



Architecture
Interiors
Master Planning

July 8, 2025

Robert Arcement, PMP, AC
LAN
3700 West Sam Houston Parkway South, Suite 400
Houston, TX 77042

**RE: SPELNDORA ISD SUPPORT SERVICES FACILITY
SPLENDORA, TEXAS**

Dear Robert:

We are pleased to present this proposal for the performance of professional Architectural Design, Architecture Interior Design Services, Structural Engineering, and MPE Engineering services as described below. We appreciate your consideration of Alliance Architects.

1.0 PROJECT DESCRIPTION

1.1 This Preliminary scope of work for the project generally consists of a Master Plan for 32 acres. The building footprint is approximately 30,000 square feet, with office space being approximately 3,000 square feet, Freezer space is approximately 1,100 square feet and a Network Operation Center being approximately 500 square feet.

1.2 Below are the proposed consultants for this project:

- A. Structural Engineering – Skagg's Engineering
- B. MPE Engineering – DBR Engineering

2.0 BASIC SERVICES

2.1 Pre-Design

- A. Review available existing pertinent data, in the form of documents including, but not limited to, base maps, aerial photographs, and engineering information and controls.
- B. Meet informally or have discussions with appropriate governmental agencies and officials regarding current land use controls and any other pertinent zoning regulations that affect the project location.
- C. Meet with and/or coordinate work with other designated project consultants and Client representatives.
- D. Planning Factors to be considered:
 - i. Property configuration.

- ii. Access potential.
 - iii. Limitations in the form of easements, zoning controls, and assessment districts.
 - iv. Views, visual characteristics, and scenic factors.
 - v. Utility location, availability, and easements.
- E. Natural Factors to be considered:
 - i. Topography, slopes, and orientation.
 - ii. Soils and geological factors.
 - iii. Hydrology, and drainage patterns.
- F. Meet with Owner's staff, as required, to confirm information pertaining, but not limited, to:
 - i. Existing and projected spaces that may be needed.
 - ii. Existing and projected space allocations.
 - iii. Existing and projected furnishings and equipment.
 - iv. Operating procedures and communication relationships.
 - v. Security and safety criteria information.
 - vi. Long-term expansion strategy formulation.
 - vii. Critical path scheduling for the project including milestone dates for information and decisions.
- G. Develop blocking and adjacency analyses from information provided by the Owner's representative.
- H. Work with the Owner or designated representatives for each area of the planning process and confirm the design intent.

2.2 Schematic Design

- A. Using the confirmed Pre-Design documents, develop and present design concepts in the form of floor plans and building elevations, particularly focusing on service elements and entry areas.
- B. Prepare presentation materials. Materials will include a computer-generated three-dimensional model and colored site plans. Three revisions are included.
- C. Attend up to three Client review meetings and include one revision after each meeting to secure approval.
- D. Submit Schematic Design Documents to the Client for review. Obtain Client approval before proceeding with Design Development.

2.3 Design Development

- A. Architectural Design Development services shall provide more detailed development of the architectural design in terms of the building's size, appearance, and form, and coordination with engineering systems, through drawings of plans, elevations, sections, and certain critical construction details. Major materials selections shall also be developed and presented to the Client.
- B. Attend weekly Client review meetings and make any necessary revisions to the documents based on the discussions during the meetings.
- C. Submit Design Development Documents to the Client for review. Obtain Client approval before proceeding with Construction Documents.

2.4 Construction Documents

- A. Prepare Construction Documents suitable for construction including detailed Specifications describing the material and workmanship required and procedures to be followed for the construction of the project, and Working Drawings to define the scope, relationships, size, and appearance of the project through plans, sections, elevations, notes, dimensions, and schedules.
- B. Coordinate Construction Documents with civil engineering, landscape architecture, structural, mechanical, plumbing, electrical, and fire protection construction requirements.
- C. Submit Construction Documents to the Client and obtain the Client's approval.

2.5 Construction Administration

- A. Review and approve or take other appropriate action upon Contractor's submittals such as shop drawings, product data, and samples, but only for the limited purpose of checking for conformance with the information given and the design concept expressed in the Contract Documents.
- B. Attend weekly project meetings for an estimated duration of (12) months. (1) site visit every 2 weeks is included to observe the progress of construction.
- C. Prepare Architect Supplemental Instructions and Proposal Requests.
- D. Process Applications for Payment by the Contractor.
- E. Respond to change orders notices or claims submissions by the Contractor. Review cost estimates for all revisions submitted by the Contractor. Change order proposals shall be evaluated based on the scope of work and the supporting information submitted by the Contractor. Issue a change order recommendation to the Client for review and approval.
- F. Based on the site visits, notify the Client of any observed deviations from the Contract Documents, known deviations from the most recent construction schedule submitted by the Contractor, or any defects and deficiencies observed in the work.
- G. Schedule, conduct, and oversee the punch list preparation and one follow-up site visit.

