owner's Representative** 3) **Occupants** or **Tenants** 4) **Adjacent Property Owners/Occupants**. Interviews may be conducted in person, by telephone, or by written correspondence in the form of an **Owner/Occupant Questionnaire**.

Local Agencies and/or Officials

Inquiries will be made of local agencies or officials that may have records of environmental conditions or incidents related to the subject property or adjacent properties. Such agencies may include the **Local Fire Department**, **Hazardous Materials Response**, **City/County Health Department**, **Local Pollution Control Agency**, or others deemed appropriate for the property, its location, or specific conditions.

Task 3: Additional Records Sources

In the event that site-specific conditions or standard information sources indicate a potential environmental condition(s) associated with the property, other selective files or records may be reviewed for additional information regarding such conditions. This information will be obtained at the discretion of Berg ♦ Oliver Associates, Inc. based on the findings of the investigation. Other

typical sources include specific files from the **Texas Railroad Commission**, the **Texas Commission on Environmental Quality**, and the **Environmental Protection Agency**.

Task 4: Site Reconnaissance

General Site Setting

Site reconnaissance will be conducted to physically and visually inspect the property for indications of environmental conditions. Observations will be made of the **Current Site Usage**, **Adjacent Site Usage**, **Topography and Landscape**, **Structures**, **Roads**, **Improvements** and, to the extent practicable, **Potable Water Supply**, **Sewage Disposal System**, and other **Utility Installations**.

Interior and Exterior Observations

The property and any buildings or structures will be inspected for visual or physical evidence of hazardous substances or petroleum products. Exterior observations include, but are not limited to, pits, ponds, lagoons, stained soil or pavement, pools of liquid, strong odors, stressed vegetation, solid waste, waste water and associated discharge(s), above or below ground storage tanks, drums or containers, unidentified substances, wells, or septic systems. If interior inspection is required, observations will include those listed above, if applicable, as well as heating/cooling sources and fuels, stains or corrosion, drains and sumps, storage or treatment areas, and construction materials. Any listed, or non-listed, indicator of hazardous substances or petroleum products will be identified in the findings of the report.

ATTACHMENT B



BERG ♦ OLIVER ASSOCIATES, INC.

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2015 PERSONNEL RATE SCHEDULE

<u>Personnel</u>	<u>Hourly Billing Rate</u>
Project Director/Principal	\$190.00
Senior Associate	\$170.00
Professional Engineer	\$170.00
Project Manager/Registered Environmental Manager	\$160.00
Professional Geologist	\$160.00
Health/Safety Officer/Chemist	\$160.00
Project Coordinator	\$130.00
Wetlands Biologist/Ecologist	\$120.00
Soil Scientist/Geologist	\$120.00
Senior GIS Analyst	\$125.00
GIS Analyst	\$110.00
Field Technician	\$85.00
In-House Technician/Administrator	\$80.00
CADD Sr. Analyst	\$110.00
CADD Analyst	\$80.00
Administrative/Word Processing	\$65.00
Specialist Subcontractors	Cost + 15%

Above rates include all normal expenses of BOA's business, including mailing charges, in-house photocopying, long distance telephone costs, in-house graphic systems, and local area travel, unless otherwise stated in the agreement. Expenses, such as travel beyond fifty (50) miles, outside photocopying, delivery charges, photographic reproduction, and other outside services, are considered reimbursable by the client at rate of cost +15%. Any extraordinary reimbursable expenses, in excess of \$250.00 must have authorization from the client.

NOTE: The rate schedule is for the current fiscal year, with an effective date of January 1. Hourly rates are adjusted annually as inflation dictates. If this contract spans more than one fiscal year (ending December 31), hourly rates may be adjusted. Regardless of any rate adjustment, the "not to exceed" figures in a contract will not change.

ATTACHMENT C
GENERAL CONDITIONS FOR SERVICES

These General Conditions are a part of each agreement between Berg♦Oliver Associates, Inc. and its client for the performance of services. Berg♦Oliver Associates, Inc. is identified as "BOA". The party for whom the services are performed is identified as "Client", and the written agreement between the parties, including these General Conditions, is called "this Agreement".

