

PROPERTY APPRAISAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into by and between the Fort Bend County Drainage District, (hereinafter "District"), a body corporate and politic under the laws of the State of Texas, and Fox & Bubela, Inc., (hereinafter "Contractor"), a corporation authorized to conduct business in the State of Texas.

WITNESSETH

WHEREAS, District desires to retain Contractor to provide property appraisal services (hereinafter "Services"); and

WHEREAS, Contractor represents that it is qualified and desires to perform such services.

WHEREAS, District has determined that this Agreement is for professional services and therefore is exempt from competitive bidding under Chapter 2254 of the Government Code.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

AGREEMENT

Article I. Scope of Services

Contractor shall render Services to District as defined in the Scope of Services (attached hereto as Exhibit A).

Article II. Personnel

2.1 Contractor represents that it presently has, or is able to obtain, adequate qualified personnel in its employment for the timely performance of the Scope of Services required under this Agreement and that Contractor shall furnish and maintain, at its own expense, adequate and sufficient personnel, in the opinion of District, to perform the Scope of Services when and as required and without delays.

2.2 All employees of Contractor shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of Contractor who, in the opinion of District, is incompetent or by his conduct becomes detrimental to the Project shall, upon request of District, immediately be removed from association with the Project.

Article III. Compensation and Payment

3.1 The Maximum Compensation for the performance of Services within the Scope of Services described in Exhibit A is thirty-eight thousand and no/100 (\$38,000). In no case shall the amount paid under this Agreement exceed the Maximum Compensation without an approved change order.

3.2 All performance of the Scope of Services including any changes in the Scope of Services and revision of work satisfactorily performed will be performed only when approved in advance and authorized by District. Payment will be made in accordance with those payment procedures set forth in Section 3.3 below.

3.3 It is understood and agreed that payments will be made to Contractor by District based on the following procedures: Upon completion of each task identified in the Scope of Services, Contractor shall submit to District two (2) original copies of invoices showing the amounts due for services performed, setting forth work accomplished under this Agreement, accompanied by a progress report indicating the percent complete for the tasks included in the Scope of Services, in a form acceptable to District. District shall review such invoices and approve them within 30 calendar days with such modifications as are consistent with this Agreement and forward same to the Auditor for processing. District shall pay each such approved invoice within thirty (30) calendar days. District reserves the right to withhold payment pending verification of satisfactory work performed.

Article IV. Time of Performance

It is understood and agreed that the time for performance of the Scope of Services under this Agreement shall begin with receipt of the Notice to Proceed and end no later than six (6) weeks after receipt of the Notice to Proceed. Tasks described in the Scope of Services shall be completed within this time or within such additional time as may be extended by the District.

Article V. Modifications

Any modifications to this Agreement must be in writing and must be signed by both parties.

Article VI. Termination

6.1 Termination for Convenience

6.1.1 District may terminate this Agreement at any time upon thirty (30) days written notice.

6.2 Termination for Default

6.2.1 District may terminate the whole or any part of this Agreement for cause in the following circumstances:

6.2.1.1 If Contractor fails to perform services within the time specified in the Scope of Services or any extension thereof granted by the District in writing;

6.2.1.2 If Contractor materially breaches any of the covenants or terms and conditions set forth in this Agreement or fails to perform any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in any of these circumstances does not cure such breach or failure

to District's reasonable satisfaction within a period of ten (10) calendar days after receipt of notice from District specifying such breach or failure.

6.2.2 If, after termination, it is determined for any reason whatsoever that Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the District in accordance with Section 6.1 above.

6.3 Upon termination of this Agreement, District shall compensate Contractor in accordance with Section 3, above, for those services which were provided under this Agreement prior to its termination and which have not been previously invoiced to District. Contractor's final invoice for said services will be presented to and paid by District in the same manner set forth in Section 3 above.

6.4 If District terminates this Agreement as provided in this Section, no fees of any type, other than fees due and payable at the Termination Date, shall thereafter be paid to Contractor.

Article VII. Ownership and Reuse of Documents

All documents, data, reports, research, graphic presentation materials, etc., developed by Contractor as a part of its work under this Agreement, shall become the property of District upon completion of this Agreement, or in the event of termination or cancellation thereof, at the time of payment under Section 3 for work performed. All such data and material shall be promptly furnished to District on request.

Article VIII. Inspection of Books and Records

Contractor will permit District, or any duly authorized agent of District, to inspect and examine the books and records of Contractor for the purpose of verifying the amount of work performed under the Scope of Services. District's right to inspect survives the termination of this Agreement for a period of four years.