3.0 COMPENSATION

Base Building

Architecture	\$95,000.00
Interior Design	\$20,000.00
MEP Engineering	\$125,000.00
Structural Engineering	\$12,000.00
Project Total	\$252,000.00

Alternates if requested:

Alt 1= T-Design	\$25,000.00
Alt 2= Energy Model	\$15,000.00
Alt 3= Mezzanine over office	\$1,500.00
Alt Total	\$41,500.00

Project Total w/ Alt \$293,500.00

- 3.1 Alliance Architects will invoice the Client on a monthly basis for services performed and expenses incurred. All charges will be due and payable within Thirty (30) days following receipt by Client. Unpaid invoices will accrue interest after Forty-five (45) days from the date of the invoice at a rate of one (1%) percent per month.

4.0 REIMBURSABLE EXPENSES

Reimbursable expenses are in addition to the Basic Compensation and are billed at a multiple of one and one-tenth (1.1) times the actual expense. Reimbursable expenses include but are not limited to, expenditures for travel, meals, mileage, TAS reviews and inspections, printing supply costs, postage, and delivery. Reimbursables do not include building permits and fees required by governing authorities.

A. TAS Fee: Based on a \$10,000,000.00 construction estimate:

- Plan Review = \$ 975.00
- Site Review = \$1,025.00
- Total = \$2,000.00

B. Other Estimated expenses: \$5,500.00

5.0 ADDITIONAL SERVICES

- 5.1 Compensation for additional services will be based on an hourly rate, or on an individual fixed fee basis. They shall be provided if authorized or confirmed in writing by the Client, and be paid for as provided in this Agreement, in addition to the compensation for Basic Services. Below is the hourly rate structure for Alliance Architects.

A. Principal	\$ 300.00/hr.
B. Director	\$ 275.00/hr.
C. Associate Director	\$ 265.00/hr.
D. Senior Project Manager	\$ 250.00/hr.
E. Project Manager	\$ 225.00/hr.
F. Project Architect/Designer	\$ 185.00/hr.
G. Project Interior Designer	\$ 165.00/hr.
H. Job Captain	\$ 150.00/hr.
I. Tech Support	\$ 135.00/hr.

J.	Intern	\$ 115.00/hr.
K.	Administrative	\$ 85.00/hr.

5.2 The following services are not included as Basic Services:

- A. Making revisions in drawings, specifications, or other documents after approvals are given or should any revisions become necessary due to changes in the interpretation or opinions of the local building officials that deviate from previously approved submittals and/or reviews.
- B. Providing special surveys, environmental studies, and submissions required for approvals of governmental authorities or others having project jurisdiction.
- C. Preparing a set of reproducible record drawings showing significant changes in the work made during construction based on marked-up prints, drawings, and other data furnished by the Contractor to Alliance Architects.
- D. Preparation of Contract Documents for extensive alternate pricing, re-pricing, or review of more than one price from the contractors, manufacturers, or dealers.
- E. Any other services that may be authorized by the Client are not included in Basic Services.

6.0 TERMINATION

This agreement may be terminated by either party upon ten (10) days' written notice, should either party fail to perform in accordance with the terms set forth herein. In the event of termination, Alliance Architects shall be compensated for all services performed, including for any outstanding reimbursable expenses.

7.0 LIABILITY

AAI's liability under this contract shall be limited to the dollar amount stipulated in this agreement.

8.0 NOTICES AND OTHER PROVISIONS

All notices, demands, approvals, and requests given by either party or to the hereunder shall be in writing and shall be personally delivered or sent electronically to the parties at the following addresses:

If to Client: Attn: Robert Arcement, PMP, AC
Email: rparcement@lan-inc.com

If to Architect: Attn: Carlos A. deSaracho, AIA
Email: carlosd@alliancearch.com

Either party may at any time change its respective address by sending written notice to the other party of the change in the manner hereinabove prescribed. Notices shall be effective once confirmation of receipt is provided. Each party hereto agrees to provide immediate confirmation of receipt of notices.

July 8, 2025

Carlos deSaracho, AIA
Alliance Architects
1600 N. Collins Blvd, Suite 1000
Richardson, TX 75080

**PROJECT: SPLENDORA ISD - WAREHOUSE
SPLENDORA, TX 77372**

DBR Engineering Consultants, Inc. is pleased to submit a fee proposal for Mechanical, Electrical, Plumbing and Technology (MEPT) Engineering Services. DBR's specific scope of services and description of services is set forth in the following documents.

PROJECT DESCRIPTION:

We understand this project to consist of engineering services for a new development on a 32-acre site for Splendor ISD with an estimated budget of \$10,500,00.00. It is understood that the site will include a new single-story 30,000-sf industrial building with 3,000-sf of office space, 1,100-sf of freezer space, and a 500-sf (Tier 1) network operation center. The warehouse will be ventilated with freeze protection, interior warehouse lighting and power for dock levelers while all other spaces will be fully conditioned. The site will include surface parking with EV charging stations, site lighting, and power/data for motorized gates and a monument sign.

SERVICES AND FEE DETAIL:

Fee Type: Fixed Fee Expenses: Included

Service	Fee
MEP Design	\$125,000.00
TOTAL	\$125,000.00
T Design (Alternate)	\$25,000.00
Energy Modelling (Alternate)	\$15,000.00

****Our fee is based on the noted scope above and shall be adjusted accordingly should the overall square footage, budget, or scope be added to the project. All fees shall be negotiated.****

All anticipated expenses are included in the fee stated above. Expenses include, but are not limited to: travel, tolls, mileage, reproduction, and delivery costs.