Article 1: Services by BOA

1.1 Scope of services standard of care. BOA will perform the scope of services expressly described in this Agreement, after it is signed by both parties. The services performed by BOA will be conducted in a manner consistent with the degree of care and skill ordinarily exercised by reputable companies performing the same or similar services in the same locale acting under similar circumstances and conditions.

1.2 Restoration. BOA will exercise reasonable care to minimize damage to the site. However, Client acknowledges that some damage may occur in the normal course of performing the services, even if due care is exercised, and agrees that BOA will not be liable for such damage and will be entitled to additional compensation if it is asked to perform restoration services not expressly included in the scope of services.

1.3 Reports and Investigations. If BOA's performance of the services includes assessment, identification, or testing services, the number of investigations and observations BOA makes, the number of samples it collects, or the number of tests it performs are necessarily limited by budgetary and time constraints, and observations and samples by their specific locational nature may not exactly represent similar samples or observations in the immediate vicinity. BOA **does not** guarantee that all violations, problems, or sources of possible environmental condition will be identified, that all contaminants or environmental condition will be detected/identified, or that requirements, standards, or conditions will not change over time. Any report issued by BOA will set forth its findings and conclusions based on the limited information available from the observations, investigations, sampling, and/or testing conducted under this Agreement. In preparing its report, BOA may review and interpret information provided by Client, third parties, and regulatory agencies and will be entitled to rely on the accuracy of such information, including laboratory results, without performing an independent verification. BOA may include in its report a Statement of Limitations describing the limitations of its investigations and findings and indicating that the report is for Client's use only and will not be relied upon by any third party, except as expressly agreed in writing by BOA, and then only at such third party's own risk.

1.4 Documents. All reports and documents prepared and deliverable to Client pursuant to this Agreement will become Client's property upon full payment to BOA. BOA may retain file copies of such deliverables. All other reports, notes, calculations, data, drawings, estimates, specifications, and other documents and computerized materials prepared by BOA are instruments of BOA's services and will remain BOA's property. All deliverables provided to Client are for Client's use only for the purposes disclosed to BOA, and Client will not transfer them to others or use them or permit them to be used for any extension of the services or any other project or purpose, without BOA's express written consent.

1.5 Services not included. Unless expressly included in the scope of services, BOA's services will not include the following: (a) the detection, removal, treatment, transportation, disposal, monitoring, or remediation of any contamination of soil or groundwater at the site by petroleum or petroleum products (collectively called "oil") or hazardous, toxic, radioactive, or infectious substances, including any substances regulated under RCRA or any other federal, state, or local environmental laws, regulations, statutes, rules, standards, or ordinances (collectively called "Hazardous Materials"); (b) mechanical compaction of backfill; (c) dewatering before installation or filling tanks with liquid or ballast following installation; (d) pump-out or disposal of product, water, or other contents from existing tanks; (e) installation of anchor systems, foundations, shoring, or other support devices; (f) concrete, blacktop, water, sewer, electricity, or other outside services; (g) the removal of any soil or water; (h) installation of protective fencing or other structure; or (i) construction or monitoring. BOA will be entitled to additional compensation if it is asked to perform or provide such services listed above. BOA will not be responsible for damage to or imperfections in any concrete slabs it installs unless they are protected by Client from traffic for seven days.

1.6 Estimates. Any estimates of probable construction or implementation costs, financial evaluations, feasibility studies, or economic analyses prepared by BOA will represent its best judgement based on its experience and available information. However, Client recognizes that BOA has no control over costs of labor, materials, equipment, or services furnished by others or over market conditions or contractors' methods of determining prices. Accordingly, BOA does not guarantee that proposals, bids, or actual costs will not vary from opinions, evaluations, or studies submitted by BOA.