Article IX. Insurance

9.1 Prior to commencement of the Services, Contractor shall furnish District with properly executed certificates of insurance which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days' prior written notice to District. Contractor shall provide certified copies of insurance endorsements and/or policies if requested by District. Contractor shall maintain such insurance coverage from the time Services commence until Services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of Services. Contractor shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:

9.1.1 Workers' Compensation insurance in accordance with the laws of the State of Texas. Substitutes to genuine Workers' Compensation Insurance will not be allowed.

9.1.2 Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

9.1.3 Business Automobile Liability insurance with a combined Bodily Injury/Property Damage limit of not less than \$1,000,000 each accident. The policy shall cover liability arising from the operation of licensed vehicles by policyholder.

9.1.4 Professional Liability insurance with limits not less than \$1,000,000.

9.1.5 Employers' Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.

9.2 All Liability insurance policies shall name District as an additional insured. Furthermore, the Workers Compensation and Liability Insurance carriers shall grant a waiver of subrogation in District's favor.

9.3 If required coverage is written on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time that work under the Agreement is completed.

Article X. Indemnity

CONTRACTOR SHALL SAVE HARMLESS DISTRICT FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF CONTRACTOR, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF CONTRACTOR OR ANY OF CONTRACTOR'S AGENTS, SERVANTS OR EMPLOYEES.

Article XI. Confidential and Proprietary Information

11.1 Contractor acknowledges that it and its employees or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire information that is confidential to District. Any and all information of any form obtained by Contractor or its employees or agents in the performance of this Agreement shall be deemed to be confidential information of District ("Confidential Information"). Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated with respect to confidentiality in the same manner as the Confidential Information. Confidential Information shall be deemed not to include information that (a) is or becomes (other than by disclosure by Contractor) publicly known or is contained in a publicly available document; (b) is furnished by District to others without

restrictions similar to those imposed by this Agreement; (c) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; or (d) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.

11.2 Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than the provision of Services to District hereunder, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use its best efforts to assist District in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limitation of the foregoing, Contractor shall advise District immediately in the event Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and Contractor will at its expense cooperate with District in seeking injunctive or other equitable relief in the name of District or Contractor against any such person. Contractor agrees that, except as directed by District, Contractor will not at any time during or after the term of this Agreement disclose, directly or indirectly, any Confidential Information to any person, and that upon termination of this Agreement or at District's request, Contractor will turn over to District all documents, papers, and other matter in Contractor's possession which embody Confidential Information.

11.3 Contractor acknowledges that a breach of this Section, including disclosure of any Confidential Information, or disclosure of other information that, at law or in equity, ought to remain confidential, will give rise to irreparable injury to District that is inadequately compensable in damages. Accordingly, District may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interest of District and are reasonable in scope and content.

11.4 Contractor in providing all services hereunder agrees to abide by the provisions of any applicable Federal or State Data Privacy Act.

Article XII. Independent Contractor

12.1 In the performance of work or services hereunder, Contractor shall be deemed an independent contractor, and any of its agents, employees, officers, or volunteers performing work required hereunder shall be deemed solely as employees of Contractor or, where permitted, of its subcontractors.

12.2 Contractor and its agents, employees, officers, or volunteers shall not, by performing work pursuant to this Agreement, be deemed to be employees, agents, or servants of District and shall not be entitled to any of the privileges or benefits of District employment.

Article XIII. Contract Administration

13.1 All written notices, demands, and other papers or documents to be delivered to District under this Agreement shall be delivered to the Fort Bend County Drainage District, P.O. Box 1028, 1004 Blume Road, Rosenberg, Texas 77471, or at such other place or places as it may from time to time designate by written notice delivered to Contractor. For purposes of notice under this Agreement, a copy of any notice or communication hereunder shall also be forwarded to the following address: Fort Bend County, 301 Jackson Street, Suite 719, Richmond, Texas 77469, Attention: County Judge.

13.2 All written notices, demands, and other papers or documents to be delivered to Contractor under this Agreement shall be delivered to Fox & Bubela, Inc., 9977 West Sam Houston Parkway North, Suite 160, Houston, Texas 77040, or such other place or places as Contractor may designate by written notice delivered to District.

Article XIV. Compliance with Laws

Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations. When required, Contractor shall furnish District with certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

Article XV. Assignment

Neither party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party.