Should other expenses be required, we will discuss with the Owner prior to incurring the expense. No expenses will be submitted for reimbursement unless prior authorization is provided by the Owner.

ALTERNATES:

The design of all MEPT alternates is considered additional scope. The engineering fee for designing all alternates shall be negotiated after the scope of each alternative is established. For alternates not accepted, the engineering fee shall be paid for all phases through Bid Negotiations.

Accepted by Client:

By (signature):

Print Name:

Title:

Date:

Accepted for DBR Engineering Consultants, Inc.:

By (signature):

Print Name: Kenneth L. Roland, P.E.

Title: Partner

Date: July 8, 2025

When accepted by Client this proposal for Engineering Services and its attachments shall become a binding contract between the parties and shall make it subject to the Scope of Services and Terms and Conditions, which are incorporated by this reference.

DBR is authorized to begin performance upon its receipt of a copy of this Contract signed by Client. If DBR proceeds at the direction of Client and Contract is not signed, or altered within ten (10) business days, then it is agreed that terms of Contract are accepted by Client.

SCOPE OF SERVICES

Only services marked with an "X" are included in the Scope of Services.

Services not marked can be provided as Additional Services if requested. Services not listed are excluded.

Disciplines included in Scope of Services:

(See following sections for specific task)

- ☒ Mechanical
- ☒ Electrical
- ☒ Plumbing
- ☒ Fire Protection
- ☒ Security (alternate)
- ☒ Information Technology (alternate)
- ☒ Audio-Visual (alternate)
- ☐ Acoustical Consultation
- ☐ Commissioning
- ☐ LEED
- ☒ Sustainability (alternate)
- ☐ Building Assessment

Document Submittals:

- ☒ Schematic Design (SD)
- ☒ Design Documents (DD)
- ☒ Construction Documents Review – 50%
- ☒ Construction Documents Review – 90%
- ☒ Issue for Permit & Bid
- ☒ Issue for Construction
- ☐ Design based on prototype
- ☐ Bridging Documents (DD Level)
- ☒ Design Narrative

Specification Format:

- ☐ Sheet Specifications
- ☒ Book Specifications per CSI 2004

Construction Document Phase (Mechanical, Div.23):

- ☒ Duct Layout
- ☒ Piping Layout
- ☒ Final Specification
- ☒ Mechanical Details
- ☒ Mechanical Schedules
- ☒ Mechanical Calculations
- ☒ Control Sequences (Specifications)
- ☒ Control Sequences (Drawings)

Construction Document Phase (Electrical, Div. 26):

- ☒ Power Plans
- ☒ Lighting Plans (Interior)
- ☒ Lighting Plans (Exterior)
- ☒ Panelboard Schedules
- ☒ Load Analysis
- ☒ One Line Diagram
- ☒ Schedules
- ☒ Details
- ☒ Site Power and Lighting
- ☒ Emergency Lighting and Power with Emergency Generator
- ☐ Emergency Lighting and Power with Battery backup

Fire Alarm (Div. 28):

- ☒ Performance specifications only
- ☐ Performance specification with DBR providing Fire Alarm Layout

Fire Sprinkler (Div. 21):

- ☐ Performance specifications only
- ☒ Pump Design with performance specification
- ☐ Pump with Tank and performance specification

Construction Document Phase (Plumbing, Div. 22):

- ☒ Piping Plans
- ☒ Risers
- ☒ Schedules
- ☒ Details
- ☒ Calculations
- ☒ Site Natural Gas
- ☐ Medical Gases
- ☒ Compressed Air

Construction Documents (Technology)

IT Structured Cabling (Div. 27): Alternate

- ☐ Infrastructure only*
- ☒ Full system design and specification

* For systems with infrastructure only services, engineering service includes planning and documenting (via drawings) the field device locations, equipment room or enclosure's size and locations, all underground and interior pathway required, and coordination with other trades on power, cooling and clearance requirements.

IT Network Equipment (Div. 27):

- ☐ Specification and equipment list for network switches, servers
- ☐ Specification and equipment list for Wifi Access Point devices
- ☐ Specification and equipment list for Telephone handsets and PBX equipment

Integrated Audio-Video System (Div. 27): Alternate

- ☐ Infrastructure only
- ☒ Full system design and specification
- ☐ AV spaces included:
- ☐ AV spaces excluded:

DAS System (Div. 27): Alternate

- ☒ Cellular and Emergency Radio DAS (Distributed Antenna system) performance specification
- ☐ Cellular and Emergency Radio DAS Equipment room space planning and coordination

Intercom/PA System (Div. 27): Alternate

- ☐ Infrastructure only
- ☒ Full system design and specification

Master Clock System (Div. 27): Alternate

- ☐ Infrastructure only
- ☒ Full system design and specification

Nurse Call (Div. 27):

- ☐ Infrastructure only
- ☐ Full system design and specification

Security - Intrusion Detection System (Div. 28): Alternate

- ☐ Infrastructure only
- ☒ Full system design and specification

Security - Access control System (Div. 28): Alternate

- ☐ Infrastructure only
- ☒ Full system design and specification

Security - Video Surveillance System (Div. 28): Alternate

- ☐ Infrastructure only
- ☒ Full system design and specification

Coordination Services:

- ☒ Coordinate with 3rd party IT Consultant
- ☒ Coordinate with 3rd party Security Consultant
- ☐ Coordinate with 3rd party Lighting/ID Consultant
- ☒ Coordinate with 3rd party Audio Visual Consultant
- ☒ Coordinate with 3rd party Commissioning Agent
- ☒ Coordinate with 3rd party Refrigeration Consultant
- ☐ Coordinate with 3rd party Theatrical Consultant
- ☐ Coordinate with 3rd party Pool/Spa Consultant
- ☒ Coordinate with 3rd party Acoustical Consultant

Building Commissioning:

- ☐ IECC Commissioning
- ☐ LEED v4 Fundamental Commissioning and Verification
- ☐ LEED v4 Enhanced Commissioning
- ☐ Whole Building Commissioning
- ☐ Retro-Commissioning
- ☐ Re-Commissioning
- ☐ CHPS Commissioning
- ☐ Functional Testing

Bid/Negotiations Phase:

- ☒ Assist with value engineering
- ☒ Respond to request for information (RFI's)
- ☐ Contractor Interviews

Construction Administration Services:

- ☒ Shop Drawing Review
- ☒ Respond to RFI's
- ☒ Site Investigation prior to design
- ☒ General site observations with report
- ☒ Final Punch List
- ☐ Post Construction Site Visit

LEED:

- ☐ Integrate Process Design/Early Energy Modeling
- ☐ Energy Modeling
- ☐ Consulting/Administration
- ☐ MEP Documentation
- ☐ Daylight Simulation
- ☐ Life Cycle Cost Analysis

Sustainability: Alternate

- ☒ Energy Modeling (Local Jurisdiction Compliance)
- ☐ Energy Modeling (Incentive Program/PACE)
- ☐ Energy Star Cost Analysis
- ☐ Life Cycle Cost Analysis
- ☐ Energy Star

Other Services:

- ☐ Bond Study
- ☐ Facility Assessment

Meetings and Travel Time:

- ☒ Perform one (1) initial site visit to meet with utility company.
- ☒ Attend up to (16 @ 1 hour) virtual design coordination meetings
- ☐ Attend zero (0) pre-bid meetings.
- ☐ Attend zero (0) bid opening meetings.
- ☒ Attend up to (12 @ 1 hour) virtual construction meetings.
- ☒ Perform up to four (4) site observation visits with report
- ☒ Perform one (1) punchlist.

Compliance Documentation:

- ☒ ASHRAE 90.1 or IECC Energy Code compliance form completion (prescriptive path only).

BIM:

- ☐ Provides DBR BIM Execution Plan
- ☐ Export and provide clash detection files (.nwc)
- ☒ Perform scheduled in-house clash detections
- ☐ Host in-house BIM coordination meetings
- ☐ N/A

Levels of Development (LOD) PO AIA G 202-2013:

- ☐ LOD: 100
- ☐ LOD: 200
- ☒ LOD: 300
- ☐ LOD: 350
- ☐ N/A

Project Delivery Method:

- ☐ Traditional – Design, Bid, Build
- ☐ Construction Manager at Risk
- ☐ Competitive Sealed Proposals
- ☐ Design Build
- ☐ Design Assist
- ☐ Job Order Contract
- ☐ Negotiated Contract
- ☒ Unknown at this time
- ☐ Not Applicable

Additional Services (Not Included in Fee):

- Value Engineering (after SD).
- Extended Design Schedule (limited to 24 weeks).
- Extended Construction Schedule (limited to 14 months).
- Additional Site Visits.
- Additional Design and Construction Meetings.
- Design Modifications after initial DD submission.
- Project delays.
- Continuing to respond to RFI's that just refer to where the information can be found in documents.
- Insufficient work from contractor.
- More than two (2) shop drawing reviews per product. (Additional reviews will be at the hourly rates listed below +10%.)
- System comparison or evaluation of systems.
- Envelope compliance documentation.
- Storm, Sanitary and Domestic water greater than 5' outside of building.
- Construction Estimating.
- Sub-surface drainage.
- Lightning protection.
- As-Built Drawings.
- Engineering time for design of swimming pools, associated equipment, or water feature fountains.
- LEED or Green Build Design/Documentation.
- The Architect/refrigeration consultant will provide documents to us indicating the location of all equipment and appliances as well as the MEPT rough-in requirements for these. Appliances and equipment are expected to include equipment layouts containing plumbing, mechanical and electrical schedules for MEPT connection and infrastructure.
- Design of commercial kitchen hoods, grease duct systems and grease waste systems.
- Design of septic/leaching and water well systems/tanks.
- More than (2) design/permit packages.