1.7 Other Contractors. Except to the extent expressly agreed in writing, BOA will not have any duty or authority to direct, supervise, or oversee any contractors of Client or their work or to provide the means, methods, or sequence of their work or to stop their work. BOA's services and/or presence at a site will not relieve others of their responsibility to Client or to others. BOA will not be liable for the failure of Client's contractors or others to fulfill their

responsibilities, and Client agrees to indemnify, hold harmless, and defend BOA against any claims arising out of such failures.

1.8 Litigation support. BOA will not be obligated to provide expert witness or other litigation support related to its services, unless expressly agreed in writing. In the event BOA is required to respond to a subpoena, government inquiry, or other legal process related to the services in connection with a proceeding to which it is not a party, Client will reimburse BOA for its costs and compensate BOA at its then standard rates for the time it incurs in gathering information and documents and attending depositions, hearings, and the like.

1.9 Warranty. If manufactured products are purchased by BOA and furnished to Client or incorporated into the work, BOA will assign to Client any warranties provided by the manufacturer, to the extent they are assignable, and Client's sole resource will be against the manufacturer. NO FURTHER WARRANTIES OR GUARANTIES, EXPRESS OR IMPLIED, ARE MADE WITH RESPECT TO ANY GOODS OR SERVICES PROVIDED UNDER THIS AGREEMENT, AND ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED. Full risk of loss of materials and equipment furnished by BOA will pass to Client upon their delivery to Client's premises, and Client will be responsible for protecting them against theft and damage. However, until BOA is paid in full, it will retain title for security purposes only and the right to repossess the materials and equipment.

Article 2: Responsibilities of Client

2.1 Client requirements. Client, to the best of its ability, without cost to BOA, will:

- (a) Designate to BOA a person to act as Client's representative;
- (b) Provide or arrange for access and make all provisions for BOA to enter any site where services are to be performed;
- (c) Furnish BOA with all reasonably available information pertinent to the services;
- (d) Furnish BOA with a legal description of the site and all available surveys, site plans, and relevant information about site conditions, topography, boundaries, easements, zoning, land use restrictions, and right-of-ways, if available and as needed;
- (e) Furnish BOA with all approvals, permits, and consents required for performance of the services except for those BOA has expressly agreed in writing to obtain;
- (f) Notify BOA promptly of all known or suspected Hazardous Materials at the site, of any contamination of the site by Oil or Hazardous Material, and of any OTHER CONDITIONS REQUIRING SPECIAL CARE, and provide BOA with any available documents describing the quantity, nature, location, and extent of such materials, contamination, or conditions;
- (g) Comply with all laws and provide any notices required to be given to any government authorities in connection with the services, except for such notices BOA has expressly agreed in writing to give;
- (h) Before commencement of any drilling or excavation at a site, furnish BOA with a complete description (to the best of their ability) of all underground objects and structures at the site, including, but not limited to, wells, tanks, and utilities; and indemnify, hold harmless, and defend BOA against claims arising out of damages to underground objects or structures not properly defined;
- (i) Provide BOA with information concerning prior owners of the site and any current or historical uses of or activities on the site by Client, prior owners, or others, as needed;
- (j) Furnish to BOA any known contingency plans related to the site;
- (k) Furnish to BOA any previous environmental audits and/or assessments related to the site.

2.2 Hazards. Client represents and warrants that it does not have any knowledge of Hazardous Materials or Oil, or unusually hazardous conditions at the site or of contamination of the site by Oil or Hazardous Materials except as expressly disclosed to BOA in writing.

2.3 Confidentiality. Client acknowledges that the technical and pricing information contained in this Agreement is confidential and proprietary to BOA and agrees not to disclose it or otherwise make it available to others without BOA's express written consent.

2.4 Health and safety. Client acknowledges that it is now and will at all times remain in control of the project site. Except as expressly provided herein, BOA will not be responsible for the adequacy of the health or safety programs or precautions related to Client's activities or operations, Client's other contractors, the work of any other person or entity, or Client's site conditions. BOA will not be responsible for inspecting, observing, reporting, or correcting health or safety conditions or deficiencies of Client or others at Client's site. So as not to discourage BOA from voluntarily addressing health or safety issues while at Client's site, in the event BOA does address such issues by making observations, reports, suggestions, or otherwise, BOA will nevertheless have no liability or responsibility arising on account thereof. Client agrees to indemnify, hold harmless, and defend BOA to the fullest extent permitted by law against any and all claims arising out of such programs, activities, conditions, or deficiencies unless BOA is responsible for gross negligence with regard to its work.