Article XVI. Applicable Law

This Agreement shall be construed under and in accordance with the laws of the State of Texas. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all disputes arising hereunder and waive the right to sue or be sued elsewhere.

Article XVII. Successors and Assigns

District and Contractor bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of the other party, in respect to all covenants of this Agreement.

Article XVIII. Publicity

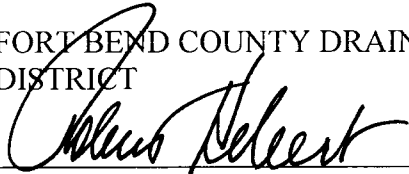
Contractor shall not make news releases, publicize or issue advertising pertaining to this Agreement without first obtaining the written approval of District.

Article XIX. Conflict

In the event there is a conflict between this Agreement and the attached exhibit, this Agreement shall control.

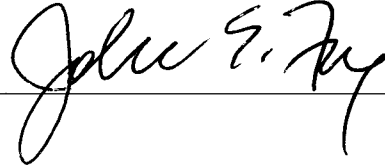
IN WITNESS WHEREOF, the parties hereto have signed or have caused their respective names to be signed to multiple counterparts to be effective on the _____ day of _____, 2009.

FORT BEND COUNTY DRAINAGE
DISTRICT

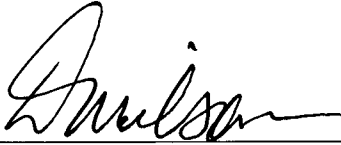


Robert E. Hebert, County Judge
May 26, 2009

CONTRACTOR



ATTEST:



Dianne Wilson, County Clerk

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$ 38,000⁰⁰ to accomplish and pay the obligation of Fort Bend County Drainage District under this contract.

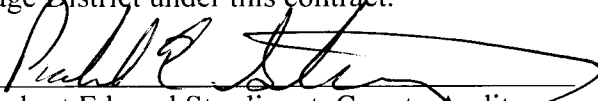

Robert Edward Sturdivant, County Auditor

EXHIBIT A

Fox & Bubela, Inc.

Real Estate Appraisers – Consultants

John E. Fox, SRPA, SRA

State Certified



Michael F. Bubela

State Certified

May 5, 2009

Mr. Jeffery T. Janecek, CFM
Assistant to the Engineer
Fort Bend County Drainage District
P.O. Box 1028
1004 Blume Road
Rosenberg, Texas 77471

Reference: *Big Creek – Fort Bend County Drainage District*

Dear Mr. Janecek:

We have reviewed the aerial photographs and Landowner Summary provided on nineteen (19) properties located along Big Creek in Fort Bend County. These would include all seventeen (17) properties located in Big Creek Segment 4 and the two (2) mitigation properties located in Segment 5 of the Big Creek Drainage Project. The following is a summary of those properties identified as considered to be the "Subject Tracts" of the above referenced project.

Fort Bend County Drainage District - Big Creek Drainage Project

4-1	Frank E. Kunz	0 Psencik Road	172.5 acres
4-2	Dorothy A. Holecek	0 Psencik Road	38.29 acres
4-3	Erna Dusek Marek	0 Psencik Road	38.29 acres
4-4	Brad L & Susan T. Crane	10819 Psencik Road	38.288 acres
4-5	Helen Webster	5808 Kimisu Lane	8.9974 acres
4-6	Raymond E. Sitta, Jr & Donald C. Sitta	0 Psencik Road	57.554 acres
4-7	The Mamie E. George Foundation	0 Psencik Road	100 acres
4-8	The George Foundation	0 Psencik Road	312 acres
4-9	RMJ Miller Real Estate Holdings, Limited	9535 Psencik Road	21.001 acres
4-10	Circle HH, Limited	0 Psencik Road	37 acres
4-11	Melvin Spira, Trustee	9331 Psencik Road	90.09 acres
4-12	ML Friedrich	9023 Psencik Road	83.04 acres
4-13	Calvin Lubojacky	9003 Psencik Road	38.124 acres
4-14	Robert Lubojacky	8811 Psencik Road	22.653 acres
4-15	Ronald W. Lubojacky	8831 Psencik Road	21.189 acres
4-16	Lonnie H. Stern Estate Trust	FM 2977 Road	95.14 acres
4-17	The George Foundation	Ricefield Road	4,277.6 acres
5-30	James Stark	7719 Ansel Lane	7.250 acres
5-37	Patrick Eicher	Highway 36	80 acres