- *Sound and vibration performance verification testing during construction or post-construction.*
- *Smoke control report and/or third-party review.*
- *Smoke CFD, Contam, or similar modelling.*
- *Increased building sizes.*
- *Design of sustainable features and systems (I.E.-solar, turbine, etc.)*
- *Industrial/Manufacturing Equipment MEPT infrastructure design.*
- *HVAC for warehouse space (ventilation only).*
- *Guard shack Design.*
- *Electrical grid and/or substation design.*
- *Design of any Systems within Divisions 27 and 28 (Fire Alarm Specifications will be provided).*
- *Street lighting design and specification.*
- *Design associated with truck/bay wash, garage equipment and liquids systems.*

MEPT DESCRIPTION OF SERVICES AND HOURLY RATES:

1. **Schematic Design stage:** shall include meetings with the Owner and Architect, to determine MEPT system selections, area requirements, and preliminary equipment location.
2. **Design Development stage:** shall include coordination meetings with the Project Architect to optimize on MEPT equipment area requirements, preliminary A/C and electrical calculations and research into any applicable code requirements.
3. **Construction Documents stage:** shall include meetings and the preparation of mechanical, electrical, plumbing and technology drawings and specifications suitable for bid purposes. Also included in this stage is coordination of all MEPT systems in the building with the architectural and structural construction documents.
4. **Bid Negotiations stage:** shall include answering all contractor questions and assisting the Owner in making value engineering recommendations on proposals submitted by the contractors.
5. **Construction Administration stage:** shall include the review of all MEPT shop drawings and responding to RFI's.
6. **On-site Construction Observation stage:** shall include five (5) periodic job site visits, per construction phase, when requested by Architect.

We will be happy to perform additional services or additional observations as required by the Owner/Architect, in writing, for a fee of \$850.00 per visit.

We will provide documentation of all construction job site visits.

TECHNOLOGY: Alternate

1. Design of a scalable Technology systems infrastructure to support building communications, audiovisual, video surveillance, electronic access control and intrusion detection.
 - a. Design per TIA standards compliant copper and fiber optic cabling system to facilitate distribution of all technology systems between service entrance rooms, main telecommunications rooms, floor telecommunications rooms. This consists of the cabling design and space planning in telecommunications rooms for all building services which would include telephone/data connectivity throughout the building and wireless data systems.
 - b. Design an integrated audio-video system for all spaces. The system will feature a video display or display(s) sized appropriately for the specific venue, local sound reinforcement within the space, and integrated control of audiovisual equipment.
 - c. The design of a new electronic access control, intrusion detection and video surveillance systems. The systems design shall include head end control devices and all field devices. The design of video surveillance system will allow the observance of interior and exterior public areas and other areas of interest throughout the facility. The design of the key card access control system will provide controlled access into and out of the facility for the employee staff. The design of the intrusion detection system will provide motion sensors, and/or glass break sensors to monitor building intrusion, and

alarm keypads at strategic locations to alarm or dis-alarm the building. This system will be based upon the owner's program of requirement and needs.

ENERGY MODELLING SERVICES (Alternate): the scope of our services shall include the following tasks:

- a. We will utilize either Trane Trace 700 or eQUEST energy modeling software.
- b. We will develop a baseline energy model and a model of the proposed building in compliance with Appendix G of ASHRAE Standard 90.1-2010.
- c. We will prepare documentation of the energy modeling results to satisfy the requirements.

We will bill monthly according to progress. The breakdown below shows the approximate portion of the fee for each of the proposed services:

a.	MEPT Design	
i.	Schematic Design	15%
ii.	Design Development	20%
iii.	Construction Documents	45%
iv.	Bidding	5%
v.	Construction Administration	<u>15%</u>
		100%
b.	Energy Modeling	
i.	Development of the baseline and proposed energy models:	60% (DD Phase)
ii.	Run additional energy models	<u>40%</u> (CD Phase)
		100%

The hourly billing rates shall be as follows:

Partner	\$300.00/hour	Quality Control	\$175.00/hour
Principal	\$270.00/hour	Commissioning Agent	\$160.00/hour
Practice Area Leader	\$240.00/hour	Assistant Project Manager	\$160.00/hour
Design Director	\$220.00/hour	Engineer in Training II	\$160.00/hour
Director	\$220.00/hour	Construction Administrator	\$150.00/hour
Senior Project Manager	\$220.00/hour	Designer II	\$150.00/hour
Senior Commissioning Agent	\$205.00/hour	Engineer in Training I	\$140.00/hour
Senior Commissioning Engineer	\$200.00/hour	Sustainability Professional	\$140.00/hour
Design Leader	\$190.00/hour	Designer I	\$130.00/hour
Project Manager	\$190.00/hour	Designer Trainee	\$130.00/hour
Senior Engineer	\$190.00/hour	BIM Modeler	\$105.00/hour
Engineer	\$180.00/hour	Business Administrative Assistant	\$100.00/hour
Senior Designer	\$180.00/hour	Construction Clerk I & II	\$100.00/hour
Senior Construction Administrator	\$180.00/hour		

EXECUTION

Any agreement that these terms and conditions are incorporated into, including the exhibits and schedules made a part thereof, constitutes the entire agreement ("Agreement") between DBR and CLIENT, and supersedes and controls over all prior written or oral understandings. Except as set forth in the paragraph titled "Changes" in these terms and conditions, this Agreement may be amended, supplemented or modified only by a written instrument duly executed by the parties.