Article 3: Changes; Delays; Excused Performance

3.1 Changes. Unless this Agreement expressly provides otherwise, BOA's proposed compensation represents its best estimate of the costs, effort, and time it expects to expend in performing the services based on its reasonable assumption of the conditions and circumstances under which the services will be performed including, but not limited to, those stated in Section 3.2. As the services are performed, conditions may change or circumstances outside BOA's reasonable control (including changes of law or regulatory policy) may develop that would require BOA to expend additional costs, effort, or time to complete the services, in which case BOA will notify Client, and an equitable adjustment will be made to BOA's compensation. In the event conditions or circumstances require the services to be suspended or terminated, BOA will be compensated for services previously performed and for costs reasonably incurred in connection with the suspension or termination.

3.2 Assumptions. Unless specified in writing, BOA's compensation is based on the assumption that: (a) there is no impact spoil or excavation of natural resources on or adjacent to the site that has not been disclosed to BOA by the client; (b) there is no contamination of soil or groundwater at the site by Oil or Hazardous Materials that has not been disclosed to BOA by Client, (c) BOA will not encounter any underground structures, utilities, boulders, rock, water, running sand, or other unanticipated conditions in the course of drilling or excavation; (d) tank installations will not require dewatering by BOA; and (e) if BOA's scope of services includes services related to petroleum facilities or storage tanks, groundwater will not cause tanks to float or require the use of Ballast. BOA will be compensated for any additional efforts expended or costs incurred in addressing such conditions.

3.3 Force majeure. BOA will not be responsible for any delay or failure of performance caused by fire or other casualty, labor dispute, government or military action, transportation delay, inclement weather, Act of God, act or omission of Client or its contractors, failure of Client or any government authority to timely review or to approve the services or to grant permits or approvals, or any other cause beyond BOA's reasonable control. In the event of such delay or failure, the time for performance will be extended by a period equal to the time lost plus a reasonable recovery period, and the compensation will be equitably adjusted to compensate for any additional costs BOA incurs due to any such delay.

3.4 Disputes. If any claim or dispute arises out of this Agreement or its performance, the parties agree to endeavor in good faith to resolve it equitably through negotiation or, if that fails, through nonbinding mediation under the rules of the American Arbitration Association, before having recourse to the courts. However, prior to or during negotiation or mediation, either party may initiate litigation that would otherwise become barred by a statute of limitation, and BOA may pursue any property liens or other rights it may have to obtain security for the payment of its invoice.

Article 4: Compensation

4.1 Rates. Unless otherwise agreed in writing, BOA will be compensated for its services at its standard rates and will be reimbursed for costs and expenses (plus reasonable profit and overhead) incurred in its performance of the services.

4.2 Invoices. BOA may invoice Client on a monthly or other progress billing basis. Invoices are due and payable upon receipt by Client. On amounts not paid within 30 days of invoice date, Client will pay interest from invoice date until payment is received at the lesser of 1.5% per month or the maximum rate allowed by law. If Client disagrees with any portion of an invoice, it will notify BOA in writing of the amount in dispute and the reason for its disagreement within 21 days of receipt of the invoice, and will pay the portion not in dispute.

4.3 Suspension, etc. BOA may suspend or terminate the services at any time if payment is not received when due and will be entitled to compensation for the services previously performed and for costs reasonably incurred in connection with the suspension or termination.

4.4 Collection. Client will reimburse BOA for BOA's costs and expenses (including reasonable attorneys' and witnesses' fees) incurred for collection under this Agreement.