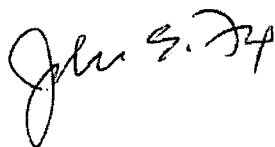
At your request, I can provide an appraisal report for each parcel of the referenced project. Our work to complete the appraisals will include mailing of certified letters to each property owner identifying ourselves and the introduction of the project data available. An inspection of each property, will take place, with or without the property owner or a representative present at the time of our inspection. Our appraisal report is considered to be a Summary Appraisal Report, as defined in the January 1, 2008 revision of the Uniform Standards of Professional Appraisal Practice. The report will include, but not limited to, the Scope of Work, Neighborhood and Site Descriptions, Highest & Best Use Analysis, and comparable sales and their detailed information. The purpose of the appraisal will be to develop an opinion based on the current market value of the fee simple estate of the subject whole property, the part taken, and the remainder properties. In valuing the subject property, we consider all three approaches typically used: Cost Approach, Income Approach, and Sales Comparison Approach. After valuing the property via the individual approaches, an interpretation of the data in the applicable approaches to value is then made with the appraiser examining the spread among the approaches utilized. The appraiser must always consider the relative dependability and applicability of each approach in reconciling the value indications into a final opinion of value. The final analytical step in the valuation process is the reconciliation of the value indications into a single dollar figure or a range in which the value will most likely fall. In addition, we will consider and determine any damages, if any, to the remainder property and identify any plausible costs-to-cures required; if applicable.

In completing our appraisal, all relevant data pertaining to the project, including Metes & Bounds Descriptions and individual surveys of the proposed part taken for each property, and project development plans are expected to be provided by the project engineer. In addition, we request knowledge and identification of all properties expected to be acquired in fee and those to be acquired as an easement. If available, documentation of those rights retained by the property owner when an easement is acquired is also included in our reports.

We certify that we have no interest, present or proposed, any of the subject properties; that the opinion of values will be reached after investigation, analysis, and study of pertinent data, and that our fee is in no way contingent upon the value reached. The appraisals are made subject to the Contingent and Limiting Conditions, which will be located in the addenda of each report.

A fee to provide each appraisal would be \$2,000 per parcel. The entire project would be completed in approximately three to four weeks from the date all data required to complete the project is received; however, reports would be submitted upon completion during the term of the project. Please sign and return a copy of this letter to acknowledge approval to begin the project along with appropriate mapping for the overall project. Please contact me or Michelle R. Anchondo at (281) 477-7889 should you have any questions.

Very truly yours,



John E. Fox, SRPA
State Certified
TX-1321057-G

Agreed

Date

CC: Mr. Greer Pagan



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/14/2009

PRODUCER (281) 656-3000 FAX: (281) 656-3001
 Carroll Insurance Agency, Ltd.
 Attn: Cathy Mitchell
 14906 FM 529
 Houston TX 77095

INSURED
 Fox & Bubela Inc.
 9977 W. Sam Houston Pkwy N, #160
 Houston, TX 77064

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Travelers Lloyds Ins. Co.	41262
INSURER B: Travelers Casualty & Surety	19038
INSURER C: Underwriters at Lloyd	32727
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	IL-PACP-757H6404-TLC-09	5/31/2008	5/31/2010	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				MED EXP (Any one person) \$ 5,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COM/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY	IL-PACP-757H6404-TLC-09	5/31/2008	5/31/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN EA ACC AGG \$
	GARAGE LIABILITY				
	<input type="checkbox"/> ANY AUTO				EACH OCCURRENCE \$
	EXCESS / UMBRELLA LIABILITY				AGGREGATE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				\$
	DEDUCTIBLE				\$
	RETENTION \$				\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	IACRUB-5616W05-7-09	5/31/2008	5/31/2010	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
					E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	OTHER Professional Liability Insurance	ME06638-2	7/23/2008	7/23/2009	Each Wrongful Act \$1,000,000
	Retro Date: 7/23/03				Policy Aggregate \$1,000,000
					Retention \$25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 All Liability Insurance policies name Ft. Bend County Drainage District as an Additional Insured, and the Workers' Compensation and Liability Insurance policies provide a Waiver of Subrogation in favor of District.

CERTIFICATE HOLDER

kaminskd@co.fort-bend.tx.u
 Ft. Bend County Drainage District
 Attn: Debbie Kaminski
 1004 Blume Road
 Rosenberg, TX 77471

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
 D Carroll, CIC, CRM/M *David A. Carroll*

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.