CHANGES

Subject to DBR's rights to change these terms and conditions, the parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made part of this Agreement. Adjustments in the period of services and in compensation shall be in accordance with applicable paragraphs and sections of this Agreement. Any proposed fees by DBR are estimates to perform the services required to complete the project as DBR understands it to be defined. For those projects involving conceptual or process development services, activities often are not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in the services to be performed, which may alter the scope. DBR will inform CLIENT of such situations so that changes in scope and adjustments to time of performance and compensation can be made as required. If such change, additional services, or suspension of services result in an increase or decrease in the cost of or time required for the performance of the services, an equitable adjustment shall be made and the Agreement modified accordingly.

CONTROLLING AGREEMENT

These terms and conditions shall take precedence over any inconsistent or contradictory provisions contained in any agreement, proposal, contract, purchase order, requisition, notice-to-proceed, or like document.

INVOICES

DBR will submit invoices monthly or more frequently as appropriate for services rendered and CLIENT will make prompt payments upon receipt of DBR's invoices. Labor expense will be charged in accordance with proposed rates and terms. Material and sub-consultant expenses will be marked up 10% to cover administrative and insurance costs.

When CLIENT is the Architect, CLIENT shall make payment immediately (within 7 days) after receiving payment from owner.

CLIENT shall make prompt payment to DBR when DBR is prime consultant.

DBR will retain receipts for reimbursable expenses in general accordance with the Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by CLIENT's auditors upon request.

If CLIENT disputes any items in DBR's invoices for any reason, including the lack of supporting documentation, CLIENT may temporarily delete the disputed item and pay the remaining amount of the invoice. CLIENT will promptly notify DBR of the dispute and request clarification and/or correction. After any dispute has been settled, DBR will include the disputed item on a subsequent, regularly scheduled invoice, or on a special invoice for the disputed item only.

CLIENT recognizes that late payment of invoices results in extra expenses for DBR. DBR retains the right to assess CLIENT interest at the rate of one percent (1%) per month, but not to exceed the maximum rate allowed by law, on invoices which are not paid within forty-five (45) days from the date of the invoice. In the event undisputed portions of DBR's invoices are not paid when due, DBR also reserves the right, after seven (7) days prior written notice, to suspend the performance of its services under this Agreement until all past due amounts have been paid in full.

STANDARD OF CARE

The standard of care for all professional engineering, consulting and related services performed or furnished by DBR under this Agreement will be the care and skill ordinarily used by members of DBR's profession practicing under the same or similar circumstances at the same time and in the same locality. DBR makes no warranties, expressed or implied, under this Agreement or otherwise, in conjunction with DBR's services.

OPINIONS OF PROBABLE COST (COST ESTIMATES)

We are not professional cost estimators. We will provide our opinion on costs but shall not be held liable for our cost estimates. If the project is redesigned due to budget, DBR shall be compensated for the additional man-hours in meetings and re-designing. Any opinions or estimates of probable project cost or probable construction cost provided by DBR are made based upon information available to DBR and DBR's experience and qualifications. Such estimates or opinions represent DBR's judgment as an experienced and qualified professional engineer. However, since DBR has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' means and methods of determining prices, or over competitive bidding or market conditions, DBR does not guarantee that proposals, bids or actual project or construction cost will not vary from any opinions of probable cost prepared by DBR.

CONSTRUCTION PROCEDURES

DBR's observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing the work in accordance with applicable contract documents. DBR shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions contained with the work and shall not manage, supervise, control or have charge of construction. Further, DBR shall not be responsible for the acts or omissions of the contractor or other parties on the project.

CONTROLLING LAW

This Agreement is to be governed by the laws of the State of Texas.

CERTIFICATE OF MERIT

The CLIENT or any entity relying on this agreement shall make no claim for professional negligence, either directly or by way of a cross complaint against any employee of DBR unless the CLIENT has first provided this company with a written certification executed by an independent consultant currently practicing in the same discipline as the work performed and licensed in the state which work was performed. This certification shall: a) contain the name and license number of the certifier; b) specify the acts or omissions that the certifier contends are not in conformance with the standard of care for the engineer performing professional services under similar circumstances; and c) state in detail the basis for the certifier's opinion that such acts or omissions do not conform to the standard of care. This certificate shall be provided to this office not less than thirty (30) calendar days prior to the presentation of any claim or the institution of any arbitration or judicial proceeding. This Certificate of Merit clause will take precedence over any existing state law in force at the time of the claim or demand for arbitration. Any breach of these terms is subject to civil action by DBR against the CLIENT.

SERVICES AND INFORMATION

CLIENT will provide all criteria and information pertaining to CLIENT's requirements for the project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations. CLIENT will also provide copies of any CLIENT-furnished Standard Details, Standard Specifications, or Standard Bidding Documents which are to be incorporated into the project.

CLIENT will furnish the services of other consultants that include reports and appropriate professional recommendations when such services are deemed necessary by DBR. The CLIENT agrees to bear full responsibility for the technical accuracy and content of CLIENT-furnished documents and services.

In performing professional engineering and related services hereunder, it is understood by CLIENT that DBR is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. Further, it is the CLIENT's sole responsibility to obtain the advices of an attorney, insurance counselor or accountant to protect the CLIENT's legal and financial interests. To that end, the CLIENT agrees that CLIENT or the CLIENT's representative will examine all studies, reports, sketches, drawings, specifications, proposals and other documents, opinions or advice prepared or provided by DBR, and will obtain the advice of an attorney, insurance counselor or other consultant as the CLIENT deems necessary to protect the CLIENT's interests before CLIENT takes action or forebears to take action based upon or relying upon the services provided by DBR.