4.5 Taxes, etc. Except to the extent expressly agreed in writing, BOA's fees do not include any taxes, excises, fees, duties, or other government charges related to the goods or services provided under this Agreement, and Client will pay such amounts or reimburse BOA for any amounts it pays. If Client claims that any goods or services are subject to a tax exemption or direct payment permit, it will provide BOA with a valid exemption or permit certificate and indemnify, defend, and hold BOA harmless from any taxes, costs, and penalties arising out of the use or acceptance of same.

Article 5: Insurance and Allocation of Risk

5.1 Insurance. During the performance of the services, BOA will maintain the following insurance:

Workers' Compensation	Statutory limits
Employers' Liability	\$1,000,000 each accident

Commercial General	\$1,000,000 per occurrence & aggregate
Automobile Liability	\$1,000,000 per occurrence & aggregate
Professional Liability	\$1,000,000 per claim & aggregate

Insurance certificates will be furnished upon request.

5.2 Client indemnification. For separate consideration of \$10 and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Client agrees to indemnify, hold harmless, and defend BOA from and against any and all liabilities, demands, claims, fines, penalties, damages, forfeitures, and suits, together with reasonable attorneys' and witness' fees and other cost and expenses of defense and settlement, which BOA may incur, become responsible for, or pay out as a result of death or bodily injury or threat thereof to any person, destruction, or damage to any property, contamination of or adverse effect on natural resources or the environment, any violation of local, state or federal laws, regulations or orders, or any damages claimed by third parties (collectively, "Damages") to the extent arising in whole or in part out of Client's violation of law or breach of this Agreement or out of the negligence or willful misconduct of Client, its other contractors, agents, suppliers, or employees.

5.3 BOA indemnification. For separate consideration of \$10 and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and subject to the limitations set forth in paragraph 5.4, BOA agrees to indemnify, hold harmless, and defend Client from and against any and all liabilities, demands, claims, fines, penalties, damages, forfeitures and suits, together with reasonable attorneys' and witness' fees and other costs and expenses of defense and settlement, which Client may incur, become responsible for or pay out as a result of death or bodily injury or threat thereof to any person, destruction or damage to any property, contamination of or adverse effect on natural resources or the environment, any violation of local, state or federal laws, regulations or orders, or any damages claimed by third parties (collectively, "Damages") to the extent arising in whole or in part out of BOA's violation of law or breach of this Agreement or out of the negligence or willful misconduct of BOA, its other contractors, agents, suppliers, or employees.

5.4 Limitation of liability. BOA's aggregate liability for any and all claims arising out of this Agreement or out of any goods or services furnished under this Agreement, whether based in contract, negligence, strict liability, agency, warranty, tort, trespass, or any other theory of liability, will be limited to \$10,000 or the total compensation received by BOA from Client under this Agreement, whichever is the lesser. In no event will BOA be liable for special, indirect, incidental, or consequential damages, including commercial loss, loss of use, or lost profits, however caused, even if BOA has been advised of the possibility of such damages. **Any claim will be deemed waived unless made by Client in writing and received by BOA within one year after completion of the services with respect to which the claim is made.**

5.5 Employee injury. Client agrees not to impede or to bring an action against BOA based on any claim or personal injury or death occurring in the course or scope of the injured or deceased person's employment with BOA and related to the services performed under this Agreement.

5.6 Defense. Any defense of BOA required to be provided by Client under this Agreement will be with counsel selected by BOA and reasonably acceptable to Client.

Article 6: Hazardous Materials Provisions

6.1 Hazardous Materials. Except to the extent expressly agreed in writing, BOA's services do not include directly or indirectly performing or arranging for the detection, monitoring, handling, storage, removal, transportation, disposal, or treatment of petroleum or petroleum products (collectively called "Oil") or of any hazardous, toxic, radioactive, or infectious substances, including any substances regulated under RCRA or any other federal or state environmental laws (collectively called "Hazardous Materials"). The discovery or reasonable suspicion of Hazardous Materials or hazardous conditions at a site where BOA is to perform services or of contamination of the site by Oil or Hazardous Materials not previously disclosed to BOA in writing will entitle BOA to suspend its services immediately, subject to mutual agreement of terms and conditions applicable to any further services, or to terminate its services and to be paid for services previously performed. In no event will BOA be required or construed to take title, ownership, or responsibility for such Oil or Hazardous Materials.

6.2 Manifests. In the event that the scope of services includes the remediation of any Oil or Hazardous Materials, before BOA removes from a site any Oil or Hazardous Materials, Client will sign any required waste manifests in conformance with all DOT and other government regulations, listing Client as the generator of the waste. If someone other than Client is the generator of the waste, Client will arrange for such other person to sign such manifests. BOA will not directly or indirectly assume title to or own or be deemed to possess any materials handled or removed from any site, including Oil or Hazardous Materials. Nothing in this Agreement will be construed to make BOA a "generator" as defined in RCRA or any similar laws governing the treatment, storage, or disposal of waste. Except to the extent BOA's responsibilities expressly include identification of the waste, Client will provide waste material profiles, which accurately characterize the waste. If the services include transportation of Hazardous Materials or Oil, BOA may evaluate and recommend possible disposal sites for Client's use. However, under RCRA and CERCLA, the client, as generator, has ultimate responsibility for selection of the disposal site. Client acknowledges and agrees that it

will evaluate and select the proper disposal site and be solely responsible therefore.

6.3 Hazardous Materials indemnification. Client acknowledges that BOA does not have any responsibility for preexisting Oil and Hazardous Materials at the site, any resultant contamination there from, or, except as expressly agreed in writing, for previous detection, monitoring, handling, storage, transportation, disposal, or treatment, that BOA's compensation is not commensurate with the unusually high risks associated with such materials, and that insurance is not reasonably available to protect against such risks. Therefore, for separate consideration of \$10 and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in addition to the indemnification provided in Section 5.2, Client agrees to indemnify, hold harmless, and defend BOA against all damages arising out of or related to Oil or Hazardous Materials located at or removed from the site, including damages such as the cost of response or remediation arising out of application of common law or statutes such as CERCLA or other "Superfund" laws imposing strict liability.

Article 7: Miscellaneous Provisions

7.1 Confidential information. Although BOA generally will not disclose without Client's consent information provided by Client or developed by BOA in the course of its services and designated by Client as confidential (but not including information which is publicly available, is already in BOA's possession, or obtained from third parties), BOA will not be liable for disclosing such information if it in good faith believes such disclosure is required by law or is necessary to protect the safety, health, property, or welfare of human beings. BOA will advise Client (in advance, except in emergency) of any such disclosure.

7.2 Notices. Notices between the parties will be in writing and will be hand delivered or sent by certified mail or acknowledged telefax properly addressed to the appropriate party.

7.3 Assignment, etc. Neither the Client nor BOA will assign or transfer any rights or obligations under this Agreement, except that BOA may assign this Agreement to its affiliates and may use subcontractors in the performance of its services. Nothing contained in this Agreement will be construed to give any rights or benefits to anyone other than the Client and BOA, without the express written consent of both parties. The relationship between Client and BOA is that of independent contracting parties, and nothing in this agreement or the parties' conduct will be construed to create a relationship of agency, partnership, or joint venture.

7.4 Governing law and Headings. This Agreement will be governed by and construed in accordance with the laws of the State of Texas. The headings in this Agreement are for convenience only and are not a part of the agreement between the parties.

7.5 Entire agreement. This Agreement supersedes all prior agreements and, together with any work release document issued under this Agreement and signed by both parties, constitutes the entire agreement between the parties. Any amendments to this Agreement will be in writing and signed by both parties. In no event will the printed terms on any purchase order, work order, or other document provided by Client modify or amend this Agreement, even if it is signed by BOA, unless BOA signs a written statement expressly indicating that such terms supersede the terms of this Agreement. In the event of an inconsistency between these General Conditions and any other writings, which comprise this Agreement, the other writings will take precedence.

7.6 Survival. All obligations arising prior to this Agreement and all provisions of this Agreement allocating responsibility or liability between the parties will survive the completion of the services and the termination of this Agreement.