SUCCESSORS AND ASSIGNS

CLIENT and DBR, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the covenants of this Agreement. Neither CLIENT nor DBR will assign, sublet or transfer any interest in this Agreement without the written consent of the other.

TERMINATION OF AGREEMENT

CLIENT or DBR may terminate the Agreement, in whole or in part, by giving seven (7) days written notice, if the other party substantially fails to fulfill its obligations under the Agreement through no fault of the terminating party. Where the method of payment is "lump sum", or cost reimbursement, the final invoice will include all services and expenses associated with the project up to the effective date of termination. An equitable adjustment shall also be made to provide for termination settlement costs DBR incurs as a result of commitments that had become firm before termination, and for reasonable profit for services performed.

Termination of this Agreement does not prevent any later dispute from being covered under the terms of this Agreement. DBR does not waive any rights under this Agreement if DBR chooses to terminate this Agreement.

HAZARDOUS MATERIALS

CLIENT represents to DBR that, to the best of its knowledge, no hazardous materials are present at the project site. However, in the event hazardous materials are known to be present, CLIENT represents that to the best of its knowledge it has disclosed to DBR the existence of all such hazardous materials, including but not limited to asbestos, PCB's, petroleum, hazardous waste, or radioactive material located at or near the project site, including type, quantity and location of such hazardous materials. In the event DBR or any other party encounters undisclosed hazardous materials, DBR shall have the obligation to notify CLIENT and, to the extent required by law or regulation, the appropriate government officials, and DBR may, at its option and without liability for consequential or any other damages to CLIENT, suspend performance of services on that portion of the project affected by hazardous materials until CLIENT: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the hazardous materials; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations. CLIENT acknowledges that DBR is performing professional services for CLIENT and that DBR is not and shall not be required to become and "arranger," "operator," "generator," or "transporter" of hazardous materials, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the project site in connection with DBR's services under this Agreement. If DBR's services hereunder cannot be performed because of the existence of hazardous materials, DBR shall be entitled to terminate this Agreement for cause on 30 days' written notice. To the fullest extent permitted by law, CLIENT shall indemnify and hold harmless DBR, its officers, directors, partners, employees, and sub consultants from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, CLIENTs, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from hazardous

materials, provided that (i) any such cost, loss or damage is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate CLIENT to indemnify any individual or entity from and against the consequences of that individual's or entity's sole negligence or willful misconduct.

LIMITATION OF LIABILITY

DBR's total liability to CLIENT for any loss or damage, including but not limited to special and consequential damages arising out of or in conjunction with the performance of services or any other cause, including DBR's professional negligent acts, errors, or omissions, shall not exceed the lesser of \$50,000 or the total compensation received by DBR under this Agreement, except as otherwise provided under this Agreement. CLIENT hereby releases and holds harmless DBR from any liability above such amount.

VALUE ENGINEERING AND SUBSTITUTIONS

For any modifications required for substitutions and / or value engineering, DBR shall be compensated according to DBR's additional services under this Agreement. Value Engineering or substitutions for all document revisions must be submitted in a timely manner as to not cause project delay. If CLIENT accepts a change not recommended by DBR in writing, the CLIENT agrees to indemnify, defend, and hold DBR harmless from all claims damage, liability, or cost which arise in connection with, or as a result of, the incorporation of such changes accepted by CLIENT.

BETTERMENT

For documents produced by DBR that have any component or required item left out of the construction documents in error, DBR's liability shall be limited to the cost difference between (i) the cost of adding the item at the time of discovery of the omission; and (ii) the cost of the item had the item been included in the construction documents. In NO case shall DBR be responsible for the expense of the betterment, upgrade or enhancement of the project. DBR shall revise as necessary all documents requiring modification due to error or missing components.

LEED CERTIFICATION

DBR will make a reasonable effort to achieve LEED certification where specified but cannot guarantee LEED Certification or actual performance of the building systems. LEED certification requires input and effort from client, contractor, architect and other sub-consultants that are not parties of this contract and over whom DBR has no control.

ENERGY MODELING

The estimate of cost and energy savings represents DBR's professional opinion. DBR does not guarantee the actual cost or savings as too many factors outside of DBR's control can modify the predicted cost and savings.

DISTRIBUTION OF DOCUMENTS

DBR makes no representation as to the compatibility of any

CAD / Revit files with any hardware or software.

Since the information set forth on the CAD / Revit files can be modified unintentionally or otherwise, DBR reserves the right to remove all indicia of its ownership and / or involvement from each electronic display.

All information on the CAD / Revit files are considered instruments of service of DBR and shall not be used for other projects, or completion of this project by others. CAD / Revit files shall remain the property of DBR and in no case shall the transfer of these files be considered a transfer or a sale.

DBR makes no representation regarding the accuracy, completeness or permanence of CAD / Revit files, nor for their merchantability or fitness for a particular purpose. Addenda information or revisions made after the date indicated on the CAD / Revit files may not have been incorporated. In the event of a conflict between DBR's sealed contract drawings and CAD / Revit files, the sealed contract drawings shall govern. It is the Contractor / Proposer's responsibility to determine if any conflicts exist. The CAD / Revit files shall not be considered to be Contract Documents as defined by any project general conditions.

The use of CAD / Revit files prepared by DBR shall not in any way obviate the Contractor / Proposer's responsibility for the proper checking and coordination of dimensions, details, and quantities of materials as required to facilitate complete and accurate fabrication and erection.

INDEMNITY

DBR shall indemnify and hold the CLIENT and the CLIENT's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of DBR, its employees and its consultants in the performance of professional services under this Agreement.

CLIENT shall indemnify and hold DBR and the DBR's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the CLIENT, its employees and its consultants in the performance of professional services under this Agreement, or any other agreement.

DBR shall not be responsible for the acts or omissions of the CLIENT, CLIENT's other consultants, any contractor, subcontractor, their agents or employees, or other persons performing work on any project covered by this Agreement.

NO THIRD-PARTY BENEFICIARY

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against DBR.

SEVERABILITY

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall be valid and

binding upon the parties. One or more waivers by either party of any provision, term of condition shall not be construed by the other party as a waiver of any subsequent breach of the same provision, term or condition.

DISPUTE RESOLUTION

Any entity, including any non-party relying on this agreement, claiming any claim, dispute, or other matter which arises out of or relates to this Agreement, shall provide 30-days' written notice as a condition precedent.

Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent. If the parties fail to resolve the claim, dispute or matter in question through mediation, the method of binding dispute resolution shall be the following:

The parties agree to enter into the following arbitration agreement below with the intention for this agreement to be a broad form agreement designed to encompass all possible disputes:

- (1) Rules. The arbitration shall be conducted in accordance with the following arbitration rules (as then in effect) (the "Rules"): Rules of the American Arbitration Association in accordance with its Construction Industry Arbitration Rules.
- (2) Number of Arbitrators. The arbitration shall be conducted by three arbitrators unless all parties to the dispute agree to a sole arbitrator within (30) days after filing of the arbitration. For greater certainty, for purposes of this section titled "Dispute Resolution", the filing of the arbitration means the date on which the claimant's request for arbitration is received by the other parties to the dispute.
- (3) Method of Appoint for Sole Arbitrator. If the arbitration is to be conducted by a sole arbitrator, then the arbitrator will be jointly selected by the parties to the dispute. If the parties to the dispute fail to agree on the arbitrator within thirty (30) days after the filing of the arbitration, then AAA shall appoint the arbitrator.
- (4) Method of Appointment for Two Parties. If the arbitration is to be conducted by three arbitrators and there are only two parties to the dispute then each party to the dispute shall appoint one arbitrator within thirty (30) days of the filing of the arbitration, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) days after the latter of the two arbitrators has been appointed by the parties to the dispute. If a party to the dispute fails to appoint its party-appointed arbitrator or if the two party-appointed arbitrators cannot reach an agreement on the presiding arbitrator within the applicable time, then AAA shall appoint the remainder of the three arbitrators not yet appointed.
- (5) Method of Appointment for More than Two Parties. If the arbitration is to be conducted by three arbitrators and there are more than two parties to the dispute then within thirty (30) days of the filing of the arbitration, all claimants shall jointly appoint one arbitrator and all respondents shall jointly appoint one arbitrator, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) days after the latter of the two arbitrators has been appointed by the parties to the dispute. If either all claimants or all respondents fail to make a joint appointment of an arbitrator or if the party-appointed arbitrators cannot reach an agreement on the presiding arbitrator within the applicable time, then AAA shall appoint the remainder of the three arbitrators not yet appointed.
- (6) Consolidation. If the parties initiate multiple arbitration proceedings, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then all such proceedings may be consolidated into a single arbitral proceeding.
- (7) Place of Arbitration. The place of arbitration shall be Houston, Texas.
- (8) Entry of Judgment. The award of the arbitral tribunal shall be final and binding. Judgment on the award of the arbitral tribunal may be entered and enforced by any court of competent jurisdiction.
- (9) Qualifications and Conduct of the Arbitrators. All arbitrators shall be and remain at all times wholly impartial, and, once appointed, no arbitrator shall have any *ex parte* communications with any of the parties to the dispute concerning the arbitration or the underlying dispute other than communications directly concerning the selection of the presiding arbitrator, where applicable.
- (10) Costs and Attorneys' Fees. The arbitral tribunal is authorized to award costs and attorneys' fees and to allocate them between the parties to the dispute. The costs of the arbitration proceedings, including attorneys' fees, shall be borne in the manner determined by the arbitral tribunal.
- (11) Interest. The award shall include interest, as determined by the arbitral award, from the date of any default or other breach of this Agreement until the arbitral award is paid in full.
- (12) Exemplary Damages. The parties waive their rights to claim or recover, and the arbitral tribunal shall not award, any punitive, consequential, multiple, or other exemplary damages (whether statutory or common law).
- (13) Non-Appealance. The arbitration shall proceed in the absence of a party who, after due notice, fails to answer or appear. An award shall not be made solely on the default of a party, but the arbitrator(s) shall require the party who is present to submit such evidence as the arbitrator(s) may determine is reasonably required to make an award.